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

In the Matter of the Accusation Against:

Case No. 5244

PHARMA-RX, INC. Khachatur Pogosyan, President 412 W. Broadway, Ste. 200 Glendale, CA 91204 Wholesale Permit No. WLS 5405 STIPULATED SURRENDER OF LICENSE AND ORDER <u>AS TO</u> <u>PHARMA-RX, INC. ONLY</u>

KHACHATUR POGOSYAN Designated Representative License No. EXC 19398

Respondents.

DECISION AND ORDER

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

This Decision shall become effective at 5:00 p.m. on May 6, 2016.

It is so ORDERED on April 6, 2016.

BOARD OF PHARMACY DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA

By

Amy Gutierrez, Pharm.D. Board President

1	KAMALA D. HARRIS				
2	Attorney General of California MARC D. GREENBAUM				
3	Supervising Deputy Attorney General MORGAN MALEK				
4	Deputy Attorney General State Bar No. 223382				
5	300 So. Spring Street, Suite 1702 Los Angeles, CA 90013				
6	Telephone: (213) 897-2643 Facsimile: (213) 897-2804				
7	Attorneys for Complainant				
8	BEFORE THE BOARD OF PHARMACY DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA				
9					
10					
11	In the Matter of the Accusation Against:	Case No. 5244			
12	PHARMA-RX, INC.				
13	Khachatur Pogosyan, President 412 W. Broadway, Ste. 200	STIPULATED SURRENDER OF LICENSE AND ORDER AS TO			
14	Glendale, CA 91204 Wholesale Permit No. WLS 5405	PHARMA-RX, INC., ONLY			
15 16	KHACHATUR POGOSYAN Designated Representative License No. EXC 19398				
17	Respondents.				
18	, to the same of t	/			
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20	IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-				
21	entitled proceedings that the following matters are true:				
22	PARTIES				
23	1. Virginia Herold (Complainant) is the Executive Officer of the Board of Pharmacy.				
24	She brought this action solely in her official capacity and is represented in this matter by Kamala				
25	D. Harris, Attorney General of the State of California, by Morgan Malek, Deputy Attorney				
26	General.				
27	2. Pharma-RX, Inc. (Respondent) is re-	presented in this proceeding by attorneys Terree			
28	Bowers, Esq., and Karen Van Essen, Esq., whose address is:				

Arent Fox

555 West Fifth Street, 48th Floor

Los Angeles, CA 90013.

- 3. On or about June 5, 2009, the Board of Pharmacy issued Wholesale Permit Number WLS 5405 to the Respondent. The Wholesale Permit expired on February 18, 2014, and has not been renewed. Khachatur Pogosyan (POGOSYAN) is the President of PHARMA-RX.
- 4. On or about December 2, 2008, the Board of Pharmacy issued Designated Representative License Number EXC 19398 to POGOSYAN. The Designated Representative License will expire on December 1, 2015, unless renewed.

JURISDICTION

5. Accusation No. 5244 was filed before the Board of Pharmacy (Board), Department of Consumer Affairs, and is currently pending against Respondent. The Accusation and all other statutorily required documents were properly served on Respondent on September 18, 2015. Respondent timely filed its Notice of Defense contesting the Accusation. A copy of Accusation No. 5244 is attached as Exhibit A and incorporated by reference.

ADVISEMENT AND WAIVERS

- 4. Respondent has carefully read, fully discussed with counsel, and understands the charges and allegations in Accusation No. 5244. Respondent also has carefully read, fully discussed with counsel, and understands the effects of this Stipulated Surrender of License and Order.
- 5. Respondent is fully aware of its legal rights in this matter, including the right to a hearing on the charges and allegations in the Accusation; the right to be represented by counsel, at its own expense; the right to confront and cross-examine the witnesses against it; the right to present evidence and to testify on its own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.

6. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

CULPABILITY

- 7. Respondent admits that at a hearing Complainant could establish a factual basis for the charges and allegations in Accusation No. 5244, and that those charges and allegations are cause for discipline.
 - 8. Respondent hereby gives up its rights to contest those charges and allegations.

CONTINGENCY

- 9. This stipulation shall be subject to approval by the Board of Pharmacy. Respondent understands and agrees that counsel for Complainant and the staff of the Board of Pharmacy may communicate directly with the Board regarding this stipulation and surrender, without notice to or participation by Respondent or her counsel. By signing the stipulation, Respondent understands and agrees that it may not withdraw its agreement or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and Order, the Stipulated Surrender and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Board shall not be disqualified from further action by having considered this matter.
- 10. The parties understand and agree that Portable Document Format (PDF) and facsimile copies of this Stipulated Surrender of License and Order, including PDF and facsimile signatures thereto, shall have the same force and effect as the originals.
- 11. This Stipulated Surrender of License and Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions, negotiations, and commitments (written or oral). This Stipulated Surrender of License and Order may not be altered, amended, modified, supplemented, or otherwise changed except by a writing executed by an authorized representative of each of the parties.
- 12. In consideration of the foregoing admissions and stipulations, the parties agree that the Board may, without further notice or formal proceeding, issue and enter the following Order:

<u>ORDER</u>

IT IS HEREBY ORDERED that Respondent owner (Khachatur Pogosyan) surrenders Wholesale Permit Number WLS 5405, issued to Respondent Pharma-RX, Inc., as of the effective date of this decision. Respondent owner shall, if he has not relinquished already, relinquish the premises wall license and renewal license to the board within ten (10) days of the effective date of this decision.

- 1. The surrender of respondent's license and the acceptance of the surrendered license by the Board shall constitute the imposition of discipline against the Respondent. This decision constitutes a record of discipline and shall become a part of Respondent's license history with the board.
- 2. Respondent shall, if he has not relinquished already, within ten (10) days of the effective date, arrange for the destruction of all compounded drugs, and the destruction, the transfer to, sale of or storage in a facility licensed by the board of all controlled substances and dangerous drugs and devices. Respondent shall, if he has not relinquished already, further provide written proof of such disposition and submit a completed Discontinuance of Business form according to board guidelines.
- 3. Respondent shall also, if he has not relinquished already, by the effective date of this decision, arrange for the continuation of care for ongoing patients of the pharmacy by, at minimum, providing a written notice to ongoing patients that specifies the anticipated closing date of the pharmacy and that identifies one or more area pharmacies capable of taking up the patients' care, and by cooperating as may be necessary in the transfer of records or prescriptions for ongoing patients. Within five days of its provision to the pharmacy's ongoing patients, Respondent owner shall provide a copy of the written notice to the board. For the purposes of this provision, "ongoing patients" means those patients for whom the pharmacy has on file a prescription with one or more refills outstanding, or for whom the pharmacy has filled a prescription within the preceding sixty (60) days.

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- 4. Respondent understands and agrees that if it ever files an application for a licensed premises or a petition for reinstatement in the State of California, the board shall treat it as a new application for licensure.
- 5. Respondent may not reapply for any license from the board for five (5) years from the effective date of this decision. Respondent stipulates that should the Respondent apply for any license from the Board on or after the effective date of this decision, all allegations set forth in Accusation No. 5244 shall be deemed to be true, correct and admitted by the Respondent when the Board determines whether to grant or deny the application. Respondent shall satisfy all requirements applicable to that license as of the date the application is submitted to the Board.
- 6. Respondent further stipulates that Pharma-RX Inc. and Kachatur Pogosyan¹ shall reimburse the board for its costs of investigation and prosecution, jointly and severally, in the amount of \$9,724.25 within sixty (60) days of the effective date of this decision. Upon satisfactorily performance of all the terms and conditions of this surrender of license (Stipulated Surrender of License and Order as to Pharma-RX, Only) the Board will take necessary steps to cancel the \$25,000 bond.
- 7. It is understood by Respondent that, in deciding whether to adopt this stipulation, the Board may receive oral and written communication from its staff and the Attorney General's Office. Communications pursuant to this paragraph shall not disqualify the board or other persons from future participation in this or any other matter affecting respondent. In the event this settlement is not adopted by the board, the stipulation will not become effective and may not be used for any purpose, except this paragraph, which shall remain in effect.

ACCEPTANCE

I have carefully read the above Stipulated Surrender of License and Order and have fully discussed it with my attorney, Terree Bowers, Esq., and Karen Van Essen, Esq. I understand the stipulation and the effect it will have on my Pharmacy Permit. I enter into this Stipulated Surrender of License and Order voluntarily, knowingly, and intelligently, and agree to be bound

¹ As the Designated Representative of KVP Pharmacy, Inc.

1	by the Decision and Order of the Board of Pharmacy.		
2			
3	DATED: 2/5/16		
4	PHARMA-RX, INC., by KHACHATUR POGOSYAN		
5	Respondent	Ì	
6			
7	I have read and fully discussed with Respondent Pharma-RX's owner, Khachatur		
8			
9	License and Order. I approve its form and content.		
10	DATED 2611		
11	DATED: 2.5.16 KAREN VAN ESSEN, ESQ.	_	
12	TERREE BOWERS, ESQ. Attorney for Respondent PHARMA-RX, INC.		
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ENDORSEMENT The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted for consideration by the Board of Pharmacy of the Department of Consumer Affairs. Dated: Respectfully submitted, KAMALA D. HARRIS Attorney General of California MARC D. GREENBAUM Supervising Deputy Attorney General Mórgan Malek Deputy Attorney General Attorneys for Complainant LA2013509843 51977411.docx

Exhibit A
Accusation No. 5244

KAMALA D. HARRIS	
Attorney General of California MARC D. GREENBAUM	
Supervising Deputy Attorney General	
MORGAN MALEK Deputy Attorney General	
State Bar No. 223382	·
300 So. Spring Street, Suite 1702 Los Angeles, CA 90013	
Telephone: (213) 897-2643	
Facsimile: (213) 897-2804 Attorneys for Complainant	
BEFO	RE THE
BOARD OF PHARMACY	
	CONSUMER AFFAIRS CALIFORNIA
	1 .
In the Matter of the Accusation Against:	Case No. 5244
PHARMA-RX, INC. Khachatur Pogosyan, President	
412 W. Broadway, Ste. 200	ACCUSATION
Glendale, CA 91204	
Wholesale Permit No. WLS 5405	
KHACHATUR POGOSYAN Designated Representative License	
No, EXC 19398	•
Respondent.	
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Complainant alleges;	
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PAR	STIES gs this Accusation solely in her official capacity
PAR 1. Virginia Herold (Complainant) bring	gs this Accusation solely in her official capacity
PAR 1. Virginia Herold (Complainant) bring as the Executive Officer of the Board of Pharma	gs this Accusation solely in her official capacity
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1. Virginia Herold (Complainant) bring as the Executive Officer of the Board of Pharma 2. On or about June 5, 2009, the Board	gs this Accusation solely in her official capacity cy, Department of Consumer Affairs. of Pharmacy issued Wholesale Permit Number

2014, and has not been renewed. Khachatur Pogosyan (POGOSYAN) is the President of PHARMA-RX.

- 3. On or about December 2, 2008, the Board of Pharmacy issued Designated Representative License Number EXC 19398 to POGOSYAN. The Designated Representative License will expire on December 1, 2015, unless renewed.
- 4. POGOSYAN also owns a pharmacy by the name of KVP Pharmacy Inc.. An Accusation is pending against KVP Pharmacy, Inc. (KVP) at the present time. On or about March 1, 2011, the Board of Pharmacy issued Pharmacy Permit Number PHY 50535 to KVP. The Pharmacy Permit was in full force and effect at all times relevant to the charges brought herein and will expire on March 1, 2016, unless renewed. POGOSYAN is and was the sole owner of KVP since March 1, 2011. The Statement of Information filed with the Secretary of State on November 24, 2010, provides that POGOSYAN was the Chief Executive Office, Chief Financial Officer, Director, Officer, Shareholder and Secretary of KVP.

JURISDICTION

5. This Accusation is brought before the Board of Pharmacy (Board), Department of Consumer Affairs, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise indicated.

STATUTORY PROVISIONS

- 6. Section 118, subdivision (b), of the Code provides that the suspension, expiration, surrender or cancellation of a license shall not deprive the Board of jurisdiction to proceed with a disciplinary action during the period within which the license may be renewed, restored, reissued or reinstated.
- 7. Section 4110, subdivision (a), of the Code provides that no person shall conduct a pharmacy in the State of California unless he or she has obtained a license from the board. A license shall be required for each pharmacy owned or operated by a specific person. A separate license shall be required for each of the premises of any person operating a pharmacy in more than one location. The license shall be renewed annually. The board may, by regulation, determine the circumstances under which a license may be transferred.

- 8. Section 4307 of the Code provides in pertinent part:
- (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, or partner of any partnership, corporation, 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, or partner 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, or partner 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, or partner," as used in this section and Section 4308, may refer to a pharmacist or to any other person who serves in that capacity in or for a licensee,
- (c) The provisions of subdivision (a) may be alleged in any pleading filed pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of the Government Code. However, no order may be issued in that case except as to a person who is named in the caption, as to whom the pleading alleges the applicability of this section, and where the person has been given notice of the proceeding as required by Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of the Government Code. The authority to proceed as provided by this subdivision shall be in addition to the board's authority to proceed under Section 4339 or any other provision of law.
- 9. Section 17200 of the Code provides in pertinent part that unfair competition shall mean and include any unlawful, unfair or fraudulent business act or practice and unfair, deceptive,

untrue or misleading advertising and any act prohibited by Chapter 1 (commencing with Section 17500) of Part 3 of Division 7 of the Business and Professions Code.

REGULATORY PROVISIONS

10. California Code of Regulations, Title 16, section 1780 provides:

"The following minimum standards shall apply to all wholesale establishments for which permits have been issued by the Board:

- (a) A wholesaler shall store dangerous drugs in a secured and lockable area.
- (b) All wholesaler premises, fixtures and equipment therein shall be maintained in a clean and orderly condition. Wholesale premises shall be well ventilated, free from rodents and insects, and adequately lighted. Plumbing shall be in good repair. Temperature and humidity monitoring shall be conducted to assure compliance with the United States Pharmacopeia Standards (1990, 22nd Revision).
- (c) Entry into areas where prescription drugs are held shall be limited to authorized personnel.
 - (1) All facilities shall be equipped with an alarm system to detect entry after hours,
- (2) All facilities shall be equipped with a security system that will provide suitable protection against theft and diversion. When appropriate, the security system shall provide protection against theft or diversion that is facilitated or hidden by tampering with computers or electronic records.
 - (3) The outside perimeter of the wholesaler premises shall be well-lighted.
 - (d) All materials must be examined upon receipt or before shipment.
- (1) Upon receipt, each outside shipping container shall be visually examined for identity and to prevent the acceptance of contaminated prescription drugs or prescription drugs that are otherwise unfit for distribution. This examination shall be adequate to reveal container damage that would suggest possible contamination or other damage to the contents.
- (2) Each outgoing shipment shall be carefully inspected for identity of the prescription drug products and to ensure that there is no delivery of prescription drugs that have been damaged in storage or held under improper conditions.

- (e) The following procedures must be followed for handling returned, damaged and outdated prescription drugs.
- (1) Prescription drugs that are outdated, damaged, deteriorated, misbranded or adulterated shall be placed in a quarantine area and physically separated from other drugs until they are destroyed or returned to their supplier.
- (2) Any prescription drugs whose immediate or sealed outer or sealed secondary containers have been opened or used shall be identified as such, and shall be placed in a quarantine area and physically separated from other prescription drugs until they are either destroyed or returned to the supplier.
- (3) If the conditions under which a prescription drug has been returned cast doubt on the drug's safety, identity, strength, quality or purity, the drug shall be destroyed or returned to the supplier unless testing or other investigation proves that the drug meets appropriate United States Pharmacopeia Standards (1990, 22nd Revision).
 - (f) Policies and procedures must be written and made available upon request by the board.
- (1) Wholesale drug distributors shall establish, maintain, and adhere to written policies and procedures, which shall be followed for the receipt, security, storage, inventory and distribution of prescription drugs, including policies and procedures for identifying, recording, and reporting losses or thefts, for correcting all errors and inaccuracies in inventories, and for maintaining records to document proper storage.
- (2) The records required by paragraph (1) shall be in accordance with Title 21, Code of Federal Regulations, Section 205.50(g). These records shall be maintained for three years after disposition of the drugs.
- (3) Wholesale drug distributors shall establish and maintain lists of officers, directors, managers and other persons in charge of wholesale drug distribution, storage and handling, including a description of their duties and a summary of their qualifications.
- (4) Each wholesaler shall provide adequate training and experience to assure compliance with licensing requirements by all personnel.

(ACCUSATION

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STATEMENT OF FACTS

- On July 16, 2013, Inspector S.P. and Supervising Inspector J.D. visited PHARMA-RX, for an inspection. Inspector S.P. issued a written notice of non-compliance for the following: (1) failure to monitor temperature and humidity; (2) failure to have an alarm to detect after hours entry; (3) failure to have written policy and procedures for receipt, security, storage, inventory and distribution, reporting theft and loss, correcting errors and inaccuracies in inventories, handling outdated or damaged returns and record retention; (4) failure to maintain a list of officers, directors, managers and other persons in charge of distribution, storage and handling, including duties and qualifications; (5) failure to have documentation of training provided to its personnel to assure compliance with licensing requirements; (6) Designated Representative In Charge, POGOSYAN, failed to complete a self-assessment of the wholesaler's compliance with federal and state pharmacy law.
- 14. On or about July 30, 2013, Inspector S.P. contacted Drug Enforcement Administration (DEA) Diversion investigator regarding the supporting documents addressing the payment of physician DEA registration by POGOSYAN. The investigation revealed that the DEA registration for practitioner J.L. was in fact paid by POGOSYAN and that the payment for the DEA registration was made by a Visa credit card on July 10, 2009, for \$551.00 under account holder name "Khachatur Pogosyan".
- On November 19, 2013, Board Inspector A.Y. and J.W. re-visited KVP and then PHARMA-RX, to follow up on the Board's complaint investigations. Upon visiting PHARMA-RX, the inspectors discovered KVP was operating, conducting, practicing and acting as a pharmacy at the same location AS PHARMA-RX (412 W. Broadway Street #200, Glondale, CA 91204, an unlicensed pharmacy location. The inspectors issued legal reference information on Business and Professions Code section 4110, with respect to KVP ordering it to immediately cease pharmacy operations at the unlicensed pharmacy location and transfer all records back to the licensed pharmacy premise by noon the following day.
- On November 21, 2013, Board Inspector A.Y. revisited KVP, and PHARMA-RX. 16. and was informed that PHARMA-RX had not conducted business for quite some time.

POGOSYAN stated that PHARMA-RX never had any drug inventory and primarily functioned as a *broker*. Inspector A.Y. addressed the filing of Discontinuance of Business (DOB) for PHARMA-RX with Designated Representative In Charge POGOSYAN. On November 22, 2013, Inspector A.Y. received the DOB form for PHARMA-RX.

17. On or about January 9, 2014, Board Inspector J.W contacted Dr. J.L., and left a message to have him contact him. On January 29, 2014, Inspector J.W. spoke with Dr. J.L. regarding his DEA license. Dr. J.L. denied he maintained an office practice located in Pasadena since the end of Spring of 2013. Dr. J.L. stated that he would see patients at the office of another practitioner, a chiropractor, W.C., approximately once a month. Dr. J.L. was unsure whether he maintained an active DEA registration at the Pasadena location. He denied being familiar with a business entity named PHARMA-RX. Dr. J.L. stated that he knew POGOSYAN and that he had spoken with him, however, he denied having any relationship, personal or business, with POGOSYAN, except of just knowing POGOSYAN. When asked whether he was aware that his DEA registration (Pasadena location) was paid by POGOSYAN, Dr. J.L. denied and stated that he pays for his DEA registration and that he did not take any monetary value from POGOSYAN.

FIRST CAUSE FOR DISCIPLINE

(Unlawful, Unfair or Fraudulent Business Act)

18. Respondent POGOSYAN is subject to disciplinary action under Business and Professions Code section 17200 in that he committed unlawful, unfair or fraudulent business act or practice when he paid the DEA registration for practitioner J.L. using his Visa credit card on July 10, 2009, for \$551.00, under account holder name "Khachatur Pogosyan". Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 12 through 16, as though set forth fully.

SECOND CAUSE FOR DISCIPLINE

(Operating as a pharmacy)

19. Respondents are subject to disciplinary action under Business and Professions Code section 4110, subsection (a) in that during a Board investigation of PHARMA-RX on November 19, 2013, the inspectors discovered that KVP was operating, conducting, practicing and acting as

a pharmacy at the same location AS PHARMA-RX (412 W. Broadway Street #200, Glendale, CA 91204, an *unlicensed* pharmacy location. The inspectors issued legal reference information on Business and Professions Code section 4110, with respect to KVP ordering it to immediately *cease* pharmacy operations at the *unlicensed* pharmacy location ad transfer all records back to the licensed pharmacy premise by noon the following day. Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 12 through 16, as though set forth fully.

THIRD CAUSE FOR DISCIPLINE

(Failure to Maintain Minimum Standards for Wholesalers)

20. Respondents PHARMA-RX and POGOSYAN are subject to disciplinary action under section 1780, subdivision (b) of the California Code of Regulations, Title 16, in that during a Board investigation of PHARMA-RX on July 16, 2013, Respondents failed to have equipment to monitor temperature and humidity as required in the minimum standards for wholesalers, in violation of section 1780, subdivision (b) of the California Code of Regulations, Title 16. Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 12 through 16, as though set forth fully.

FOURTH CAUSE FOR DISCIPLINE

(Failure to Maintain Minimum Standards for Wholesalers)

21. Respondents PHARMA-RX and POGOSYAN are subject to disciplinary action under section 1780, subdivision (c)(1) of the California Code of Regulations, Title 16, in that during a Board investigation of PHARMA-RX on July 16, 2013, Respondents failed to have installed an alarm system to detect entry after hours, in violation of section 1780, subdivision (c)(1) of the California Code of Regulations, Title 16. Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 12 through 16, as though set forth fully.

FIFTH CAUSE FOR DISCIPLINE

(Failure to Maintain Minimum Standards for Wholesalers)

22. Respondents PHARMA-RX and POGOSYAN are subject to disciplinary action under section 1780, subdivision (f)(1) of the California Code of Regulations, Title 16, in that during a

Board investigation of PHARMA-RX on July 16, 2013, Respondents failed to have available for review written policies and procedures for the receipt, security, storage, inventory and distribution of prescription drugs, including policies and procedures for identifying, recording, and reporting losses or thefts, for correcting all errors and inaccuracies in inventories, and for maintaining records to document proper storage, in violation of section 1780, subdivision (f)(1) of the California Code of Regulations, Title 16. Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 12 through 16, as though set forth fully

SIXTH CAUSE FOR DISCIPLINE

(Failure to Maintain Minimum Standards for Wholesalers)

23. Respondents PHARMA-RX and POGOSYAN are subject to disciplinary action under section 1780, subdivision (f)(3) of the California Code of Regulations, Title 16, in that during a Board investigation of PHARMA-RX on July 16, 2013, Respondents failed to have available for review written policies and procedures on the maintenance of officers, directors, managers and other persons in charge of wholesale drug distribution, storage and handling, including a description of their duties and a summary of their qualifications, in violation of section 1780, subdivision (f)(3) of the California Code of Regulations, Title 16. Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 12 through 16, as though set forth fully.

SEVENTH CAUSE FOR DISCIPLINE

(Failure to Maintain Minimum Standards for Wholesalers)

24. Respondents PHARMA-RX and POGOSYAN are subject to disciplinary action under section 1780, subdivision (f)(4) of the California Code of Regulations, Title 16, in that during a Board investigation of PHARMA-RX on July 16, 2013, Respondents failed to have available for review written policies and procedures on providing adequate training and experience to assure compliance with licensing requirements by all personnel and corresponding documentation of said compliance, in violation of section 1780, subdivision (f)(4) of the California Code of Regulations, Title 16. Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 12 through 16, as though set forth fully.

EIGHTH CAUSE FOR DISCIPLINE

(Failure to Maintain Minimum Standards for Wholesalers)

25. Respondents PHARMA-RX and POGOSYAN are subject to disciplinary action under section 1784, subdivision (a) of the California Code of Regulations, Title 16, in that during a Board investigation of PHARMA-RX on July 16, 2013, the designated representative-in-charge, POGOSYAN, failed to have completed the wholesaler self-assessment since June 5, 2009, in violation of section 1784, subdivision (a) of the California Code of Regulations, Title 16. Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 12 through 16, as though set forth fully.

PRAYER

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

- 1. Revoking or suspending Wholesale Permit Number WLS 4405, issued to Pharma-RX, Inc.;
- 2. Revoking or suspending Designated Representative License Number EXC 19398, issued to Kahachatur Pogosyan;
- 3. Prohibiting Kahachatur Pogosyan from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Designated Representative License Number EXC 19398 is placed on probation or until Designated Representative License Number EXC 19398 is reinstated if Designated Representative License Number EXC 19398 issued to Kahachatur Pogosyan is revoked;
- 4. Prohibiting Khachatur Pogosyan from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number WLS 4405 to Pharma-RX, Inc. is placed on probation or until Pharmacy Permit Number WLS 4405 to Pharma-RX, Inc. is reinstated if Pharmacy Permit Number WLS 4405 to Pharma-RX, Inc. is revoked;

1	5 Ordering Khachatur Pogosyan and Pharma-RX, Inc. to pay the Board of Pharmacy the	
2	reasonable costs of the investigation and enforcement of this case, pursuant to Business and	
3	Professions Code section 125.3;	
4	6. Taking such other and further action as deemed necessary and proper.	
5	, , , , , , , , , , , , , , , , , , , ,	
6	DATED: 9/3/15 VIRGINIA HEROLD	
7	Executive Officer Board of Pharmacy	
8	Department of Consumer Affairs State of California	
9	Complainant	
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