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6 Attorneys for Complainant

7
8 **BEFORE THE**
BOARD OF PHARMACY
9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

12 RONALD S. SHAFFER
2728 Lakridge Lane
13 Westlake Village, CA 91361

14 Original Pharmacist License No. RPH 20778

15 Respondent.

Case No. 03 2687

OAH No. L-2003 120 005

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER**

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17
18 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the
19 above-entitled proceedings that the following matters are true:

20 PARTIES

21 1. Patricia F. Harris (Complainant) is the Executive Officer of the Board of
22 Pharmacy (Board). She brought this action solely in her official capacity and is represented in
23 this matter by Bill Lockyer, Attorney General of the State of California, by Stephen S. Handin,
24 Supervising Deputy Attorney General.

25 2. Respondent Ronald S. Shaffer(Respondent) is represented in this
26 proceeding by attorney Herbert L. Weinberg, Attorney at Law, of Van Etten, Suzumoto &
27 Becket, whose address is 1620 26th Street, Ste 6000 North, Santa Monica, CA 90404.

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1 discipline and he agrees to be bound by the Board's imposition of discipline as set forth in the
2 Disciplinary Order below.

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4 CONTINGENCY

5 10. This stipulation shall be subject to approval by the Board. Respondent
6 understands and agrees that counsel for Complainant and the staff of the Board may
7 communicate directly with the Board regarding this stipulation and settlement, without notice to
8 or participation by Respondent or his counsel. By signing the stipulation, Respondent
9 understands and agrees that he may not withdraw his agreement or seek to rescind the stipulation
10 prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation
11 as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force
12 or effect, except for this paragraph, it shall be inadmissible in any legal action between the
13 parties, and the Board shall not be disqualified from further action by having considered this
14 matter.

15 11. The parties understand and agree that facsimile copies of this Stipulated
16 Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same
17 force and effect as the originals.

18 12. In consideration of the foregoing admissions and stipulations, the parties
19 agree that the Board may, without further notice or formal proceeding, issue and enter the
20 following Disciplinary Order:

21 DISCIPLINARY ORDER

22 SURRENDER

23 Respondent surrenders License No. RPH 20778 as of the effective date of this
24 decision. Respondent shall relinquish his wall license and pocket renewal license to the Board
25 within 10 days of the effective date of this decision. Respondent may not reapply for any license,
26 permit, or registration from the Board for three years from the effective date of this decision.
27 Respondent stipulates that should he apply for any license from the Board on or after the
28 effective date of this decision, all allegations set forth in the Accusation shall be deemed to be

1 true. Respondent shall satisfy all requirements applicable to that license as of the date the
2 application is submitted to the Board, including, but not limited to taking and passing the
3 California Pharmacist Licensure Examination prior to the issuance of a new license. Respondent
4 is obligated to report this surrender as disciplinary action.

5 Respondent stipulates that should he apply for any license from the Board on or
6 after the effective date of this decision, the investigation and prosecution costs in the amount of
7 \$508.50 shall be paid to the Board prior to issuance of the new license.

8 Upon and subject to acceptance of this surrender by the Board, Respondent may
9 not engage in any activities for which a pharmacist license is required, however, nothing
10 contained herein will preclude Respondent from pursuing and engaging in any Pharmacy-related
11 employment for which no license is required.

12 ACCEPTANCE

13 I have carefully read the above Stipulated Settlement and Disciplinary Order and
14 have fully discussed it with my attorney, Herbert L. Weinberg. I understand the stipulation and
15 the effect it will have on my Original Pharmacist License. I enter into this Stipulated Settlement
16 and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the
17 Decision and Order of the Board of Pharmacy.

18 DATED: 6/10/04.

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20 
21 RONALD S. SHAFFER
22 Respondent

23 I have read and fully discussed with Respondent Ronald S. Shaffer the terms and
24 conditions and other matters contained in the above Stipulated Settlement and Disciplinary
25 Order. I approve its form and content.

26 DATED: 6/10/04.

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HERBERT L. WEINBERG
Attorney for Respondent

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ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Board of Pharmacy of the Department of Consumer Affairs.

DATED: JUNE 19, 2004

BILL LOCKYER, Attorney General
of the State of California


STEPHEN S. HANDIN
Supervising Deputy Attorney General
Attorneys for Complainant

Stipulation - Shaffer.wpd

**BEFORE THE
BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

RONALD S. SHAFFER
2728 Lakridge Lane
Westlake Village, CA 91361

Original Pharmacist License No. RPH 20778

Respondent.

Case No. 03 2687

OAH No. L-2003 120 005

DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Board of Pharmacy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on August 20, 2004.

It is so ORDERED July 21, 2004.

BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

By



STANLEY W. GOLDENBERG
Board President

Exhibit A
Accusation No. 03 2687

1 BILL LOCKYER, Attorney General
of the State of California
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3 California Department of Justice
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BOARD OF PHARMACY
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10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. 03 2687

12 RONALD S. SHAFFER
2728 Lakridge Lane
13 Westlake Village, CA 91361

A C C U S A T I O N

14 Pharmacist License No. RPH 20778

15 Respondent.

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17 Complainant alleges:

18 PARTIES

19 1. Patricia F. Harris (Complainant) brings this Accusation solely in her
20 official capacity as the Executive Officer of the Board of Pharmacy (Board), Department of
21 Consumer Affairs.

22 2. On or about July 27, 1958, the Board issued Pharmacist License No. RPH
23 20778 to Ronald S. Shaffer (Respondent). The Pharmacist license was in full force and effect at
24 all times relevant to the charges brought herein and will expire on January 31, 2005, unless
25 renewed.

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JURISDICTION

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

5 4. Section 4300 permits the Board to take disciplinary action to suspend or
6 revoke a license issued by the Board.

7 5. Section 4301 states, in pertinent part:

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

12

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

16

17 "(l) The conviction of a crime substantially related to the qualifications, functions,
18 and duties of a licensee under this chapter. The record of conviction of a violation of Chapter 13
19 (commencing with Section 801) of Title 21 of the United States Code regulating controlled
20 substances or of a violation of the statutes of this state regulating controlled substances or
21 dangerous drugs shall be conclusive evidence of unprofessional conduct. In all other cases, the
22 record of conviction shall be conclusive evidence only of the fact that the conviction occurred.
23 The board may inquire into the circumstances surrounding the commission of the crime, in order
24 to fix the degree of discipline or, in the case of a conviction not involving controlled substances
25 or dangerous drugs, to determine if the conviction is of an offense substantially related to the
26 qualifications, functions, and duties of a licensee under this chapter. A plea or verdict of guilty
27 or a conviction following a plea of nolo contendere is deemed to be a conviction within the
28 meaning of this provision. The board may take action when the time for appeal has elapsed, or

1 the judgment of conviction has been affirmed on appeal or when an order granting probation is
2 made suspending the imposition of sentence, irrespective of a subsequent order under Section
3 1203.4 of the Penal Code allowing the person to withdraw his or her plea of guilty and to enter a
4 plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information,
5 or indictment."

6 6. California Code of Regulations, title 16, section 1770, states:

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

13 7. Section 118, subdivision (b), provides that the suspension, expiration,
14 surrender, or cancellation of a license shall not deprive the Board of jurisdiction to proceed with
15 a disciplinary action during the period within which the license may be renewed, restored,
16 reissued or reinstated.

17 8. Section 125.3, subdivision (a), states, in pertinent part:

18 "Except as otherwise provided by law, in any order issued in resolution of a
19 disciplinary proceeding before any board within the department . . . the board may request the
20 administrative law judge to direct a licentiate found to have committed a violation or violations
21 of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
22 enforcement of the case."

23 CAUSE FOR DISCIPLINE

24 (Conviction of Substantially Related Crimes)

25 9. Respondent is subject to disciplinary action under sections 4300, 4301,
26 subdivisions (f) and (l), and 490 of the Business and Professions Code, as defined in the
27 California Code of Regulations, title 16, section 1770, on the grounds that Respondent was

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1 convicted of crimes substantially related to the qualifications, functions or duties of a
2 pharmacist. The circumstances are as follows:

3 a. On or about October 23, 2000, Respondent pled guilty to and was
4 convicted of four counts of violating Title 18 United States Code section 1343 (wire fraud) and
5 Title 18 United States Code section 2 (aiding, abetting, and causing an act to be done [against the
6 United States]), in the United States District Court, Central District of California, entitled *United*
7 *States of America v. Ronald Stanford Shaffer*, Case No. CR 00-859-TJH. As a result of said
8 conviction, on or about July 23, 2001, Respondent was sentenced to one year and one day of
9 imprisonment for each count, and to make restitution to the victim pharmaceutical companies in
10 the amount of \$85,784.

11 b. The circumstances surrounding the conviction are that beginning on a date
12 unknown and continuing to in or about April 1997, Respondent and others devised and carried
13 out a scheme to defraud pharmaceutical companies by making misrepresentations to the
14 companies to obtain pharmaceuticals at reduced prices, which Respondent and his co-schemers
15 then illegally resold to wholesalers/distributors at a profit.

16 c. Respondent and others, for the purpose of executing the above scheme,
17 caused documents (packing slip, bill of lading, etc.) to be transmitted in interstate commerce by
18 means of wire communication (facsimile) between California, Colorado, Michigan, and Texas.

19 PRAYER

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

22 1. Revoking or suspending Pharmacist License Number RPH 20778, issued
23 to Ronald S. Shaffer;

24 2. Ordering Ronald S. Shaffer 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;

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

DATED: 10/22/03

P. J. Harris

PATRICIA F. HARRIS
Executive Officer
Board of Pharmacy
Department of Consumer Affairs
State of California
Complainant

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prepared by cak (09/03)