

1 XAVIER BECERRA  
Attorney General of California  
2 JANICE K. LACHMAN  
Supervising Deputy Attorney General  
3 JEFFREY M. PHILLIPS  
Deputy Attorney General  
4 State Bar No. 154990  
1300 I Street, Suite 125  
5 P.O. Box 944255  
Sacramento, CA 94244-2550  
6 Telephone: (916) 324-6292  
Facsimile: (916) 327-8643  
7 *Attorneys for Complainant*

8 **BEFORE THE**  
9 **BOARD OF PHARMACY**  
10 **DEPARTMENT OF CONSUMER AFFAIRS**  
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. 5953

13 **LIM'S FAMILY PHARMACY, INC.,**  
14 **dba LIM'S FAMILY PHARMACY**  
15 **RONALD T. LIM,**  
16 **aka RONALD TED LIM,**  
17 **CEO, PRES., SECTY, TREAS. &**  
18 **PHARMACIST-IN-CHARGE**  
19 **1035 Placer Street, Suite 110**  
20 **Redding, California 96001**

**ACCUSATION**

21 **Pharmacy Permit No. PHY 45418**

22 **and**

23 **RONALD TED LIM**  
24 **2124 Waldon Street**  
25 **Redding, California 96001**

26 **Pharmacist License No. RPH 27738**

27 Respondents.

28 Complainant alleges:

**PARTIES**

1. Virginia Herold ("Complainant") brings this Accusation solely in her official capacity as the Executive Officer of the Board of Pharmacy ("Board"), Department of Consumer Affairs.

2. On or about August 9, 2001, the Board issued Pharmacy Permit Number PHY 45418 to Ronald T. Lim, also known as Ronald Ted Lim ("Respondent Lim"), owner and pharmacist-in-

1 charge ("PIC") of Lim's Family Pharmacy. On or about March 8, 2005, the pharmacy permit was  
2 reissued to Lim's Family Pharmacy, Inc., doing business as Lim's Family Pharmacy  
3 ("Respondent Lim's Family Pharmacy), with Respondent Lim as chief executive officer,  
4 president, secretary, treasurer and PIC. On or about February 27, 2006, Jeff Gerhardson became  
5 the PIC. On or about March 10, 2010, Respondent Lim replaced Jeff Gerhardson as the PIC. The  
6 pharmacy permit was in full force and effect at all times relevant to the charges brought herein  
7 and will expire on August 1, 2017, unless renewed.

8 3. On or about May 23, 1972, the Board issued Pharmacist License Number RPH 27738  
9 to Respondent Lim. The pharmacist license was in full force and effect at all times relevant to the  
10 charges brought herein and will expire on August 31, 2017, unless renewed.

### 11 JURISDICTION

12 4. This Accusation is brought before the Board under the authority of the following  
13 laws. All section references are to the Business and Professions Code ("Code") unless otherwise  
14 indicated.

15 5. Code section 4300 states, in pertinent part:

16 (a) Every license issued may be suspended or revoked.

17 (b) The board shall discipline the holder of any license issued by the  
18 board, whose default has been entered or whose case has been heard by the board and  
found guilty, by any of the following methods:

19 (1) Suspending judgment.

20 (2) Placing him or her upon probation.

21 (3) Suspending his or her right to practice for a period not exceeding one  
22 year.

23 (4) Revoking his or her license.

24 (5) Taking any other action in relation to disciplining him or her as the  
board in its discretion may deem proper . . .

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6. Code section 4300.1 states:

The expiration, cancellation, forfeiture, or suspension of a board-issued license by operation of law or by order or decision of the board or a court of law, the placement of a license on a retired status, or the voluntary surrender of a license by a licensee shall not deprive the board of jurisdiction to commence or proceed with any investigation of, or action or disciplinary proceeding against, the licensee or to render a decision suspending or revoking the license.

**STATUTORY AND REGULATORY PROVISIONS**

7. Code section 4301 states, in pertinent part:

The board shall take action against any holder of a license who is guilty of unprofessional conduct . . . Unprofessional conduct shall include, but is not limited to, any of the following:

....

(j) The violation of any of the statutes of this state, or any other state, or of the United States regulating controlled substances and dangerous drugs.

....

(o) Violating or attempting to violate, directly or indirectly, or assisting in or abetting the violation of or conspiring to violate any provision or term of this chapter or of the applicable federal and state laws and regulations governing pharmacy, including regulations established by the board or by any other state or federal regulatory agency . . .

8. Code section 4063 states:

No prescription for any dangerous drug or dangerous device may be refilled except upon authorization of the prescriber. The authorization may be given orally or at the time of giving the original prescription. No prescription for any dangerous drug that is a controlled substance may be designated refillable as needed.

9. Code section 4081 states, in pertinent part:

(a) All records of manufacture and of sale, acquisition, or disposition of dangerous drugs or dangerous devices shall be at all times during business hours open to inspection by authorized officers of the law, and shall be preserved for at least three years from the date of making. A current inventory shall be kept by every manufacturer, wholesaler, pharmacy, veterinary food-animal drug retailer, physician, dentist, podiatrist, veterinarian, laboratory, clinic, hospital, institution, or establishment holding a currently valid and unrevoked certificate, license, permit, registration, or exemption under Division 2 (commencing with Section 1200) of the Health and Safety Code or under Part 4 (commencing with Section 16000) of Division 9 of the Welfare and Institutions Code who maintains a stock of dangerous drugs or dangerous devices.

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1 (b) The owner, officer, and partner of any pharmacy, wholesaler, or  
2 veterinary food-animal drug retailer shall be jointly responsible, with the  
3 pharmacist-in-charge or representative-in-charge, for maintaining the records and  
4 inventory described in this section . . .

5 10. Code section 4113, subdivision (c), states that "[t]he pharmacist-in-charge shall be  
6 responsible for a pharmacy's compliance with all state and federal laws and regulations pertaining  
7 to the practice of pharmacy.

8 11. Title 16, California Code of Regulations ("CCR"), section 1716 states:

9 Pharmacists shall not deviate from the requirements of a prescription  
10 except upon the prior consent of the prescriber or to select the drug product in  
11 accordance with Section 4073 of the Business and Professions Code.

12 Nothing in this regulation is intended to prohibit a pharmacist from  
13 exercising commonly-accepted pharmaceutical practice in the compounding or  
14 dispensing of a prescription.

15 12. Title 16, CCR, section 1718 states, in pertinent part:

16 "Current Inventory" as used in Sections 4081 and 4332 of the Business  
17 and Professions Code shall be considered to include complete accountability for all  
18 dangerous drugs handled by every licensee enumerated in Sections 4081 and 4332 . . .

19 13. Section 4307(a) of the Code states that:

20 Any person who has been denied a license or whose license has been revoked  
21 or is under suspension, or who has failed to renew his or her license while it was  
22 under suspension, or who has been a manager, administrator, owner member, officer,  
23 director, associate, partner, or any other person with management or control of any  
24 partnership, corporation, firm, or association whose application for a license has been  
25 denied or revoked, is under suspension or has been placed on probation, and while  
26 acting as the manger, administrator, owner, member, officer, director, associate,  
27 partner, or any other person with management or control had knowledge or  
28 knowingly participated in any conduct for which the license was denied, revoked,  
suspended, or placed on probation, shall be prohibited from serving as a manger,  
administrator, owner, member, officer, director, associate, partner, or any other  
person with management or control of a licensee as follows:

(1) Where a probationary license is issued or where an existing license is placed  
on probation, this prohibition shall remain in effect for a period not to exceed five  
years.

(2) Where the license is denied or revoked, the prohibition shall continue until  
the license is issued or reinstated.

#### COST RECOVERY

14. Code section 125.3 provides, in pertinent part, that a Board may request the  
administrative law judge to direct a licentiate found to have committed a violation or violations of  
the licensing act to pay a sum not to exceed the reasonable costs of the investigation and

1 enforcement of the case.

2 **DRUG CLASSIFICATIONS**

3 15. Hydrocodone/acetaminophen 10/325 mg (“HC/APAP 10/325 mg”) was previously  
4 designated as a Schedule III controlled substance pursuant to Health and Safety Code section  
5 11056, subdivision (e). HC/APAP 10/325 mg was reclassified as a Schedule II controlled  
6 substance pursuant to Title 21, Code of Federal Regulations (“CFR”), section 1308.12,  
7 subdivision (b)(1)(vi), effective October 6, 2014. HC/APAP 10/325 mg is also a dangerous drug  
8 pursuant to Code section 4022.

9 16. Lorazepam is a Schedule IV controlled substance pursuant to Health and Safety Code  
10 section 11057, subdivision (d)(16). Lorazepam is also a dangerous drug pursuant to Code section  
11 4022.

12 17. Alprazolam is a Schedule IV controlled substance pursuant to Health and Safety Code  
13 section 11057, subdivision (d)(1). Alprazolam is also a dangerous drug pursuant to Code section  
14 4022.

15 **FACTUAL ALLEGATIONS**

16 18. On or about December 4, 2015, a Board Inspector went to Lim’s Family Pharmacy to  
17 conduct a routine inspection and review the pharmacy’s dispensing practices. Respondent Lim  
18 (“PIC Lim”) was present during the inspection. The inspector asked to review PIC Lim’s  
19 perpetual inventory and Schedule II controlled medications in the safe where they were stored.  
20 When PIC Lim opened the safe, it was not locked. PIC Lim claimed the DEA (Drug  
21 Enforcement Administration) informed him that he did not need to keep the safe locked during  
22 business hours as the pharmacy technicians would not be able to access the drugs to fill  
23 prescriptions. Later, the inspector discovered that PIC Lim had two other locked cabinets full of  
24 Schedule II controlled medications. PIC Lim told the inspector that they were his overstock of  
25 medications. One cabinet contained mostly Attention Deficit Disorder medications and the other  
26 cabinet contained all HC/APAP products. The overstock of HC/APAP products was not counted  
27 in the perpetual inventory according to PIC Lim. PIC Lim had a biennial controlled inventory,  
28 but there was no other accountability for the HC/APAP in the locked cabinet.

1           19. Before the inspection, the inspector reviewed CURES information for the pharmacy  
2 that she had obtained on or about January 30, 2015. The inspector noticed that there were several  
3 patients who received prescriptions for controlled substances from the pharmacy and had the  
4 prescriptions filled more than 6 times or more than a total of a 120 day supply allowed by law.  
5 The inspector printed the prescription information for each patient.

6           20. On or about December 8, 2015, the inspector sent an email to PIC Lim requesting  
7 certain documentation, including the biennial controlled substance inventories for June 14, 2013  
8 and November 4, 2015, a dispensing report from June 14, 2013 to November 4, 2015, a list of  
9 wholesalers the pharmacy used to purchase controlled substances, and hardcopy prescriptions for  
10 several patients.

11           21. On or about December 24, 2015, the inspector received the above information from  
12 PIC Lim, including two biennial controlled inventories dated the close of business on June 14,  
13 2013 and November 4, 2015, a list of the pharmacies' wholesalers, The Harvard Drug Group  
14 ("Harvard"; Harvard was later bought by Cardinal Health), Cardinal Health ("Cardinal"), and  
15 Auburn Pharmaceutical ("Auburn"), copies of hardcopy prescriptions, transaction screens for  
16 controlled substances filled more than 6 times, and a thumb drive containing the dispensing report  
17 for HC/APAP 10/325 mg and lorazepam 1 mg. The inspector reviewed the transaction screens  
18 and compared them to CURES information the inspector printed for each prescription. The  
19 inspector found a prescription for M. M. that was prescribed for alprazolam 0.5 mg with 3 refills  
20 (this meant the prescription could be filled a total of 4 times). According to the transaction  
21 screen, the prescription was filled 5 times (on March 6, 2015, April 4, 2015, May 15, 2015, June  
22 13, 2015 and July 13, 2015). There was no notation on the hardcopy or transaction screen  
23 indicating that the prescription was approved for an additional refill.

24           22. On or about January 4, 2016, the inspector sent Harvard, Cardinal and Auburn letters  
25 requesting all acquisition records for all Schedule II to Schedule V controlled substances  
26 purchased by Lim's Family Pharmacy from June 15, 2013 through November 4, 2015. The  
27 inspector received the information on and between January 7, 2016 and March 4, 2016.

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1 23. The inspector performed an audit of Lim’s Family Pharmacy for HC/APAP 10/325  
2 mg and lorazepam 1 mg for the time period from June 15, 2013 through November 4, 2015. The  
3 inspector found that the pharmacy had a shortage or loss of approximately 14,635 tablets of  
4 HC/APAP 10/325 mg and 1,074 tablets of lorazepam 1 mg.

5 **FIRST CAUSE FOR DISCIPLINE**

6 **(Unauthorized Prescription Refill)**

7 24. Respondent Lim’s Family Pharmacy is subject to disciplinary action for  
8 unprofessional conduct pursuant to Code section 4301, subdivision (o), in that Respondent  
9 violated or attempted to violate, directly or indirectly, assisted in or abetted the violation of, or  
10 conspired to violate state laws and regulations governing pharmacy, specifically, Code section  
11 4063 and Title 16, CCR, section 1716, as follows: Respondent dispensed an additional refill of  
12 90 tablets of alprazolam 0.5 mg to M. M. without authorization from the prescriber, as set forth in  
13 paragraph 20 above.

14 **SECOND CAUSE FOR DISCIPLINE**

15 **(Failure to Maintain a Current Inventory of All Dangerous Drugs)**

16 25. Respondent Lim’s Family Pharmacy is subject to disciplinary action for  
17 unprofessional conduct pursuant to Code section 4301, subdivisions (j) and (o), in that  
18 Respondent violated or attempted to violate, directly or indirectly, assisted in or abetted the  
19 violation of, or conspired to violate state laws and regulations governing pharmacy, specifically,  
20 Code section 4081, subdivision (a), and Title 16, CCR, section 1718, as follows: On and between  
21 June 15, 2013 and November 4, 2015, Respondent failed to maintain an accurate or current  
22 inventory of all dangerous drugs in the pharmacy, resulting in a loss of approximately 14,635  
23 tablets of HC/APAP 10/325 mg and 1,074 tablets of lorazepam 1 mg.

24 **THIRD CAUSE FOR DISCIPLINE**

25 **(Unauthorized Prescription Refill)**

26 26. Respondent Lim is subject to disciplinary action for unprofessional conduct pursuant  
27 to Code section 4301, subdivision (o), in that Respondent violated or attempted to violate, directly  
28 or indirectly, assisted in or abetted the violation of, or conspired to violate state laws and

1 regulations governing pharmacy, specifically, Code section 4063 and Title 16, CCR, section  
2 1716, as follows: Respondent dispensed an additional refill of 90 tablets of alprazolam 0.5 mg to  
3 M. M. without authorization from the prescriber, as set forth in paragraph 20 above.

4 **FOURTH CAUSE FOR DISCIPLINE**

5 **(Failure to Maintain a Current Inventory of All Dangerous Drugs)**

6 27. Respondent Lim is subject to disciplinary action for unprofessional conduct pursuant  
7 to Code section 4301, subdivisions (j) and (o), in that Respondent violated or attempted to violate,  
8 directly or indirectly, assisted in or abetted the violation of, or conspired to violate state laws and  
9 regulations governing pharmacy, specifically, Code section 4081, subdivision (a), and Title 16,  
10 CCR, section 1718, as follows: On and between June 15, 2013 and November 4, 2015,  
11 Respondent failed to maintain an accurate or current inventory of all dangerous drugs in the  
12 pharmacy, resulting in a loss of approximately 14,635 tablets of HC/APAP 10/325 mg and 1,074  
13 tablets of lorazepam 1 mg.

14 **MATTERS IN AGGRAVATION**

15 28. To determine the degree of discipline to be assessed against Respondents Lim's  
16 Family Pharmacy and Lim, if any, Complainant alleges as follows:

17 **Lim's Family Pharmacy**

18 a. On or about January 9, 2014, the Board issued Citation and Fine No. CI 2012 56933  
19 against Respondent for violating Title 16, CCR, sections 1707.2, subdivision (b)(1)(A) (pharmacy  
20 screening for consultations; pharmacy employee asked a patient if they would like to speak with a  
21 pharmacist), and 1714, subdivision (b) (storage of medications in a refrigerator registering below  
22 normal temperature); Title 21, CFR, section 1301.75, subdivision (b) (failure to store all Schedule  
23 II controlled substances in a securely locked, substantially constructed cabinet), and Code section  
24 4342, subdivision (a) (27 expired medications stored on stock medication shelves). The Board  
25 ordered Respondent to pay fines totaling \$5,000 by February 8, 2014. Respondent has paid the  
26 fine in full.

27 b. On or about November 14, 2014, the Board issued Citation and Fine No. CI 2013  
28 58015 against Respondent for violating Title 16, CCR, section 1714, subdivision (b), in



1 conjunction with Title 21, CFR, section 1301.75, subdivision (b) (failure to lock the safe and  
2 cabinets containing controlled substances, allowing a pharmacy technician to possess keys to the  
3 controlled substance cabinets, allowing a maintenance man to possess a key to the pharmacy, and  
4 knowingly employing a clerk, who had a prior felony conviction for theft of controlled substances  
5 and whose pharmacy technician registration was revoked by the Board); Code section 4115,  
6 subdivision (e) (clerk allowed to perform pharmacy technician duties without a license); Title 16,  
7 CCR, section 1717, subdivision (e) (controlled substance prescriptions for a consumer  
8 transferred, for refill purposes, from Rite Aid to Lim's Family Pharmacy by fax rather than by  
9 direct communication between two licensed pharmacists); and Title 16, CCR, section 1707.5,  
10 subdivision (d) (failure to train staff to provide interpretive services as outlined in the pharmacy's  
11 interpretive services policies and procedures, and failure to place interpretive services poster in a  
12 conspicuous place for consumers). The Board ordered Respondent to pay fines totaling \$5,000  
13 by December 14, 2014. Respondent has paid the fine in full.

14 **Ronald T. Lim aka Ronald Ted Lim**

15 c. On or about January 9, 2014, the Board issued Citation and Fine No. CI 2013 59135  
16 against Respondent for violating Title 16, CCR, sections 1707.2, subdivision (b)(1)(A) (pharmacy  
17 screening for consultations; pharmacy employee asked a patient if they would like to speak with a  
18 pharmacist), and 1714, subdivision (b) (storage of medications in a refrigerator registering below  
19 normal temperature); Title 21, CFR, section 1301.75, subdivision (b) (failure to store all Schedule  
20 II controlled substances in a securely locked, substantially constructed cabinet), and Code section  
21 4342, subdivision (a) (27 expired medications stored on stock medication shelves). The Board  
22 ordered Respondent to pay fines totaling \$4,000 by February 8, 2014. Respondent has paid the  
23 fine in full.

24 d. On or about November 14, 2014, the Board issued Citation and Fine No. CI 2014  
25 63259 against Respondent for violating Title 16, CCR, section 1714, subdivision (b), in  
26 conjunction with Title 21, CFR, section 1301.75, subdivision (b) (failure to lock the safe and  
27 cabinets containing controlled substances, allowing a pharmacy technician to possess keys to the  
28 controlled substance cabinets, allowing a maintenance man to possess a key to the pharmacy, and

1 knowingly employing a clerk, who had a prior felony conviction for theft of controlled substances  
2 and whose pharmacy technician registration was revoked by the Board); Code section 4115,  
3 subdivision (e) (clerk allowed to perform pharmacy technician duties without a license); Title 16,  
4 CCR, section 1717, subdivision (e) (controlled substance prescriptions for a consumer  
5 transferred, for refill purposes, from Rite Aid to Lim's Family Pharmacy by fax rather than by  
6 direct communication between two licensed pharmacists); and Title 16, CCR, section 1707.5,  
7 subdivision (d) (failure to train staff to provide interpretive services as outlined in the pharmacy's  
8 interpretive services policies and procedures, and failure to place interpretive services poster in a  
9 conspicuous place for consumers). The Board ordered Respondent to pay fines totaling \$5,000  
10 by December 14, 2014. Respondent has paid the fine in full.

#### 11 OTHER MATTERS

12 29. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number  
13 PHY 45418 issued to Lim's Family Pharmacy, Inc., doing business as Lim's Family Pharmacy,  
14 Lim's Family Pharmacy, Inc. shall be prohibited from serving as a manager, administrator,  
15 owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacy  
16 Permit Number PHY 45418 is placed on probation or until Pharmacy Permit Number PHY  
17 45418 is reinstated if it is revoked.

18 30. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number  
19 PHY 45418 issued to Lim's Family Pharmacy, Inc., doing business as Lim's Family Pharmacy  
20 while Respondent Ronald Ted Lim has been an officer and owner and had knowledge of or  
21 knowingly participated in any conduct for which the licensee was disciplined, Respondent  
22 Ronald Ted Lim shall be prohibited from serving as a manager, administrator, owner, member,  
23 officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number  
24 PHY 45418 is placed on probation or until Pharmacy Permit Number PHY 45418 is reinstated if  
25 it is revoked.

26 31. Pursuant to Code section 4307, if discipline is imposed on Pharmacist License  
27 Number RPH 27738 issued to Respondent Ronald Ted Lim, Respondent Lim shall be prohibited  
28 from serving as a manager, administrator, owner, member, officer, director, associate, or partner

1 of a licensee for five years if Pharmacist License Number RPH 27738 is placed on probation or  
2 until Pharmacist License Number RPH 27738 is reinstated if it is revoked.

3 **PRAYER**

4 **WHEREFORE**, Complainant requests that a hearing be held on the matters herein alleged,  
5 and that following the hearing, the Board of Pharmacy issue a decision:

6 1. Revoking or suspending Pharmacy Permit Number PHY 45418, issued to Lim's  
7 Family Pharmacy, Inc., doing business as Lim's Family Pharmacy;

8 2. Revoking or suspending Pharmacist License Number RPH 27738, issued to Ronald  
9 T. Lim, also known as Ronald Ted Lim;

10 3. Prohibiting Lim's Family Pharmacy, Inc., doing business as Lim's Family Pharmacy  
11 from serving as a manager, administrator, owner, member, officer, director, associate, or partner  
12 of a licensee for five years if Pharmacy Permit Number PHY 45418 is placed on probation or  
13 until Pharmacy Permit Number PHY 45418 is reinstated if Pharmacy Permit Number PHY 45418  
14 is revoked;

15 4. Prohibiting Ronald T. Lim, also known as Ronald Ted Lim from serving as a  
16 manager, administrator, owner, member, officer, director, associate, or partner of a licensee for  
17 five years if Pharmacy Permit Number PHY 27738 is placed on probation or until Pharmacy  
18 Permit Number PHY 27738 is reinstated if Pharmacy Permit Number PHY 27738 is revoked;

19 5. Prohibiting Ronald T. Lim, also known as Ronald Ted Lim from serving as a  
20 manager, administrator, owner, member, officer, director, associate, or partner of a licensee for  
21 five years if Pharmacist License Number RPH 45418 is placed on probation or until Pharmacist  
22 License Number RPH 45418 is reinstated if Pharmacist License Number RPH 45418 is revoked;

23 3. Ordering Lim's Family Pharmacy, Inc., doing business as Lim's Family Pharmacy,  
24 and Ronald T. Lim, also known as Ronald Ted Lim, to pay the Board of Pharmacy the reasonable  
25 costs of the investigation and enforcement of this case, pursuant to Business and Professions  
26 Code section 125.3; and

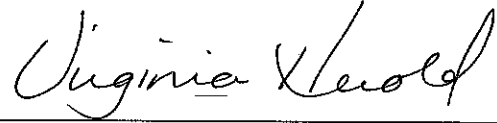
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4. Taking such other and further action as deemed necessary and proper.

DATED: 9/11/17



VIRGINIA HEROLD  
Executive Officer  
Board of Pharmacy  
Department of Consumer Affairs  
State of California  
*Complainant*

SA2016103481