

1 XAVIER BECERRA
Attorney General of California
2 KENT D. HARRIS
Supervising Deputy Attorney General
3 PHILLIP L. ARTHUR
Deputy Attorney General
4 State Bar No. 238339
1300 I Street, Suite 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 210-7866
Facsimile: (916) 327-8643
7 E-mail: Phillip.Arthur@doj.ca.gov
Attorneys for Complainant

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

11 In the Matter of the Accusation Against:

Case No. 6246

12 **COMPLETE PHARMACY SERVICES,**
13 **LLC, ET AL. DBA LOYALTON**
PHARMACY
14 **JON PAUL LETKO, PRESIDENT**
701 Main St.
15 **P.O. Box 36**
Loyalton, CA 96118

FIRST AMENDED ACCUSATION

16 **Original Permit No. PHY 54562**

17 **and**

18 **ELVA PEELER**
19 **P.O. Box 36**
Loyalton, CA 96118

20 **Original Pharmacist License No. RPH 26167**

21 Respondents.

22
23
24 Complainant alleges:

25 **PARTIES**

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

1 2. On or about September 16, 2016, the Board issued Original Permit Number PHY
2 54562 to Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings, LLC, Melchor
3 Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding LLC dba
4 Loyalton Pharmacy (Respondent Loyalton Pharmacy), with Jon Paul Letko as President. Elva
5 Peeler is and has been the Manager and Pharmacist-in-Charge at Respondent Loyalton since
6 September 16, 2016. The Original Permit was in full force and effect at all times relevant to the
7 charges brought herein and will expire on September 1, 2018, unless renewed.

8 3. On or about July 15, 1969, the Board issued Original Pharmacist License Number
9 RPH 26167 to Elva Peeler (Respondent Peeler). The Original Pharmacist License was in full
10 force and effect at all times relevant to the charges brought herein and will expire on February 28,
11 2018, unless renewed.

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 unless otherwise indicated.

14 5. Code section 4300.1 states:

15 "The expiration, cancellation, forfeiture, or suspension of a board-issued license by
16 operation of law or by order or decision of the board or a court of law, the placement of a license
17 on a retired status, or the voluntary surrender of a license by a licensee shall not deprive the board
18 of jurisdiction to commence or proceed with any investigation of, or action or disciplinary
19 proceeding against, the licensee or to render a decision suspending or revoking the license."
20

STATUTORY PROVISIONS

21 6. Section 4081 of the Code states, in pertinent part:

22 (a) All records of manufacture and of sale, acquisition, receipt, shipment,
23 or disposition of dangerous drugs or dangerous devices shall be at all times during
24 business hours open to inspection by authorized officers of the law, and shall be
25 preserved for at least three years from the date of making. A current inventory shall
26 be kept by every manufacturer, wholesaler, third-party logistics provider, pharmacy,
27 veterinary food-animal drug retailer, outsourcing facility, physician, dentist,
28 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.

(b) The owner, officer, and partner of a pharmacy, wholesaler, third-party logistics provider, or veterinary food-animal drug retailer shall be jointly responsible, with the pharmacist-in-charge, responsible manager, or designated representative-in-charge, for maintaining the records and inventory described in this section. . . .

7. Section 4301 of the Code states, in pertinent part:

The board shall take action against any holder of a license who is guilty of unprofessional conduct or whose license has been issued by mistake. Unprofessional conduct shall include, but is not limited to, any of the following:

. . .

(f) The commission of any act involving moral turpitude, dishonesty, fraud, deceit, or corruption, whether the act is committed in the course of relations as a licensee or otherwise, and whether the act is a felony or misdemeanor or not.

. . .

(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. Section 4307 of the Code states:

(a) Any person who has been denied a license or whose license has been revoked or is under suspension, or who has failed to renew his or her license while it was under suspension, or who has been a manager, administrator, owner, member, officer, director, associate, partner, or any other person with management or control of any partnership, corporation, trust, firm, or association whose application for a license has been denied or revoked, is under suspension or has been placed on probation, and while acting as the manager, administrator, owner, member, officer, director, associate, partner, or any other person with management or control had knowledge of or knowingly participated in any conduct for which the license was denied, revoked, suspended, or placed on probation, shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, partner, or in any other position 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.

(b) Manager, administrator, owner, member, officer, director, associate, partner, or any other person with management or control of a license as used in this section and Section 4308, may refer to a pharmacist or to any other person who serves in such capacity in or for a licensee.

1 (c) The provisions of subdivision (a) may be alleged in any pleading filed
2 pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of
3 the Government Code. However, no order may be issued in that case except as to a
4 person who is named in the caption, as to whom the pleading alleges the applicability
5 of this section, and where the person has been given notice of the proceeding as
6 required by Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of
7 the Government Code. The authority to proceed as provided by this subdivision shall
8 be in addition to the board's authority to proceed under Section 4339 or any other
9 provision of law.

10 9. Section 4332 of the Code states:

11 "Any person who fails, neglects, or refuses to maintain the records required by Section
12 4081 or who, when called upon by an authorized officer or a member of the board, fails, neglects,
13 or refuses to produce or provide the records within a reasonable time, or who willfully produces
14 or furnishes records that are false, is guilty of a misdemeanor."

15 **HEALTH AND SAFETY CODE**

16 10. Health and Safety Code section 11164 states, in pertinent part:

17 Except as provided in Section 11167, no person shall prescribe a
18 controlled substance, nor shall any person fill, compound, or dispense a prescription
19 for a controlled substance, unless it complies with the requirements of this section.

20 (a) Each prescription for a controlled substance classified in Schedule II,
21 III, IV, or V, except as authorized by subdivision (b), shall be made on a controlled
22 substance prescription form as specified in Section 11162.1 and shall meet the
23 following requirements:

24 (1) The prescription shall be signed and dated by the prescriber in ink
25 and shall contain the prescriber's address and telephone number; the name of the
26 ultimate user or research subject, or contact information as determined by the
27 Secretary of the United States Department of Health and Human Services; refill
28 information, such as the number of refills ordered and whether the prescription is a
first-time request or a refill; and the name, quantity, strength, and directions for use of
the controlled substance prescribed.

(2) The prescription shall also contain the address of the person for
whom the controlled substance is prescribed. If the prescriber does not specify this
address on the prescription, the pharmacist filling the prescription or an employee
acting under the direction of the pharmacist shall write or type the address on the
prescription or maintain this information in a readily retrievable form in the
pharmacy. . . .

///

///

///

///

REGULATORY PROVISIONS

11. California Code Regulations, title 16 (“Regulation”), section 1707.1 states, in pertinent part:

(a) A pharmacy shall maintain medication profiles on all patients who have prescriptions filled in that pharmacy except when the pharmacist has reasonable belief that the patient will not continue to obtain prescription medications from that pharmacy.

(1) A patient medication record shall be maintained in an automated data processing or manual record mode such that the following information is readily retrievable during the pharmacy's normal operating hours.

(A) The patient's full name and address, telephone number, date of birth (or age) and gender;

(B) For each prescription dispensed by the pharmacy:

1. The name, strength, dosage form, route of administration, if other than oral, quantity and directions for use of any drug dispensed;

2. The prescriber's name and where appropriate, license number, DEA registration number or other unique identifier;

3. The date on which a drug was dispensed or refilled;

4. The prescription number for each prescription; and

5. The information required by section 1717.

(C) Any of the following which may relate to drug therapy: patient allergies, idiosyncracies, current medications and relevant prior medications including nonprescription medications and relevant devices, or medical conditions which are communicated by the patient or the patient's agent. . . .

12. Regulation section 1707.2 states:

(a) A pharmacist shall provide oral consultation to his or her patient or the patient's agent in all care settings:

(1) upon request; or

(2) whenever the pharmacist deems it warranted in the exercise of his or her professional judgment.

(b)

(1) In addition to the obligation to consult set forth in subsection (a), a pharmacist shall provide oral consultation to his or her patient or the patient's agent in any care setting in which the patient or agent is present:

(A) whenever the prescription drug has not previously been dispensed to

1 a patient; or

2 (B) whenever a prescription drug not previously dispensed to a patient in
3 the same dosage form, strength or with the same written directions, is dispensed by
4 the pharmacy.

5 (2) When the patient or agent is not present (including but not limited to
6 a prescription drug that was shipped by mail) a pharmacy shall ensure that the patient
7 receives written notice:

8 (A) of his or her right to request consultation; and

9 (B) a telephone number from which the patient may obtain oral
10 consultation from a pharmacist who has ready access to the patient's record.

11 (3) A pharmacist is not required by this subsection to provide oral
12 consultation to an inpatient of a health care facility licensed pursuant to section 1250
13 of the Health and Safety Code, or to an inmate of an adult correctional facility or a
14 juvenile detention facility, except upon the patient's discharge. A pharmacist is not
15 obligated to consult about discharge medications if a health facility licensed pursuant
16 to subdivision (a) or (b) of Health and Safety Code Section 1250 has implemented a
17 written policy about discharge medications which meets the requirements of Business
18 and Professions Code Section 4074.

19 (c) When oral consultation is provided, it shall include at least the
20 following:

21 (1) directions for use and storage and the importance of compliance with
22 directions; and

23 (2) precautions and relevant warnings, including common severe side or
24 adverse effects or interactions that may be encountered.

25 (d) Whenever a pharmacist deems it warranted in the exercise of his or
26 her professional judgment, oral consultation shall also include:

27 (1) the name and description of the medication;

28 (2) the route of administration, dosage form, dosage, and duration of
drug therapy;

(3) any special directions for use and storage;

(4) precautions for preparation and administration by the patient,
including techniques for self-monitoring drug therapy;

(5) prescription refill information;

(6) therapeutic contraindications, avoidance of common severe side or
adverse effects or known interactions, including serious potential interactions with
known nonprescription medications and therapeutic contraindications and the action
required if such side or adverse effects or interactions or therapeutic contraindications
are present or occur;

(7) action to be taken in the event of a missed dose.

1 (e) Notwithstanding the requirements set forth in subsection (a) and (b), a
2 pharmacist is not required to provide oral consultation when a patient or the patient's
3 agent refuses such consultation.

4 13. Regulation section 1718 states:

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

8 The controlled substances inventories required by Title 21, CFR, Section
9 1304 shall be available for inspection upon request for at least 3 years after the date of
10 the inventory.

11 14. Regulation section 1761(a) states:

12 "(a) No pharmacist shall compound or dispense any prescription which contains any
13 significant error, omission, irregularity, uncertainty, ambiguity or alteration. Upon receipt of any
14 such prescription, the pharmacist shall contact the prescriber to obtain the information needed to
15 validate the prescription. . . ."

16 15. Regulation section 1770, states:

17 "For the purpose of denial, suspension, or revocation of a personal or facility license
18 pursuant to Division 1.5 (commencing with Section 475) of the Business and Professions Code, a
19 crime or act shall be considered substantially related to the qualifications, functions or duties of a
20 licensee or registrant if to a substantial degree it evidences present or potential unfitness of a
21 licensee or registrant to perform the functions authorized by his license or registration in a manner
22 consistent with the public health, safety, or welfare."

23 COST RECOVERY

24 16. Section 125.3 of the Code states, in pertinent part, that the Board may request the
25 administrative law judge to direct a licentiate found to have committed a violation or violations of
26 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
27 enforcement of the case.

28 DANGEROUS DRUGS AND CONTROLLED SUBSTANCES

17. Lidocaine is a combination medication used to treat irritation, soreness, and itchiness
from certain skin conditions (e.g., scrapes, minor burns, eczema, and insect bites). Lidocaine, for
the purposes of this investigation, was dispensed as two separate products: lidocaine 5%, an RX

1 only, sole active ingredient product, and lidocaine/prilocaine, a combination product. Lidocaine
2 is used as a sole topical anesthetic. Prilocaine is used in combination with lidocaine for additive
3 anesthesia/pain relieving effects. It is a dangerous drug under Code section 4022.

4 18. Diclofenac is a nonsteroidal anti-inflammatory drug. It is a dangerous drug under
5 Code section 4022.

6 19. Omega-3 is a fish oil supplement that is issued by prescription. It is a dangerous drug
7 under Code section 4022.

8 20. Oxycodone is an opioid pain medication. It is a Schedule II controlled substance
9 under Code of Federal Regulations, title 21, section 1308.12(b)(1)(xiii), and California Health
10 and Safety Code section 11055(b)(1)(M).

11 21. Norco is a brand name for the combination prescription drug
12 acetaminophen/hydrocodone. It is used to treat moderate to severe pain. It is a Schedule II
13 controlled substance under Code of Federal Regulations, title 21, section 1308.12(b)(vi), and
14 California Health and Safety Code section 11055(b)(2).

15 22. Ambien (zolpidem) is a sedative, also called a hypnotic. It is a Schedule IV
16 controlled substance under Code of Federal Regulations, title 21, section 1308.14(c)(54), and
17 California Health and Safety Code section 11057(d)(32).

18 23. Alprazolam is a benzodiazepine. It is used to treat anxiety disorders, panic disorders,
19 and anxiety caused by depression. It is a Schedule IV controlled substance under Code of Federal
20 Regulations, title 21, section 1308.14(c)(2), and California Health and Safety Code section
21 11057(d)(1).

22 **FACTUAL BACKGROUND**

23 24. Jon Paul Letko is CEO/President of the following businesses:

- 24 a. Global Healthcare Management, LLC, located in Milford, NJ
- 25 b. Keystone Choice Pharmacy, LLC, located in Easton, PA
- 26 c. Loyalton Pharmacy, located in Loyalton, CA

27 25. On or about June 1, 2017, the Board received an online complaint from S.E., a
28 physician assistant with LifeLong Medical Care (LifeLong), a non-profit organization with health

1 centers that provide primary health and dental care, pediatric, adult, and geriatric care, and
2 chronic disease and HIV/AIDS treatment, located in Berkeley, California. According to the
3 complaint, since late 2016, LifeLong staff received faxes and calls from various clinics and call
4 centers requesting approval for fraudulent prescriptions, usually Lidocaine ointment. In every
5 instance, the patient was a LifeLong patient and the prescribers had not prescribed Lidocaine
6 ointment. The faxes were from Respondent Loyalton Pharmacy, USA Health Initiatives, Curexa,
7 and Woods Pharmacy.

8 26. On or about June 26, 2017, Board Inspector P.P. spoke with physician assistant S.E.
9 S.E. stated that the callers said they were from Respondent Loyalton Pharmacy and requested
10 prescriptions for Lidocaine ointment, sometimes patches. A couple of the callers said they were
11 from Global Healthcare. LifeLong rarely prescribes Lidocaine.

12 27. On or about July 6, 2017, Board Inspector P.P. conducted an inspection of
13 Respondent Loyalton Pharmacy.

14 28. Respondent Loyalton Pharmacy's Pharmacist-in-Charge, Respondent Peeler, said that
15 Global Healthcare advertised diabetic supplies on television and the internet. When asked how
16 Loyalton Pharmacy received the prescriptions, Peeler first said Global Healthcare called the
17 patients to approve Lidocaine prescriptions, then changed her answer to Loyalton Pharmacy
18 calling the patients to approve Lidocaine prescriptions. Peeler said she did not know whether the
19 patients had Lidocaine products prior to the calls, however she had no record of previous
20 prescriptions having been issued at Loyalton Pharmacy.

21 29. Board Inspector P.P. investigated whether Respondent Loyalton Pharmacy
22 maintained allergy information and physical addresses for its patients. From a patient list P.P.
23 was using throughout her inspection, she discovered seven patients with no allergy information
24 on file, and eight patients with no physical address on file. For this group of patients, P.P.
25 discovered that Loyalton Pharmacy had dispensed the following controlled substances:
26 Oxycodone 10mg, Norco 10/325mg, Norco 5/325mg, Ambien 10mg, Oxycodone ER 10mg, and
27 Alprazolam 1mg. P.P. asked Respondent Peeler how she would know if these patients lived in
28 the area, and Peeler stated she would not know, she just assumed the patients lived in or around

1 Loyalton. When P.P. showed Peeler one of the prescriptions Norco 10 for a patient whose doctor
2 was in Grass Valley, hours away from Loyalton Pharmacy, Peeler admitted she had not verified
3 the prescription with the doctor.

4 30. During the inspection, Respondent Peeler provided Board Inspector P.P. with a list
5 which described the process for dispensing prescription-only medication by Respondent Loyalton
6 Pharmacy. According to this process, Keystone Choice Pharmacy, rather than Loyalton
7 Pharmacy, would engage in prospective drug review, interventions, and patient counseling, and
8 then create labels for prescriptions which would be overnight-mailed to Loyalton Pharmacy.

9 31. Board Inspector P.P. conducted an audit of some of Respondent Loyalton Pharmacy's
10 dangerous drugs which revealed the following:

| Dangerous Drug | Beginning Inventory | Total Acquisitions | Ending Inventory | Total Disposition | Variance |
|-----------------------------|----------------------------|---------------------------|-------------------------|--------------------------|-----------------|
| Omega 3 1 gm | 19 | 96,169 | 0 | 75,870 | 20,299 |
| Lidocaine 5% Ointment | 0 | 1,894,550 | 88,270 | 1,817,029 | 77,521 |
| Lido/ prolocaine 2.5% | 0 | 327,600 | 510 | 301,650 | 25,950 |
| Diclofenac 1.5 ml | 0 | 64,800 | 11,250 | 61,800 | 3,000 |

23 32. After auditing Respondent Loyalton Pharmacy's inventory, Board Inspector P.P.
24 spoke with Respondent Peeler regarding invoices for the dangerous drugs that P.P. audited.
25 Peeler said she did not have invoices because they were sent "back east" so they would pay the
26 invoices. Peeler acknowledged to P.P. that the invoices were to be kept in the pharmacy and
27 stored for seven years.

28 ///

1 33. Respondents Loyalton Pharmacy and Peeler were unable to account for any of the
2 variances (losses) identified by Board Inspector P.P.'s audit for Omega 3, Lidocaine 5%
3 ointment, Lido/prolocaine 2.5%, and diclofenac.

4 34. During Board Inspector P.P.'s investigation, she discovered that Respondent Loyalton
5 Pharmacy purchased the bulk of its Lidocaine ointment 5%, Lidocaine/prolocaine 2.5% cream,
6 Omega-3 1gm, and diclofenac 1.5% solution from two vendors, Amneal and Sandoz. Respondent
7 Peeler never provided P.P. with invoices for these purchases despite P.P.'s repeated requests.

8 35. On or about August 18, 2017, Respondent Peeler provided Board Inspector P.P. with
9 audio records of Patient H.G. regarding how this patient obtained Lidocaine from Respondent
10 Loyalton Pharmacy. In the first recording, H.G. called into a website to order a knee and back
11 brace. In the second recording, H.G. spoke with a representative from Global Healthcare, where
12 H.G. again indicated an interest in knee and back braces. The Global Healthcare representative
13 solicited H.G. to obtain Lidocaine and diclofenac topicals for pain. H.G. told the Global
14 Healthcare representative that she was taking Ibuprofen. The Global Healthcare representative
15 told H.G. there was no problem using Lidocaine and diclofenac with the medications H.G. was
16 on. The Global Healthcare representative told H.G. that Loyalton Pharmacy would be giving
17 H.G. the prescriptions and gave H.G. Loyalton Pharmacy's customer service number.

18 36. Diclofenac external and Ibuprofen oral are in the steroidal anti-inflammatory agents
19 class and may represent a therapeutic duplication. They have potentially severe life-threatening
20 reaction/interaction which may cause deterioration in the patient's clinical status. Administration
21 of diclofenac sodium external should be used with extreme caution in geriatric patients.

22 37. After receiving the audio recordings, Board Inspector P.P. spoke with Respondent
23 Peeler. Peeler admitted that she never called and consulted with Patient H.G. on the use of
24 Lidocaine or diclofenac. Peeler admitted that no one from Respondent Loyalton Pharmacy called
25 H.G. to obtain a medication history. Peeler admitted that she did not check H.G.'s medication
26 history for drug interactions or use in the elderly.

27 38. At the conclusion of her investigation, Board Inspector P.P. determined that Global
28 Healthcare used a call-in request for knee and back braces to obtain the callers' medical

1 information and to solicit prescriptions from the callers' prescribers. Respondent Loyalton
2 Pharmacy then used the information Global Healthcare obtained to solicit prescriptions from the
3 callers' prescribers when the callers had not been issued the prescriptions previously.

4 **Patient H.G.**

5 39. On or about February 21, 2017, Board Inspector P.P. received a complaint from
6 Patient H.G. H.G. alleged that she had received Lidocaine from Respondent Loyalton Pharmacy
7 without any notification from her doctor that such a prescription was issued. The prescription
8 was issued on or about December 7, 2016.

9 40. During Board Inspector P.P.'s July 6, 2017 inspection of Respondent Loyalton
10 Pharmacy, she conducted an investigation regarding Loyalton Pharmacy's issuance of Lidocaine
11 to Patient H.G.

12 41. Respondent Peeler stated that she could not find the prescription for Lidocaine for
13 Patient H.G. Respondents Loyalton Pharmacy and Peeler never provided this prescription to
14 Board Inspector P.P., after being requested to do so.

15 **Patient P.G.**

16 42. On or about February 23, 2017, the Board received a complaint regarding Patient
17 P.G.'s receipt of prescription medications from Respondent Loyalton Pharmacy which P.G.
18 contended were not authorized by his doctor. P.G. lived in Claremont, CA, approximately 500
19 miles away from Loyalton Pharmacy.

20 43. During Board Inspector P.P.'s July 6, 2017 inspection of Respondent Loyalton
21 Pharmacy, she conducted an investigation regarding Loyalton Pharmacy's issuance of
22 prescription medication to Patient P.G.

23 44. While reviewing Patient P.G.'s profile with Respondent Loyalton Pharmacy's
24 pharmacist, G.S., it was determined that on or about January 16, 2017, Loyalton Pharmacy issued
25 Patient P.G. Lidocaine 5% ointment. Pharmacist G.S. was unable to retrieve any prescription for
26 P.G.

27 45. On or about August 18, 2017, Board Inspector P.P. spoke with Respondent Peeler
28 regarding the Lidocaine prescription that was issued to Patient P.G. Peeler admitted that she did

1 not consult with P.G. on the use of Lidocaine or diclofenac, that no one from Respondent
2 Loyalton Pharmacy called P.G. to obtain a medication history, and that E.P. did not check P.G.'s
3 medication history for drug interactions or use in the elderly.

4 **Audio Calls**

5 46. On or about May 24, 2018, Board Inspector P.P. received approximately 120
6 recorded calls from Pharmacist G.S. The calls occurred on or about and between May 22, 2017,
7 and August 15, 2017. The recorded calls were of verbal authorizations for prescriptions for
8 Omega-3, Lidocaine ointment, Lidocaine/prilocaine cream, and diclofenac solution.

9 47. The audio files of the recorded calls were sent via electronic mail from Global
10 Healthcare to Respondent Peeler, Pharmacist G.S., and Pharmacist M.B. A pharmacist from
11 Respondent Loyalton Pharmacy would listen to the audio file and reduce it to a hard copy
12 prescription.

13 48. On or about May 24, 2018, Board Inspector P.P. received a dispensing report for
14 prescriptions dispensed from August 1, 2017, through September 21, 2017. The dispensing report
15 included prescriptions obtained by Global Healthcare that were dispensed by Respondent
16 Loyalton Pharmacy and Respondent Peeler.

17 **RESPONDENT LOYALTON PHARMACY**

18 **FIRST CAUSE FOR DISCIPLINE**

19 **(Unprofessional Conduct)**

20 49. Respondent Loyalton Pharmacy is subject to disciplinary action under section 4301 of
21 the Code in that:

22 a. Loyalton Pharmacy could not account for the losses of Omega-3, Lidocaine 5%
23 ointment, diclofenac 1.5% solution, and Lidocaine/prilocaine 2.5% cream.

24 b. Pharmacist-in-Charge Respondent Peeler had no relationship with most of the
25 patients who received Omega-3, Lidocaine 5% ointment, Lidocaine/prilocaine 2.5% cream, and
26 diclofenac 1.5% solution. Peeler did not know how the prescriptions were obtained nor was she
27 aware that Loyalton Pharmacy obtained the prescriptions by solicitation of prescribers when
28 patients were not on the prescriptions previously.

1 c. Loyalton Pharmacy failed to keep, store, and provide invoices to show purchases of
2 Omega-3, Lidocaine 5% ointment, Lidocaine/prilocaine 2.5% cream, and diclofenac 1.5%
3 solution.

4 d. Loyalton Pharmacy failed to obtain addresses of patients who received Schedule II
5 through IV controlled substances, thereby increasing the risk of drug diversion.

6 e. The facts and circumstances are described with more particularity in paragraphs 29-
7 30 and 32-38, above.

8 **SECOND CAUSE FOR DISCIPLINE**

9 **(Unprofessional Conduct—Violation of Federal and State Laws and Regulations Governing** 10 **Pharmacy)**

11 50. Respondent Loyalton Pharmacy is subject to disciplinary action under Code section
12 4301, subdivision (o), in that Loyalton Pharmacy:

13 a. Failed to obtain physical addresses on prescriptions written for controlled substances,
14 in violation of Health and Safety Code section 11164, subdivision (a)(2).

15 b. Failed to obtain allergy information for up to fifty percent of its patients prior to
16 dispensing dangerous drugs, which could result in serious adverse reactions to patients, in
17 violation of Regulation section 1701.1, subdivision (a).

18 c. Entered into an agreement with Keystone Choice Pharmacy, located in Easton, PA,
19 and for which Jon Paul Letko is also president and CEO, to conduct drug review, interventions,
20 and patient counseling for prescriptions obtained for Loyalton Pharmacy, in violation of
21 Regulation section 1707.2.

22 d. Dispensed a prescription for Lidocaine 5% ointment without first verifying the
23 legitimacy of the prescription, which was sent to Loyalton Pharmacy from Global Healthcare, in
24 violation of Regulation section 1761, subdivision (a).

25 e. Dispensed a prescription for Lidocaine 5% ointment without first verifying the
26 legitimacy of the prescription, which was sent to Loyalton Pharmacy from Global Healthcare, in
27 violation of Regulation section 1761, subdivision (a).

28 ///

1 f. Dispensed prescriptions for Omega-3, Lidocaine 5% ointment, Lidocaine/prilocaine
2 2.5% cream, and diclofenac 1.5% solution without first verifying the legitimacy of the
3 prescriptions, which were sent to Loyalton Pharmacy from Global Healthcare, in violation of
4 Regulation section 1761, subdivision (a).

5 g. The facts and circumstances are described with more particularity in paragraphs 24-
6 48, above.

7 **THIRD CAUSE FOR DISCIPLINE**
8 **(Failure to Maintain Records and Inventory)**

9 51. Respondent Loyalton Pharmacy is subject to disciplinary action under Code section
10 4081, subdivisions (a) and (b), in that Loyalton Pharmacy:

11 a. Failed to maintain invoices for dangerous drugs, in violation of Regulation section
12 1718.

13 b. Failed to have complete accountability for all dangerous drugs, in violation of Code
14 section 4332 and Regulation section 1718.

15 c. The facts and circumstances are described with more particularity in paragraphs 31-
16 34, above.

17 **RESPONDENT PEELER**

18 **FIRST CAUSE FOR DISCIPLINE**
19 **(Unprofessional Conduct—Commission of Acts of Moral Turpitude, Dishonesty, Fraud,**
20 **Deceit or Corruption)**

21 52. Respondent Peeler is subject to disciplinary action under section 4301(f) of the Code
22 in that Peeler:

23 a. Could not account for the losses of Omega-3, Lidocaine 5% ointment, diclofenac
24 1.5% solution, and Lidocaine/prilocaine 2.5% cream.

25 b. Had no relationship with most of the patients who received Omega-3, Lidocaine 5%
26 ointment, Lidocaine/prilocaine 2.5% cream, and diclofenac 1.5% solution. Peeler did not know
27 how the prescriptions were obtained nor was she aware that Respondent Loyalton Pharmacy

28 ///

1 obtained the prescriptions by solicitation of prescribers when patients were not on the
2 prescriptions previously.

3 c. Failed to keep, store, and provide invoices to show purchases of Omega-3, Lidocaine
4 5% ointment, Lidocaine/prilocaine 2.5% cream, and diclofenac 1.5% solution.

5 d. Failed to obtain addresses of patients who received Schedule II through IV controlled
6 substances, thereby increasing the risk of drug diversion.

7 e. The facts and circumstances are described with more particularity in paragraphs 29-
8 30 and 32-38, above.

9 **SECOND CAUSE FOR DISCIPLINE**

10 **(Unprofessional Conduct—Violation of Federal and State Regulations Governing** 11 **Pharmacy)**

12 53. Respondent Peeler is subject to disciplinary action under section 4301(o) of the Code
13 in that Peeler violated or attempted to violate, directly or indirectly, assisted in or abetted the
14 violation of, or conspired to violate federal and state regulations governing pharmacy, as follows:

15 a. Respondent Peeler failed to comply with the requirements for dispensing
16 prescriptions for controlled substances, by failing to obtain physical addresses on prescriptions
17 written for controlled substances, in violation of Health and Safety Code section 11164,
18 subdivision (a)(2).

19 b. Respondent Peeler failed to maintain medication profiles by failing to obtain allergy
20 information, for up to fifty percent of patients, prior to dispensing dangerous drugs, which could
21 result in serious adverse reaction to patients, in violation of Regulation section 1701.1,
22 subdivision (a)(1)(C).

23 c. Respondent Peeler failed to consult with patients when she entered into an agreement
24 with Keystone Choice Pharmacy, located in Easton, PA, to conduct drug review, interventions,
25 and patient counseling for prescriptions obtained for Respondent Loyalton Pharmacy, in violation
26 of Regulation section 1707.2.

27 d. Respondent Peeler failed to maintain records and invoices of dangerous drugs by
28 failing to maintain invoices from Sandoz and Amneal, from whom Respondent Loyalton bought

1 the bulk of Lidocaine ointment 5%, Lidocaine/prilocaine 2.5% cream, Omega-3 1gm, and
2 diclofenac 1.5% solution, in violation of Code section 4081, subdivisions (a) and (b), and
3 Regulation section 1718.

4 e. Respondent Peeler failed to maintain an accurate inventory by failing to have
5 complete accountability for all dangerous drugs, in violation of Code sections 4081, subdivisions
6 (a) and (b), and 4332, and Regulation section 1718.

7 f. Respondent Peeler issued an erroneous and uncertain prescription by dispensing a
8 prescription for Lidocaine 5% ointment on or about January 16, 2017, without first verifying the
9 legitimacy of the prescription, in violation of Regulation section 1761, subdivision (a).

10 g. Respondent Peeler issued an erroneous and uncertain prescription by dispensing a
11 prescription for Lidocaine 5% ointment on or about December 7, 2017, without first verifying the
12 legitimacy of the prescription, in violation of Regulation section 1761, subdivision (a).

13 h. Respondent Peeler issued erroneous and uncertain prescriptions by dispensing
14 prescriptions for Omega-3, Lidocaine 5% ointment, Lidocaine/prilocaine 2.5% cream, and
15 diclofenac 1.5% solution on or about and between May 22, 2017, and September 21, 2017,
16 without first verifying the legitimacy of the prescriptions, in violation of Regulation section 1761,
17 subdivision (a).

18 i. The facts and circumstances are described with more particularity in paragraphs 24-
19 48, above.

20 **OTHER MATTERS**

21 54. Pursuant to Code section 4307, if discipline is imposed on Original Permit Number
22 PHY 54562 issued to Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings,
23 LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding
24 LLC dba Loyalton Pharmacy, Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy
25 Holdings, LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton
26 Holding LLC dba Loyalton Pharmacy shall be prohibited from serving as a manager,
27 administrator, owner, member, officer, director, associate, or partner of a licensee for five years if

28 ///

1 Original Permit Number PHY 54562 is placed on probation or until Original Permit Number
2 PHY 54562 is reinstated if it is revoked.

3 55. Pursuant to Code section 4307, if discipline is imposed on Original Permit Number
4 PHY 54562 issued to Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings,
5 LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding
6 LLC dba Loyalton Pharmacy, while Elva Peeler has been an officer and owner and had
7 knowledge of or knowingly participated in any conduct for which the licensee was disciplined,
8 Elva Peeler shall be prohibited from serving as a manager, administrator, owner, member, officer,
9 director, associate, or partner of a licensee for five years if Original Permit Number PHY 54562 is
10 placed on probation or until Original Permit Number PHY 54562 is reinstated if it is revoked.

11 56. Pursuant to Code section 4307, if discipline is imposed on Original Pharmacist
12 License Number RPH 26167 issued to Elva Peeler, Elva Peeler shall be prohibited from serving
13 as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee
14 for five years if Original Pharmacist License Number RPH 26167 is placed on probation or until
15 Original Pharmacist License Number RPH 26167 is reinstated if it is revoked.

16 **PRAYER**

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

19 1. Revoking or suspending Original Permit Number PHY 54562, issued to Complete
20 Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings, LLC, Melchor Wealth Management
21 Inc., Letko Asset Management LLC and Loyalton Holding LLC dba Loyalton Pharmacy;

22 2. Revoking or suspending Original Pharmacist License Number RPH 26167 issued to
23 Elva Peeler;

24 3. Prohibiting Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings,
25 LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding
26 LLC dba Loyalton Pharmacy from serving as a manager, administrator, owner, member, officer,
27 director, associate, or partner of a licensee for five years if Original Permit Number PHY 54562 is
28 placed on probation or until Original Permit Number 54562 is reinstated if Original Permit

1 Number 54562 issued to Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings,
2 LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding
3 LLC dba Loyalton Pharmacy is revoked;

4 4. Prohibiting Elva Peeler from serving as a manager, administrator, owner, member,
5 officer, director, associate, or partner of a licensee for five years if Original Permit Number PHY
6 54562 is placed on probation or until Original Permit Number PHY 54562 is reinstated if Original
7 Permit Number PHY 54562 issued to Complete Pharmacy Services, LLC, Sierra Nevada
8 Pharmacy Holdings, LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and
9 Loyalton Holding LLC dba Loyalton Pharmacy is revoked;

10 5. Prohibiting Elva Peeler from serving as a manager, administrator, owner, member,
11 officer, director, associate or partner of a licensee for five years if Original Pharmacist License
12 Number RPH 26167 is placed on probation or until Original Pharmacist License Number RPH
13 26167 is reinstated if Original Pharmacist License Number RPH 26167 issued to Elva Peeler is
14 revoked;

15 6. Ordering Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings,
16 LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding
17 LLC dba Loyalton Pharmacy, and Elva Peeler to pay the Board of Pharmacy the reasonable costs
18 of investigation and enforcement of this case, pursuant to Business and Professions Code section
19 125.3; and,

20 7. Taking such other and further action as deemed necessary and proper.

21
22 DATED: October 24, 2018



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

23
24
25
26
27 SA2017109096
28

1 XAVIER BECERRA
Attorney General of California
2 KENT D. HARRIS
Supervising Deputy Attorney General
3 PHILLIP L. ARTHUR
Deputy Attorney General
4 State Bar No. 238339
1300 I Street, Suite 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 210-7866
Facsimile: (916) 327-8643
7 E-mail: Phillip.Arthur@doj.ca.gov
Attorneys for Complainant

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

11 In the Matter of the Accusation Against:

Case No. 6246

12 **COMPLETE PHARMACY SERVICES,**
13 **LLC, ET AL. DBA LOYALTON**
PHARMACY
14 **JON PAUL LETKO, PRESIDENT**
701 Main St.
15 P.O. Box 36
Loyalton, CA 96118

A C C U S A T I O N

16 **Original Permit No. PHY 54562**

17 **and**

18 **ELVA PEELER**
19 **P.O. Box 36**
Loyalton, CA 96118

20 **Original Pharmacist License No. RPH 26167**

21 Respondents.
22

23
24 Complainant alleges:

25 **PARTIES**

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

28 ///

2. On or about September 16, 2016, the Board issued Original Permit Number PHY 54562 to Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings, LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding LLC dba Loyalton Pharmacy (Respondent Loyalton Pharmacy), with Jon Paul Letko as President. Elva Peeler is and has been the Manager and Pharmacist-in-Charge at Respondent Loyalton since September 16, 2016. The Original Permit was in full force and effect at all times relevant to the charges brought herein and will expire on September 1, 2018, unless renewed.

3. On or about July 15, 1969, the Board issued Original Pharmacist License Number RPH 26167 to Elva Peeler (Respondent Peeler). The Original Pharmacist License was in full force and effect at all times relevant to the charges brought herein and will expire on February 28, 2018, unless renewed.

JURISDICTION

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

5. 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 PROVISIONS

6. Section 4081 of the Code states, in pertinent part:

(a) All records of manufacture and of sale, acquisition, receipt, shipment, 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, third-party logistics provider, pharmacy, veterinary food-animal drug retailer, outsourcing facility, 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.

(b) The owner, officer, and partner of a pharmacy, wholesaler, third-party logistics provider, or veterinary food-animal drug retailer shall be jointly responsible, with the pharmacist-in-charge, responsible manager, or designated representative-in-charge, for maintaining the records and inventory described in this section. . . .

7. Section 4301 of the Code states, in pertinent part:

The board shall take action against any holder of a license who is guilty of unprofessional conduct or whose license has been issued by mistake. Unprofessional conduct shall include, but is not limited to, any of the following:

. . .

(f) The commission of any act involving moral turpitude, dishonesty, fraud, deceit, or corruption, whether the act is committed in the course of relations as a licensee or otherwise, and whether the act is a felony or misdemeanor or not.

. . .

(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. Section 4307 of the Code states:

(a) Any person who has been denied a license or whose license has been revoked or is under suspension, or who has failed to renew his or her license while it was under suspension, or who has been a manager, administrator, owner, member, officer, director, associate, partner, or any other person with management or control of any partnership, corporation, trust, firm, or association whose application for a license has been denied or revoked, is under suspension or has been placed on probation, and while acting as the manager, administrator, owner, member, officer, director, associate, partner, or any other person with management or control had knowledge of or knowingly participated in any conduct for which the license was denied, revoked, suspended, or placed on probation, shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, partner, or in any other position 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.

(b) Manager, administrator, owner, member, officer, director, associate, partner, or any other person with management or control of a license as used in this section and Section 4308, may refer to a pharmacist or to any other person who serves in such capacity in or for a licensee.

1 (c) The provisions of subdivision (a) may be alleged in any pleading filed
2 pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of
3 the Government Code. However, no order may be issued in that case except as to a
4 person who is named in the caption, as to whom the pleading alleges the applicability
5 of this section, and where the person has been given notice of the proceeding as
6 required by Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of
7 the Government Code. The authority to proceed as provided by this subdivision shall
8 be in addition to the board's authority to proceed under Section 4339 or any other
9 provision of law.

10 9. Section 4332 of the Code states:

11 "Any person who fails, neglects, or refuses to maintain the records required by Section
12 4081 or who, when called upon by an authorized officer or a member of the board, fails, neglects,
13 or refuses to produce or provide the records within a reasonable time, or who willfully produces
14 or furnishes records that are false, is guilty of a misdemeanor."

15 **HEALTH AND SAFETY CODE**

16 10. Health and Safety Code section 11164 states, in pertinent part:

17 Except as provided in Section 11167, no person shall prescribe a
18 controlled substance, nor shall any person fill, compound, or dispense a prescription
19 for a controlled substance, unless it complies with the requirements of this section.

20 (a) Each prescription for a controlled substance classified in Schedule II,
21 III, IV, or V, except as authorized by subdivision (b), shall be made on a controlled
22 substance prescription form as specified in Section 11162.1 and shall meet the
23 following requirements:

24 (1) The prescription shall be signed and dated by the prescriber in ink
25 and shall contain the prescriber's address and telephone number; the name of the
26 ultimate user or research subject, or contact information as determined by the
27 Secretary of the United States Department of Health and Human Services; refill
28 information, such as the number of refills ordered and whether the prescription is a
first-time request or a refill; and the name, quantity, strength, and directions for use of
the controlled substance prescribed.

(2) The prescription shall also contain the address of the person for
whom the controlled substance is prescribed. If the prescriber does not specify this
address on the prescription, the pharmacist filling the prescription or an employee
acting under the direction of the pharmacist shall write or type the address on the
prescription or maintain this information in a readily retrievable form in the
pharmacy. . . .

25 ///

26 ///

27 ///

28 ///

1 REGULATORY PROVISIONS

2 11. California Code Regulations, title 16 ("Regulation"), section 1707.1 states, in
3 pertinent part:

4 (a) A pharmacy shall maintain medication profiles on all patients who
5 have prescriptions filled in that pharmacy except when the pharmacist has reasonable
6 belief that the patient will not continue to obtain prescription medications from that
7 pharmacy.

8 (1) A patient medication record shall be maintained in an automated data
9 processing or manual record mode such that the following information is readily
10 retrievable during the pharmacy's normal operating hours.

11 (A) The patient's full name and address, telephone number, date of birth
12 (or age) and gender;

13 (B) For each prescription dispensed by the pharmacy:

14 1. The name, strength, dosage form, route of administration, if other than
15 oral, quantity and directions for use of any drug dispensed;

16 2. The prescriber's name and where appropriate, license number, DEA
17 registration number or other unique identifier;

18 3. The date on which a drug was dispensed or refilled;

19 4. The prescription number for each prescription; and

20 5. The information required by section 1717.

21 (C) Any of the following which may relate to drug therapy: patient
22 allergies, idiosyncracies, current medications and relevant prior medications including
23 nonprescription medications and relevant devices, or medical conditions which are
24 communicated by the patient or the patient's agent. . . .

25 12. Regulation section 1707.2 states:

26 (a) A pharmacist shall provide oral consultation to his or her patient or
27 the patient's agent in all care settings:

28 (1) upon request; or

(2) whenever the pharmacist deems it warranted in the exercise of his or
her professional judgment.

(b)

(1) In addition to the obligation to consult set forth in subsection (a), a
pharmacist shall provide oral consultation to his or her patient or the patient's agent in
any care setting in which the patient or agent is present:

(A) whenever the prescription drug has not previously been dispensed to

1 a patient; or.

2 (B) whenever a prescription drug not previously dispensed to a patient in
3 the same dosage form, strength or with the same written directions, is dispensed by
4 the pharmacy.

5 (2) When the patient or agent is not present (including but not limited to
6 a prescription drug that was shipped by mail) a pharmacy shall ensure that the patient
7 receives written notice:

8 (A) of his or her right to request consultation; and

9 (B) a telephone number from which the patient may obtain oral
10 consultation from a pharmacist who has ready access to the patient's record.

11 (3) A pharmacist is not required by this subsection to provide oral
12 consultation to an inpatient of a health care facility licensed pursuant to section 1250
13 of the Health and Safety Code, or to an inmate of an adult correctional facility or a
14 juvenile detention facility, except upon the patient's discharge. A pharmacist is not
15 obligated to consult about discharge medications if a health facility licensed pursuant
16 to subdivision (a) or (b) of Health and Safety Code Section 1250 has implemented a
17 written policy about discharge medications which meets the requirements of Business
18 and Professions Code Section 4074.

19 (c) When oral consultation is provided, it shall include at least the
20 following:

21 (1) directions for use and storage and the importance of compliance with
22 directions; and

23 (2) precautions and relevant warnings, including common severe side or
24 adverse effects or interactions that may be encountered.

25 (d) Whenever a pharmacist deems it warranted in the exercise of his or
26 her professional judgment, oral consultation shall also include:

27 (1) the name and description of the medication;

28 (2) the route of administration, dosage form, dosage, and duration of
drug therapy;

(3) any special directions for use and storage;

(4) precautions for preparation and administration by the patient,
including techniques for self-monitoring drug therapy;

(5) prescription refill information;

(6) therapeutic contraindications, avoidance of common severe side or
adverse effects or known interactions, including serious potential interactions with
known nonprescription medications and therapeutic contraindications and the action
required if such side or adverse effects or interactions or therapeutic contraindications
are present or occur;

(7) action to be taken in the event of a missed dose.

1 (e) Notwithstanding the requirements set forth in subsection (a) and (b), a
2 pharmacist is not required to provide oral consultation when a patient or the patient's
3 agent refuses such consultation.

4 13. Regulation section 1718 states:

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

8 The controlled substances inventories required by Title 21, CFR, Section
9 1304 shall be available for inspection upon request for at least 3 years after the date of
10 the inventory.

11 14. Regulation section 1761(a) states:

12 "(a) No pharmacist shall compound or dispense any prescription which contains any
13 significant error, omission, irregularity, uncertainty, ambiguity or alteration. Upon receipt of any
14 such prescription, the pharmacist shall contact the prescriber to obtain the information needed to
15 validate the prescription. . . ."

16 15. Regulation section 1770, states:

17 "For the purpose of denial, suspension, or revocation of a personal or facility license
18 pursuant to Division 1.5 (commencing with Section 475) of the Business and Professions Code, a
19 crime or act shall be considered substantially related to the qualifications, functions or duties of a
20 licensee or registrant if to a substantial degree it evidences present or potential unfitness of a
21 licensee or registrant to perform the functions authorized by his license or registration in a manner
22 consistent with the public health, safety, or welfare."

23 COST RECOVERY

24 16. Section 125.3 of the Code states, in pertinent part, that the Board may request the
25 administrative law judge to direct a licentiate found to have committed a violation or violations of
26 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
27 enforcement of the case.

28 DANGEROUS DRUGS AND CONTROLLED SUBSTANCES

17. Lidocaine is a combination medication used to treat irritation, soreness, and itchiness
from certain skin conditions (e.g., scrapes, minor burns, eczema, and insect bites). Lidocaine, for
the purposes of this investigation, was dispensed as two separate products: lidocaine 5%, an RX

1 only, sole active ingredient product, and lidocaine/prilocaine, a combination product. Lidocaine
2 is used as a sole topical anesthetic. Prilocaine is used in combination with lidocaine for additive
3 anesthesia/pain relieving effects. It is a dangerous drug under Code section 4022.

4 18. Diclofenac is a nonsteroidal anti-inflammatory drug. It is a dangerous drug under
5 Code section 4022.

6 19. Omega-3 is a fish oil supplement that is issued by prescription. It is a dangerous drug
7 under Code section 4022.

8 20. Oxycodone is an opioid pain medication. It is a Schedule II controlled substance
9 under Code of Federal Regulations, title 21, section 1308.12(b)(1)(xiii), and California Health
10 and Safety Code section 11055(b)(1)(M).

11 21. Norco is a brand name for the combination prescription drug
12 acetaminophen/hydrocodone. It is used to treat moderate to severe pain. It is a Schedule II
13 controlled substance under Code of Federal Regulations, title 21, section 1308.12(b)(vi), and
14 California Health and Safety Code section 11055(b)(2).

15 22. Ambien (zolpidem) is a sedative, also called a hypnotic. It is a Schedule IV
16 controlled substance under Code of Federal Regulations, title 21, section 1308.14(c)(54), and
17 California Health and Safety Code section 11057(d)(32).

18 23. Alprazolam is a benzodiazepine. It is used to treat anxiety disorders, panic disorders,
19 and anxiety caused by depression. It is a Schedule IV controlled substance under Code of Federal
20 Regulations, title 21, section 1308.14(c)(2), and California Health and Safety Code section
21 11057(d)(1).

22 FACTUAL BACKGROUND

23 24. Jon Paul Letko is CEO/President of the following businesses:

- 24 a. Global Healthcare Management, LLC, located in Milford, NJ
- 25 b. Keystone Choice Pharmacy, LLC, located in Easton, PA
- 26 c. Loyalton Pharmacy, located in Loyalton, CA

27 25. On or about June 1, 2017, the Board received an online complaint from S.E., a
28 physician assistant with LifeLong Medical Care (LifeLong), a non-profit organization with health

1 centers that provide primary health and dental care, pediatric, adult, and geriatric care, and
2 chronic disease and HIV/AIDS treatment, located in Berkeley, California. According to the
3 complaint, since late 2016, LifeLong staff received faxes and calls from various clinics and call
4 centers requesting approval for fraudulent prescriptions, usually Lidocaine ointment. In every
5 instance, the patient was a LifeLong patient and the prescribers had not prescribed Lidocaine
6 ointment. The faxes were from Respondent Loyalton Pharmacy, USA Health Initiatives, Curexa,
7 and Woods Pharmacy.

8 26. On or about June 26, 2017, Board Inspector P.P. spoke with physician assistant S.E.
9 S.E. stated that the callers said they were from Respondent Loyalton Pharmacy and requested
10 prescriptions for Lidocaine ointment, sometimes patches. A couple of the callers said they were
11 from Global Healthcare. LifeLong rarely prescribes Lidocaine.

12 27. On or about July 6, 2017, Board Inspector P.P. conducted an inspection of
13 Respondent Loyalton Pharmacy.

14 28. Respondent Loyalton Pharmacy's Pharmacist-in-Charge, Respondent Peeler, said that
15 Global Healthcare advertised diabetic supplies on television and the internet. When asked how
16 Loyalton Pharmacy received the prescriptions, Peeler first said Global Healthcare called the
17 patients to approve Lidocaine prescriptions, then changed her answer to Loyalton Pharmacy
18 calling the patients to approve Lidocaine prescriptions. Peeler said she did not know whether the
19 patients had Lidocaine products prior to the calls, however she had no record of previous
20 prescriptions having been issued at Loyalton Pharmacy.

21 29. Board Inspector P.P. investigated whether Respondent Loyalton Pharmacy
22 maintained allergy information and physical addresses for its patients. From a patient list P.P.
23 was using throughout her inspection, she discovered seven patients with no allergy information
24 on file, and eight patients with no physical address on file. For this group of patients, P.P.
25 discovered that Loyalton Pharmacy had dispensed the following controlled substances:
26 Oxycodone 10mg, Norco 10/325mg, Norco 5/325mg, Ambien 10mg, Oxycodone ER 10mg, and
27 Alprazolam 1mg. P.P. asked Respondent Peeler how she would know if these patients lived in
28 the area, and Peeler stated she would not know, she just assumed the patients lived in or around

1 Loyalton. When P.P. showed Peeler one of the prescriptions Norco 10 for a patient whose doctor
2 was in Grass Valley, hours away from Loyalton Pharmacy, Peeler admitted she had not verified
3 the prescription with the doctor.

4 30. During the inspection, Respondent Peeler provided Board Inspector P.P. with a list
5 which described the process for dispensing prescription-only medication by Respondent Loyalton
6 Pharmacy. According to this process, Keystone Choice Pharmacy, rather than Loyalton
7 Pharmacy, would engage in prospective drug review, interventions, and patient counseling, and
8 then create labels for prescriptions which would be overnight-mailed to Loyalton Pharmacy.

9 31. Board Inspector P.P. conducted an audit of some of Respondent Loyalton Pharmacy's
10 dangerous drugs which revealed the following:

| Dangerous Drug | Beginning Inventory | Total Acquisitions | Ending Inventory | Total Disposition | Variance |
|-----------------------------|--------------------------------|-------------------------------|-----------------------------|------------------------------|-----------------|
| Omega 3 1gm | 19 | 96,169 | 0 | 75,870 | 20,299 |
| Lidocaine 5% Ointment | 0 | 1,894,550 | 88,270 | 1,817,029 | 77,521 |
| Lido/ prolocaine 2.5% | 0 | 327,600 | 510 | 301,650 | 25,950 |
| Diclofenac 1.5 ml | 0 | 64,800 | 11,250 | 61,800 | 3,000 |

23 32. After auditing Respondent Loyalton Pharmacy's inventory, Board Inspector P.P.
24 spoke with Respondent Peeler regarding invoices for the dangerous drugs that P.P. audited.
25 Peeler said she did not have invoices because they were sent "back east" so they would pay the
26 invoices. Peeler acknowledged to P.P. that the invoices were to be kept in the pharmacy and
27 stored for seven years.

28 ///

1 33. Respondents Loyalton Pharmacy and Peeler were unable to account for any of the
2 variances (losses) identified by Board Inspector P.P.'s audit for Omega 3, Lidocaine 5%
3 ointment, Lido/prolocaine 2.5%, and diclofenac.

4 34. During Board Inspector P.P.'s investigation, she discovered that Respondent Loyalton
5 Pharmacy purchased the bulk of its Lidocaine ointment 5%, Lidocaine/prolocaine 2.5% cream,
6 Omega-3 1gm, and diclofenac 1.5% solution from two vendors, Amneal and Sandoz. Respondent
7 Peeler never provided P.P. with invoices for these purchases despite P.P.'s repeated requests.

8 35. On or about August 18, 2017, Respondent Peeler provided Board Inspector P.P. with
9 audio records of Patient H.G. regarding how this patient obtained Lidocaine from Respondent
10 Loyalton Pharmacy. In the first recording, H.G. called into a website to order a knee and back
11 brace. In the second recording, H.G. spoke with a representative from Global Healthcare, where
12 H.G. again indicated an interest in knee and back braces. The Global Healthcare representative
13 solicited H.G. to obtain Lidocaine and diclofenac topicals for pain. H.G. told the Global
14 Healthcare representative that she was taking Ibuprofen. The Global Healthcare representative
15 told H.G. there was no problem using Lidocaine and diclofenac with the medications H.G. was
16 on. The Global Healthcare representative told H.G. that Loyalton Pharmacy would be giving
17 H.G. the prescriptions and gave H.G. Loyalton Pharmacy's customer service number.

18 36. Diclofenac external and Ibuprofen oral are in the steroidal anti-inflammatory agents
19 class and may represent a therapeutic duplication. They have potentially severe life-threatening
20 reaction/interaction which may cause deterioration in the patient's clinical status. Administration
21 of diclofenac sodium external should be used with extreme caution in geriatric patients.

22 37. After receiving the audio recordings, Board Inspector P.P. spoke with Respondent
23 Peeler. Peeler admitted that she never called and consulted with Patient H.G. on the use of
24 Lidocaine or diclofenac. Peeler admitted that no one from Respondent Loyalton Pharmacy called
25 H.G. to obtain a medication history. Peeler admitted that she did not check H.G.'s medication
26 history for drug interactions or use in the elderly.

27 38. At the conclusion of her investigation, Board Inspector P.P. determined that Global
28 Healthcare used a call-in request for knee and back braces to obtain the callers' medical

1 information and to solicit prescriptions from the callers' prescribers. Respondent Loyalton
2 Pharmacy then used the information Global Healthcare obtained to solicit prescriptions from the
3 callers' prescribers when the callers had not been issued the prescriptions previously.

4 **Patient H.G.**

5 39. On or about February 21, 2017, Board Inspector P.P. received a complaint from
6 Patient H.G. H.G. alleged that she had received Lidocaine from Respondent Loyalton Pharmacy
7 without any notification from her doctor that such a prescription was issued. The prescription
8 was issued on or about December 7, 2016.

9 40. During Board Inspector P.P.'s July 6, 2017 inspection of Respondent Loyalton
10 Pharmacy, she conducted an investigation regarding Loyalton Pharmacy's issuance of Lidocaine
11 to Patient H.G.

12 41. Respondent Peeler stated that she could not find the prescription for Lidocaine for
13 Patient H.G. Respondents Loyalton Pharmacy and Peeler never provided this prescription to
14 Board Inspector P.P., after being requested to do so.

15 **Patient P.G.**

16 42. On or about February 23, 2017, the Board received a complaint regarding Patient
17 P.G.'s receipt of prescription medications from Respondent Loyalton Pharmacy which P.G.
18 contended were not authorized by his doctor. P.G. lived in Claremont, CA, approximately 500
19 miles away from Loyalton Pharmacy.

20 43. During Board Inspector P.P.'s July 6, 2017 inspection of Respondent Loyalton
21 Pharmacy, she conducted an investigation regarding Loyalton Pharmacy's issuance of
22 prescription medication to Patient P.G.

23 44. While reviewing Patient P.G.'s profile with Respondent Loyalton Pharmacy's
24 pharmacist, G.S., it was determined that on or about January 16, 2017, Loyalton Pharmacy issued
25 Patient P.G. Lidocaine 5% ointment. Pharmacist G.S. was unable to retrieve any prescription for
26 P.G.

27 45. On or about August 18, 2017, Board Inspector P.P. spoke with Respondent Peeler
28 regarding the Lidocaine prescription that was issued to Patient P.G. Peeler admitted that she did

1 not consult with P.G. on the use of Lidocaine or diclofenac, that no one from Respondent
2 Loyalton Pharmacy called P.G. to obtain a medication history, and that E.P. did not check P.G.'s
3 medication history for drug interactions or use in the elderly.

4 **RESPONDENT LOYALTON PHARMACY**

5 **FIRST CAUSE FOR DISCIPLINE**

6 **(Unprofessional Conduct)**

7 46. Respondent Loyalton Pharmacy is subject to disciplinary action under section 4301 of
8 the Code in that:

9 a. Loyalton Pharmacy could not account for the losses of Omega-3, Lidocaine 5%
10 ointment, diclofenac 1.5% solution, and Lidocaine/prilocaine 2.5% cream.

11 b. Pharmacist-in-Charge Respondent Peeler had no relationship with most of the
12 patients who received Omega-3, Lidocaine 5% ointment, Lidocaine/prilocaine 2.5% cream, and
13 diclofenac 1.5% solution. Peeler did not know how the prescriptions were obtained nor was she
14 aware that Loyalton Pharmacy obtained the prescriptions by solicitation of prescribers when
15 patients were not on the prescriptions previously.

16 c. Loyalton Pharmacy failed to keep, store, and provide invoices to show purchases of
17 Omega-3, Lidocaine 5% ointment, Lidocaine/prilocaine 2.5% cream, and diclofenac 1.5%
18 solution.

19 d. Loyalton Pharmacy failed to obtain addresses of patients who received Schedule II
20 through IV controlled substances, thereby increasing the risk of drug diversion.

21 e. The facts and circumstances are described with more particularity in paragraphs 29-
22 30 and 32-38, above:

23 **SECOND CAUSE FOR DISCIPLINE**

24 **(Unprofessional Conduct—Violation of Federal and State Laws and Regulations Governing
25 Pharmacy)**

26 47. Respondent Loyalton Pharmacy is subject to disciplinary action under Code section
27 4301, subdivision (o), in that Loyalton Pharmacy:

28 ///

1 a. Failed to obtain physical addresses on prescriptions written for controlled substances,
2 in violation of Health and Safety Code section 11164, subdivision (a)(2).

3 b. Failed to obtain allergy information for up to fifty percent of its patients prior to
4 dispensing dangerous drugs, which could result in serious adverse reactions to patients, in
5 violation of Regulation section 1701.1, subdivision (a).

6 c. Entered into an agreement with Keystone Choice Pharmacy, located in Easton, PA,
7 and for which Jon Paul Letko is also president and CEO, to conduct drug review, interventions,
8 and patient counseling for prescriptions obtained for Loyalton Pharmacy, in violation of
9 Regulation section 1707.2.

10 d. Dispensed a prescription for Lidocaine 5% ointment without first verifying the
11 legitimacy of the prescription, which was sent to Loyalton Pharmacy from Global Healthcare, in
12 violation of Regulation section 1761, subdivision (a).

13 e. Dispensed a prescription for Lidocaine 5% ointment without first verifying the
14 legitimacy of the prescription, which was sent to Loyalton Pharmacy from Global Healthcare, in
15 violation of Regulation section 1761, subdivision (a).

16 f. The facts and circumstances are described with more particularity in paragraphs 24-
17 45, above.

18 **THIRD CAUSE FOR DISCIPLINE**

19 **(Failure to Maintain Records and Inventory)**

20 48. Respondent Loyalton Pharmacy is subject to disciplinary action under Code section
21 4081, subdivisions (a) and (b), in that Loyalton Pharmacy:

22 a. Failed to maintain invoices for dangerous drugs, in violation of Regulation section
23 1718.

24 b. Failed to have complete accountability for all dangerous drugs, in violation of Code
25 section 4332 and Regulation section 1718.

26 c. The facts and circumstances are described with more particularity in paragraphs 31-
27 34, above.

28 ///

1 **RESPONDENT PEELER**

2 **FIRST CAUSE FOR DISCIPLINE**

3 **(Unprofessional Conduct—Commission of Acts of Moral Turpitude, Dishonesty, Fraud,**
4 **Deceit or Corruption)**

5 49. Respondent Peeler is subject to disciplinary action under section 4301(f) of the Code
6 in that Peeler:

7 a. Could not account for the losses of Omega-3, Lidocaine 5% ointment, diclofenac
8 1.5% solution, and Lidocaine/prilocaine 2.5% cream.

9 b. Had no relationship with most of the patients who received Omega-3, Lidocaine 5%
10 ointment, Lidocaine/prilocaine 2.5% cream, and diclofenac 1.5% solution. Peeler did not know
11 how the prescriptions were obtained nor was she aware that Respondent Loyalton Pharmacy
12 obtained the prescriptions by solicitation of prescribers when patients were not on the
13 prescriptions previously.

14 c. Failed to keep, store, and provide invoices to show purchases of Omega-3, Lidocaine
15 5% ointment, Lidocaine/prilocaine 2.5% cream, and diclofenac 1.5% solution.

16 d. Failed to obtain addresses of patients who received Schedule II through IV controlled
17 substances, thereby increasing the risk of drug diversion.

18 e. The facts and circumstances are described with more particularity in paragraphs 29-
19 30 and 32-38, above.

20 **SECOND CAUSE FOR DISCIPLINE**

21 **(Unprofessional Conduct—Violation of Federal and State Regulations Governing**
22 **Pharmacy)**

23 50. Respondent Peeler is subject to disciplinary action under section 4301(o) of the Code
24 in that Peeler violated or attempted to violate, directly or indirectly, assisted in or abetted the
25 violation of, or conspired to violate federal and state regulations governing pharmacy, as follows:

26 a. Respondent Peeler failed to comply with the requirements for dispensing
27 prescriptions for controlled substances, by failing to obtain physical addresses on prescriptions
28

1 written for controlled substances, in violation of Health and Safety Code section 11164,
2 subdivision (a)(2).

3 b. Respondent Peeler failed to maintain medication profiles by failing to obtain allergy
4 information, for up to fifty percent of patients, prior to dispensing dangerous drugs, which could
5 result in serious adverse reaction to patients, in violation of Regulation section 1701.1,
6 subdivision (a)(1)(C).

7 c. Respondent Peeler failed to consult with patients when she entered into an agreement
8 with Keystone Choice Pharmacy, located in Easton, PA, to conduct drug review, interventions,
9 and patient counseling for prescriptions obtained for Respondent Loyalton Pharmacy, in violation
10 of Regulation section 1707.2.

11 d. Respondent Peeler failed to maintain records and invoices of dangerous drugs by
12 failing to maintain invoices from Sandoz and Amneal, from whom Respondent Loyalton bought
13 the bulk of Lidocaine ointment 5%, Lidocaine/prilocaine 2.5% cream, Omega-3 1gm, and
14 diclofenac 1.5% solution, in violation of Code section 4081, subdivisions (a) and (b), and
15 Regulation section 1718.

16 e. Respondent Peeler failed to maintain an accurate inventory by failing to have
17 complete accountability for all dangerous drugs, in violation of Code sections 4081, subdivisions
18 (a) and (b), and 4332, and Regulation section 1718.

19 f. Respondent Peeler issued an erroneous and uncertain prescription by dispensing a
20 prescription for Lidocaine 5% ointment on or about January 16, 2017, without first verifying the
21 legitimacy of the prescription, in violation of Regulation section 1761, subdivision (a).

22 g. Respondent Peeler issued an erroneous and uncertain prescription by dispensing a
23 prescription for Lidocaine 5% ointment on or about December 7, 2017, without first verifying the
24 legitimacy of the prescription, in violation of Regulation section 1761, subdivision (a).

25 h. The facts and circumstances are described with more particularity in paragraphs 24-
26 45, above.

27 ///

28 ///

OTHER MATTERS

1
2 51. Pursuant to Code section 4307, if discipline is imposed on Original Permit Number
3 PHY 54562 issued to Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings,
4 LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding
5 LLC dba Loyalton Pharmacy, Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy
6 Holdings, LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton
7 Holding LLC dba Loyalton Pharmacy shall be prohibited from serving as a manager,
8 administrator, owner, member, officer, director, associate, or partner of a licensee for five years if
9 Original Permit Number PHY 54562 is placed on probation or until Original Permit Number
10 PHY 54562 is reinstated if it is revoked.

11 52. Pursuant to Code section 4307, if discipline is imposed on Original Permit Number
12 PHY 54562 issued to Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings,
13 LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding
14 LLC dba Loyalton Pharmacy, while Elva Peeler has been an officer and owner and had
15 knowledge of or knowingly participated in any conduct for which the licensee was disciplined,
16 Elva Peeler shall be prohibited from serving as a manager, administrator, owner, member, officer,
17 director, associate, or partner of a licensee for five years if Original Permit Number PHY 54562 is
18 placed on probation or until Original Permit Number PHY 54562 is reinstated if it is revoked.

19 53. Pursuant to Code section 4307, if discipline is imposed on Original Pharmacist
20 License Number RPH 26167 issued to Elva Peeler, Elva Peeler shall be prohibited from serving
21 as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee
22 for five years if Original Pharmacist License Number RPH 26167 is placed on probation or until
23 Original Pharmacist License Number RPH 26167 is reinstated if it is revoked.

24 ///

25 ///

26 ///

27 ///

28 ///

1 PRAYER

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

4 1. Revoking or suspending Original Permit Number PHY 54562, issued to Complete
5 Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings, LLC, Melchor Wealth Management
6 Inc., Letko Asset Management LLC and Loyalton Holding LLC dba Loyalton Pharmacy;

7 2. Revoking or suspending Original Pharmacist License Number RPH 26167 issued to
8 Elva Peeler;

9 3. Prohibiting Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings,
10 LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding
11 LLC dba Loyalton Pharmacy from serving as a manager, administrator, owner, member, officer,
12 director, associate, or partner of a licensee for five years if Original Permit Number PHY 54562 is
13 placed on probation or until Original Permit Number 54562 is reinstated if Original Permit
14 Number 54562 issued to Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings,
15 LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding
16 LLC dba Loyalton Pharmacy is revoked;

17 4. Prohibiting Elva Peeler from serving as a manager, administrator, owner, member,
18 officer, director, associate, or partner of a licensee for five years if Original Permit Number PHY
19 54562 is placed on probation or until Original Permit Number PHY 54562 is reinstated if Original
20 Permit Number PHY 54562 issued to Complete Pharmacy Services, LLC, Sierra Nevada
21 Pharmacy Holdings, LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and
22 Loyalton Holding LLC dba Loyalton Pharmacy is revoked;

23 5. Prohibiting Elva Peeler from serving as a manager, administrator, owner, member,
24 officer, director, associate or partner of a licensee for five years if Original Pharmacist License
25 Number RPH 26167 is placed on probation or until Original Pharmacist License Number RPH
26 26167 is reinstated if Original Pharmacist License Number RPH 26167 issued to Elva Peeler is
27 revoked;

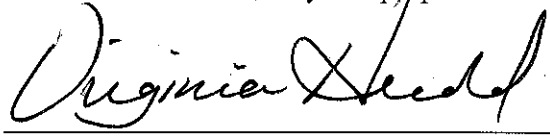
28 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

6. Ordering Complete Pharmacy Services, LLC, Sierra Nevada Pharmacy Holdings, LLC, Melchor Wealth Management Inc., Letko Asset Management LLC and Loyalton Holding LLC dba Loyalton Pharmacy, and Elva Peeler to pay the Board of Pharmacy the reasonable costs of investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3; and,

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

DATED: 1/16/18



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

SA2017109096