ERRATA

Corrections to Stipulated Settlement and Disciplinary Order Case No. 5489

Stipulated Settlement and Disciplinary Order Case No. 5489, contains references to Pharmacy Permit No. PHY 49115 in the underlying disciplinary action entitled "In the Matter of the Accusation against Anderson Bros. Town & Country Pharmacy Inc. and Stephen Vincent Anderson" which, pursuant to a decision of the Board of Pharmacy became effective June 17, 2016. The Decision and Order page mistakenly referenced Pharmacy Permit No. PHY 49260 rather than Pharmacy Permit No. 49115. This clerical error is hereby corrected as part of the Board's Stipulated Settlement and Disciplinary Order. This Errata page shall become part of Respondent's disciplinary history with the Board. For the purposes of correcting the record, the following changes are hereby made to the Decision and Order:

Decision and Order:

Caption Box: Substitute "49260" for "49115"

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

In the Matter of the Accusation Against:	
, i i i i i i i i i i i i i i i i i i i	Case No. 5489
ANDERGON DROG TOXIN & CONDITION	041131 001/0100200
ANDERSON BROS. TOWN & COUNTRY	OAH No. 2015100370
PHARMACY, INC.	
Stephen Vincent Anderson, President	
John Harold Anderson, Secretary	STIPULATED SETTLEMENT AND
2900 Fulton Avenue	DISCIPLINARY ORDER
Sacramento, CA 95821	
	(ANDERSON BROS. TOWN &
Pharmacy Permit No. PHY 49260	COUNTRY PHARMACY, INC.)
AND	
STEPHEN VINCENT ANDERSON,	
Pharmacist-In-Charge	
2900 Fulton Avenue	
Sacramento, CA 95821	
Pharmacist License No. RPH 42685	

Respondents.

DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is here by 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 June 17, 2016.

It is so ORDERED on May 18, 2016.

BOARD OF PHARMACY DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA

NC

By

Amy Gutierrez, Pharm.D. Board President

1 2 3 4 5 6 7 8 9	BOARD OF DEPARTMENT OF O	ORIGINAL RETHE PHARMACY ONSUMER AFFAIRS CALIFORNIA	
10	· · · · · · · · · · · · · · · · · · ·		
11	In the Matter of the Accusation Against:	Case No. 5489	
12	ANDERSON BROS. TOWN & COUNTRY PHARMACY INC.	OAH No. 2015100370	
- 13	Stephen Vincent Anderson, President John Harold Anderson, Secretary	STIPULATED SETTLEMENT AND	
14	2900 Fulton Avenue Sacramento, California 95821	DISCIPLINARY ORDER	
15	Sacramento, Camornia 95621	(ANDERSON BROS. TOWN & COUNTRY PHARMACY, INC.)	
16	Pharmacy Permit Number No. PHY 49115		
17	STEPHEN VINCENT ANDERSON, Pharmacist-In-Charge		
18	2900 Fulton Avenue Sacramento, California 95821		
19	Pharmacist License Number No. RPH 42685		
20			
21	Respondents.		
22	:		
23	IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-		
24	entitled proceedings that the following matters are true:		
25	PARTIES		
26	1. Virginia Herold ("Complainant") is the Executive Officer of the Board of Pharmacy		
27	("Board"), Department of Consumer Affairs. She brought this action solely in her official		
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	STIPULATED SETTLEMENT (Case No. 5489)		

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capacity and is represented in this matter by Kamala D. Harris, Attorney General of the State of
 California, by Leslie A. Burgermyer, Deputy Attorney General.
 2. Respondent Anderson Bros. Town & Country Pharmacy, Inc. ("Respondent Anderson

Bros." or "Respondent")) is represented in this proceeding by attorney Tony J. Park, Esq., and
Ivan Petrzelka, Esq., whose address is: California Pharmacy Lawyers, Law Office of Tony J.
Park, Inc., 2855 Michelle Drive, Suite 180, Irvine, CA 92606-1027.

7 3. On or about September 11, 2008, the Board issued Pharmacy Permit Number No.
8 PHY 49115 to Respondent Anderson Bros. The Pharmacy Permit Number was in full force and
9 effect at all times relevant to the charges brought in Accusation No. 5489 and will expire on
10 September 1, 2016, unless renewed.

JURISDICTION

12 5. Accusation No. 5489 was filed before the Board of Pharmacy and is currently pending
13 against Respondent Anderson Bros. The Accusation and all other statutorily required documents
14 were properly served on Respondent on September 23, 2015. Respondent timely filed its Notice
15 of Defense contesting the Accusation.

16 6. A true and correct copy of Accusation No. 5489 is attached hereto, marked Exhibit A,
17 and incorporated herein by reference.

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ADVISEMENT AND WAIVERS

Respondent Anderson Bros. has carefully read, fully discussed with counsel, and
 understands the charges and allegations in Accusation No. 5489. Respondent has also carefully
 read, fully discussed with counsel, and understands the effects of this Stipulated Settlement and
 Disciplinary Order.

8. Respondent Anderson Bros. 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
them; 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

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reconsideration and court review of an adverse decision; and all other rights accorded by the
 California Administrative Procedure Act and other applicable laws.

9. Respondent Anderson Bros. voluntarily, knowingly, and intelligently waives and givesup each and every right set forth above.

CULPABILITY

 10. Respondent Anderson Bros. understands and agrees that the charges and allegations

 in Accusation No. 5489, if proven at a hearing, constitute cause for imposing discipline under its

 license.

9 11. For the purpose of resolving the Accusation without the expense and uncertainty of 10 further proceedings, Respondent Anderson Bros. agrees that, at a hearing, Complainant could 11 establish a factual basis for the charges and allegations in the Accusation, and that Respondent 12 hereby gives up its right to contest those charges and allegations.

12. Respondent Anderson Bros, agrees that its Pharmacy Permit Number PHY 49115 is
subject to discipline and it agrees to be bound by the Board's probationary terms as set forth in the
Disciplinary Order below.

CONTINGENCY

This stipulation shall be subject to approval by the Board of Pharmacy. Respondent 13. 17 Anderson Bros. understands and agrees that counsel for Complainant and the staff of the Board of 18 Pharmacy may communicate directly with the Board regarding this stipulation and settlement, 19 without notice to or participation by Respondent or its counsel. By signing the stipulation, 20Respondent understands and agrees that they may not withdraw its agreement or seek to rescind 21the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt 22this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall 23 be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action 24 between the parties, and the Board shall not be disqualified from further action by having 25 considered this matter. 26

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The parties understand and agree that Portable Document Format ("PDF") and 14. facsimile copies of this Stipulated Settlement and Disciplinary Order, including PDF and facsimile signatures thereto, shall have the same force and effect as the originals.

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15. This Stipulated Settlement and Disciplinary 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 Settlement and Disciplinary 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.

16. In consideration of the foregoing admissions and stipulations, the parties agree that 10 the Board may, without further notice or formal proceeding, issue and enter the following 11 **Disciplinary** Order: 12

DISCIPLINARY ORDER

IT IS HEREBY ORDERED that Pharmacy Permit Number No. PHY 49115 issued to 14 Respondent Anderson Bros. Town & Country Pharmacy Inc. ("Respondent Anderson Bros," or 15 "Respondent") is revoked. However, the revocation is stayed and Respondent is placed on 16 probation for four (4) years on the following terms and conditions. 17

Obey All Laws. Respondent Anderson Bros, shall obey all state and federal laws and 1. 18 regulations. Respondent shall report any of the following occurrences to the board, in writing, 19 within seventy-two (72) hours of such occurrence: 20

an arrest or issuance of a criminal complaint for violation of any provision of \square 21 the Pharmacy Law, state and federal food and drug laws, or state and federal controlled 22 substances laws $\dot{2}3$

a plea of guilty or nolo contendre in any state or federal criminal proceeding to 24 any criminal complaint, information or indictment 25

> a conviction of any crime П

discipline, citation, or other administrative action filed by any state or federal \Box agency which involves Respondent's Pharmacy Permit or which is related to the practice of 28

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STIPULATED SETTLEMENT (Case No. 5489)

pharmacy or the manufacturing, obtaining, handling or distributing, billing, or charging for any drug, device or controlled substance.

Failure to timely report any such occurrence shall be considered a violation of probation.

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2. Report to the Board. Respondent Anderson Bros. shall report to the Board 5 quarterly, on a schedule as directed by the Board or its designee. The report shall be made either 6 in person or in writing, as directed. Among other requirements, Respondent shall state in each 7 report under penalty of perjury whether there has been compliance with all the terms and 8 conditions of probation. Failure to submit timely reports in a form as directed shall be considered 9 a violation of probation. Any period(s) of delinquency in submission of reports as directed may 10be added to the total period of probation. Moreover, if the final probation report is not made as 11 directed, probation shall be automatically extended until such time as the final report is made and 12 accepted by the board. 13

Interview with the Board. Upon receipt of reasonable prior notice, Respondent
Anderson Bros. shall appear in person for interviews with the board or its designee, at such
intervals and locations as are determined by the Board or its designee. Failure to appear for any
scheduled interview without prior notification to board staff, or failure to appear for two (2) or
more scheduled interviews with the Board or its designee during the period of probation, shall be
considered a violation of probation.

4. Cooperate with Board Staff. Respondent Anderson Bros. shall cooperate with the
 Board's inspection program and with the Board's monitoring and investigation of Respondent's
 compliance with the terms and conditions of their probation. Failure to cooperate shall be
 considered a violation of probation.

5. Reimbursement of Board Costs. As a condition precedent to successful completion
of probation, Respondent Anderson Bros. and Respondent Stephen Vincent Anderson,
Pharmacist-in-Charge, (collectively referred to in this paragraph 5 as "Respondents") shall be
jointly and severally liable for payment of the cost recovery in this matter and shall pay to the
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board its costs of investigation and prosecution in the amount of \$7,154.75, and payable under terms to be determined by the Board or its designee.

The filing of bankruptcy by Respondent Anderson Bros, and/or by Respondent 3 Stephen Vincent Anderson, Pharmacist-in-Charge shall not relieve Respondents of their 4 responsibility to reimburse the Board its costs of investigation and prosecution. 5

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6. Probation Monitoring Costs. Respondent Anderson Bros. shall pay any costs 6 associated with probation monitoring as determined by the Board each and every year of probation. Such costs shall be payable to the Board on a schedule as directed by the Board or its 8 designee. Failure to pay such costs by the deadline(s) as directed shall be considered a violation of probation. 10

Status of License. Respondent Anderson Bros. shall, at all times while on probation, 7. 11 maintain current licensure with Board. If Respondent submits an application to the Board, and 12 the application is approved, for a change of location, change of permit or change of ownership, 13 the Board shall retain continuing jurisdiction over the license, and the Respondent shall remain on 14 probation as determined by the Board. Failure to maintain current licensure shall be considered a 15 violation of probation. 16

If Respondent Anderson Bros,' license expires or is cancelled by operation of law or 17 otherwise at any time during the period of probation, including any extensions thereof or 18 otherwise, upon renewal or reapplication Respondent 's license shall be subject to all terms and 19 conditions of this probation not previously satisfied. 20

During the probationary period, if Respondent Anderson Bros, relocates from 2900 21 Fulton Avenue, Sacramento, California 95821, to a different location, the Board shall retain 22 jurisdiction over Respondent Anderson Bros. Respondent's relocation from the aforementioned 23 address to a different location shall not be considered a violation of this paragraph 7. 24

8. License Surrender While on Probation and/or Suspension, Following the effective 25 26date of this decision, should Respondent Anderson Bros, discontinue business, Respondent may tender the premises license to the Board for surrender. The Board or its designee shall have the 27discretion whether to grant the request for surrender or take any other action it deems appropriate 28

and reasonable. Upon formal acceptance of the surrender of the license, Respondent will no
 longer be subject to the terms and conditions of probation.

Upon acceptance of the surrender, Respondent Anderson Bros. shall relinquish the premises wall and renewal license to the Board within ten (10) days of notification by the Board that the surrender is accepted. Respondent shall further submit a completed Discontinuance of Business form according to board guidelines and shall notify the board of the records inventory transfer.

B During the probationary period, if Respondent Anderson Bros. relocates from 2900
Fulton Avenue, Sacramento, California 95821, to a different location, the Board shall retain
jurisdiction over Respondent Anderson Bros. Relocation shall not be considered a surrender of
license as provided in this paragraph 8.

Respondent Anderson Bros, shall also, by the effective date of this decision, arrange 12 for the continuation of care for ongoing patients of the pharmacy by, at minimum, providing a 13 written notice to ongoing patients that specifies the anticipated closing date of the pharmacy and 14 that identifies one or more area pharmacies capable of taking up the patients' care, and by 15 cooperating as may be necessary in the transfer of records or prescriptions for ongoing patients. 16 Within five (5) days of its provision to the pharmacy's ongoing patients, Respondent shall provide 17 a copy of the written notice to the board. For the purposes of this provision, "ongoing patients" 18 means those patients for whom the pharmacy has on file a prescription with one or more refills 19 outstanding, or for whom the pharmacy has filled a prescription within the preceding sixty (60) 20.days. 21

Respondent Anderson Bros. may not apply for any new licensure from the Board for three (3) years from the effective date of the surrender. Respondent shall meet all requirements applicable to the license sought as of the date the application for that license is submitted to the Board,

Respondent Anderson Bros. further stipulates that he or she shall reimburse the Board
 for its costs of investigation and prosecution prior to the acceptance of the surrender.

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Notice to Employées. Respondent Anderson Bros. shall, upon or before the effective 9. 1 date of this decision, ensure that all employees involved in permit operations are made aware of 2 all the terms and conditions of probation, either by posting a notice of the terms and conditions, 3 circulating such notice, or both. If the notice required by this provision is posted, it shall be 4 posted in a prominent place and shall remain posted throughout the probation period. Respondent 5 shall ensure that any employees hired or used after the effective date of this decision are made 6 aware of the terms and conditions of probation by posting a notice, circulating a notice, or both. 7 Additionally, Respondent shall submit written notification to the board, within fifteen (15) days 8 of the effective date of this decision, that this term has been satisfied. Failure to submit such 9 notification to the board shall be considered a violation of probation. 10

"Employees" as used in this provision includes all full-time, part-time, volunteer,
temporary and relief employees and independent contractors employed or hired at any time
during probation.

10. Owners and Officers: Knowledge of the Law. Respondent Anderson Bros. shall
provide, within thirty (30) days after the effective date of this decision, signed and dated
statements from its owners, including any owner or holder of ten percent (10%) or more of the
interest in Respondent Anderson Bros. or it's stock, and any officer, stating under penalty of
perjury that said individuals have read and are familiar with state and federal laws and regulations
governing the practice of pharmacy. The failure to timely provide said statements under penalty
of perjury shall be considered a violation of probation.

21 11. Posted Notice of Probation. Respondent Anderson Bros. shall prominently post a
22 probation notice provided by the Board in a place conspicuous and readable to the public. The
23 probation notice shall remain posted during the entire period of probation.

Respondent Anderson Bros. shall not, directly or indirectly, engage in any conduct or make any statement which is intended to mislead or is likely to have the effect of misleading any patient, customer, member of the public, or other person(s) as to the nature of and reason for the probation of the licensed entity.

Failure to post such notice shall be considered a violation of probation,

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1 12. Violation of Probation. If a Respondent Anderson Bros. has not complied with any 2 term or condition of probation, the Board shall have continuing jurisdiction over Respondent's 3 license, and probation shall be automatically extended until all terms and conditions have been 4 satisfied or the board has taken other action as deemed appropriate to treat the failure to comply 5 as a violation of probation, to terminate probation, and to impose the penalty that was stayed.

If Respondent Anderson Bros, violates probation in any respect, the Board, after 6 giving Respondent notice and an opportunity to be heard, may revoke probation and carry out the 7 disciplinary order that was stayed. Notice and opportunity to be heard are not required for those 8 provisions stating that a violation thereof may lead to automatic termination of the stay and/or 9 revocation of the license. If a petition to revoke probation or an accusation is filed against 10 respondent during probation, the board shall have continuing jurisdiction and the period of 11 probation shall be automatically extended until the petition to revoke probation or accusation is 12 heard and decided, and the charges and allegations in the Accusation shall be deemed true and 13 correct. 14

15 13. Completion of Probation. Upon written notice by the Board or its designee
 indicating successful completion of probation, respondent license will be fully restored.

17 14. Community Services Program. Within sixty (60) days of the effective date of this
18 decision, Respondent Anderson Bros. shall submit to the Board or its designee, for prior approval,
19 a community service program in which Respondent shall provide free health-care related services
20 to a community or charitable facility or agency valuing \$10,000.00 in services such as
21 immunizations, sharps disposal containers, brown bags, etc.

Within thirty (30) days of board approval thereof, Respondent Anderson Bros. shall
submit documentation to the Board demonstrating commencement of the community service
program. Respondent shall report on progress with the community service program in the
quarterly reports.

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Failure to timely submit, commence, or comply with the program shall be considered a violation of probation.

ACCEPTANCE

I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Tony J. Park, Esq., and Ivan Petrzelka, Esq. I understand the stipulation and the effect it will have on Anderson Bros. Town & Country Pharmacy and Pharmacy Permit Number PHY 49115. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board of Pharmacy.

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ANDERSON BROS. TOWN & COUNTRY PHARMACY, INC. BY STEPHEN VINCENT ANDERSON, RPH PRESIDENT RESPONDENT

I have read and fully discussed with Respondent Anderson Bros. Town & Country Pharmacy, Inc., and Stephen Vincent Anderson, RPH, President, the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content. DATED: February 5, 2016

> TONY J. PARK, ESQ., OR IVAN PETRZELKA, ESQ. ATTORNEY FOR RESPONDENT ANDERSON BROS. TOWN & COUNTRY PHARMACY, INC.

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STIPULATED SETTLEMENT (Case No. 5489)

ENDORSEMENT The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Board of Pharmacy. Dated: 2-5-20/6 Respectfully submitted, KAMALA D. HARRIS Attorney General of California KENT D. HARRIS Supervising Deputy Attorney General LESLIE A. BURGERMYER Deputy Attorney General Attorneys for Complainant SA2015103839 12089114.doc STIPULATED SETTLEMENT (Case No. 5489)

Accusation No. 5489

Exhibit A

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I KAMALA D. HARRIS Attorney General of California		
2 KENT D, HARRIS		
Supervising Deputy Attorney General 3 LESLIE A. BURGERMYER		
4 Deputy Attorney General 5 State Bar No, 117576		
1300 I Street, Suite 125		
5 P.O. Box 944255 Sacramento, CA 94244-2550		
6 Telephone: (916) 324-5337 Facsinnile: (916) 327-8643		
7 Attorneys for Complainant		
BOAR	BEFORE THE D OF PHARMACY	
9 DEPARTMENT	T OF CONSUMER AFFAIRS E OF CALIFORNIA	
10		
11 In the Matter of the Accusation Against;	Case No. 5489	
12 ANDERSON BROS. TOWN & COUNT PHARMACY, INC.	IRY	
13 Stephen Vincent Anderson, President	ACCUSATION	
John Harold Anderson, Secretary 14 2900 Fulton Avenue		
15 Sacramento, California 95821		
Pharmacy Permit Number No. PHY 491	115	
16 And		
17		
18 STEPHEN VINCENT ANDERSON, 18 Pharmacist-In-Charge		
2900 Fulton Avenue 19 Sacramento, California 95821		
20 Pharmacist License Number No. RPH 4	2685	
21 Respond	lents,	
22 Complainant alleges:	· · · · · · · · · · · · · · · · · · ·	
23	PARTIES	
25 as the Executive Officer of the Board of Ph	narmacy, Department of Consumer Affairs, ("Board"),	
26 2, On or about September 11, 200	2. On or about September 11, 2008, the Board issued Pharmacy Permit Number PHY	
27 49115 to Anderson Bros. Town & Country	49115 to Anderson Bros. Town & Country Pharmacy, Inc. ("Respondent Pharmacy"), The	
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ft	ACCUSATION	
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Pharmacy Permit was in full force and effect at all times relevant to the charges brought herein and will expire on September 1, 2016, unless renewed.

3. On or about August 8, 1989, the Board issued Pharmacist License Number RPH 42685 to Stephen Vincent Anderson ("Respondent Anderson"). The Pharmacist License was in full force and effect at all times relevant to the charges brought herein and will expire on February 28, 2017, unless renewed. At all times alleged herein, Respondent Anderson was the Pharmacistin-Charge of Anderson Bros. Town & Country Pharmacy, Inc. within the meaning of Business and Professions Code section 4113,

4. As used herein, "Respondents" shall collectively refer to Respondent Pharmacy and Respondent Anderson.

JURISDICTION

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

5. Section 4300 of the Code states, in pertinent part:

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

in its discretion may deem proper. ...

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

(1) Suspending judgment.

(2). Placing him or her upon probation.

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

(4) Revoking his or her license.

(5) Taking any other action in relation to disciplining him or her as the board

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7. Section 4300.1 of the Code states:

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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.

<u>STATUTORY PROVISIONS</u>

8. Code section 4301 states, in pertinent part:

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

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

Code section 4342 states, in pertinent part:

(a) The board may institute any action or actions as may be provided by law and that, in its discretion, are necessary, to prevent the sale of pharmaceutical preparations and drugs that do not conform to the standard and tests as to quality and strength, provided in the latest edition of the United States Pharmacopoeia or the National Formulary, or that violate any provision of the Sherman Food, Drug, and Cosmetic Law (Part 5 (commencing with Section 109875) of Division 104 of the Health and Safety Code).

10. Section 4022 of the Code states;

Dangerous drug" or "dangerous device" means any drug or device unsafe for self-use in humans or animals, and includes the following;

(a) Any drug that bears the legend: "Caution: federal law prohibits dispensing without prescription," "Rx only," or words of similar import.

(b) Any device that bears the statement; "Caution; federal law restricts this device to sale by or on the order of a _____," "Rx only," or words of similar import, the blank to be filled in with the designation of the practitioner licensed to use or order use of the device.

(c) Any other drug or device that by federal or state law can be lawfully dispensed only on prescription or furnished pursuant to Section 4006.

11, Code section 4023.5 states:

For the purpose of this chapter, "direct supervision and control" means that a pharmacist is on the premises at all times and is fully aware of all activities performed by either a pharmacy technician or intern pharmacist,

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12. Code section 4081 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, 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.

13. Code section 4113 states, in pertinent part:

(c) The pharmacist-in-charge shall be responsible for a pharmacy's compliance with all state and federal laws and regulations pertaining to the practice of pharmacy.

14. Code section 4114 states, in pertinent part:

(a) An intern pharmacist may perform all functions of a pharmacist at the discretion of and under the direct supervision and control of a pharmacist whose license is in good standing with the board.

15. Health and Safety Code section 111255 states:

Any drug or device is adulterated if it has been produced, prepared, packed, or held under conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health.

16. Health and Safety Code section 111295 states:

It is unlawful for any person to manufacture, sell, deliver, hold, or offer for sale any drug or device that is adulterated.

REGULATORY PROVISIONS.

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17. California Code of Regulations, title 16, section 1714 states, in pertment part:

(b) Each pharmacy licensed by the board shall maintain its facilities, space, fixtures, and equipment so that drugs are safely and properly prepared, maintained, secured and distributed. The pharmacy shall be of sufficient size and unobstructed area to accommodate the safe practice of pharmacy.

(d). Each pharmacist while on duty shall be responsible for the security of the prescription department, including provisions for effective control against theft or diversion of dangerous drugs and devices, and records for such drugs and devices. Possession of a key to the pharmacy where dangerous drugs and controlled substances are stored shall be restricted to a pharmacist.

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COST RECOVERY

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

BACKGROUND-

19. On or about February 4, 2015, a Board inspector conducted a routine inspection of Respondent Pharmacy. Respondent Anderson is, and was, the Pharmacist-In-Charge at Respondent Pharmacy since on or about September 11, 2008.

20: During the February 4, 2015, routine inspection, the Board inspector observed two
pharmacy interns, M.H. and K.P. performing pharmacist duties of final inspection verification
while working alone in a room separate from on-duty Pharmacist C.J., and without the
pharmacist's direct supervision and control.

21. During the February 4, 2015, routine inspection, the Board inspector found a room in
the pharmacy where he observed shelves contained hundreds of vials, bottles, boxes, and punch
cards of dangerous and controlled drugs. Most of them were labeled with Respondent
Pharmacy's name, including patients' names, and categorized as follows:

a. "Return to stock prescriptions." The inspector observed this category to include
filled and labeled vials and punch cards filled recently which had not been delivered to or picked
up by patients, had not left the pharmacy, and were labeled as within the manufacturers' or
pharmacy's labeled expiration date;

b. "Returned prescriptions," The inspector observed this category to include
prescriptions that had been delivered or picked up by patients and returned to the pharmacy. The
drugs included a combination of vials and punch cards, with Respondent Pharmacy's label,
patients' names, labeled within the manufacturers' or pharmacy's expiration date or outside the
expiration date. Sealed punch card cells contained none to many different drugs, and some had an
empty cell with foil and paper shreds partially covering the cell;

ACCUSATION

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c. "Outdated drugs," The inspector observed this category to include drugs that were beyond the manufacturers' or Respondent Pharmacy's labeled expiration date and included returned prescriptions (vials and punch cards) and handwritten notations as being expired;

. d. "Unlabeled drugs." The inspector observed this category to include bottles and 4 vials containing outdated drugs. 5

22. The drugs mentioned in paragraph 20, and its subparts, above, were stored in a manner that Respondent Anderson conceded to the inspector that he, Anderson, could not totally distinguish whether the drugs were safe to use. Due to the intermingling of the drugs, it could not be determined if they had not been altered, adulterated, or lacked quality.

23. Respondents failed to maintain an inventory record of the drugs allegedly returned to 10 the pharmacy from patients. The Board inspector instructed Respondents to prepare and submit 11 an inventory of the drugs and to destroy them. Attached hereto, marked Addendum A, and 12 incorporated herein is a true and correct copy of the inventory of drugs, referenced above, that 13 was prepared by Respondents and submitted to the Board on or about February 11, 2015. 14

FIRST CAUSE FOR DISCIPLINE

(Failure to Supervise Pharmacist Interns)

Respondent Pharmacy is subject to disciplinary action under Code sections 4300 and 24. 4301, subdivisions (j) and (o), in conjunction with Code section 4114, in that on or about February 4, 2015, it failed to provide direct supervision and control of Interns M.H and K.P. as alleged in paragraphs 19 and 20, above, incorporated herein by reference.

25. Respondent Anderson, Pharmacist-in-Charge of Respondent Pharmacy, is subject to 21 disciplinary action under Code sections 4300 and 4301, subdivisions (j) and (o), in conjunction 22 with Code section 4113, in that on or about February 4, 2015, he failed to provide direct 23 supervision and control of Interns M.H and K.P. as alleged in paragraphs 19 and 20, above, 24incorporated herein by reference, 25

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ACCUSATION

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SECOND CAUSE FOR DISCIPLINE (Altered, Adulterated, Lack of Quality Drugs)

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26. Respondent Pharmacy and Respondent Anderson, Pharmacist-in-Charge, are subject to disciplinary action under Code sections 4300 and 4301, subdivisions (j) and (o), in conjunction with Code sections 4081, subdivision (a), and 4342, subdivision (a), and Health and Safety Code sections 111255 and 111295, and California Code of Regulations, title 16, section 1714, subdivision (b), in that on or about February 4, 2015, they permitted drugs¹ that were altered, adulterated, and lacking quality to be included in the pharmacy's saleable drug stock, and which were indistinguishable from safe to use drugs that had not been altered, adulterated, or lacked quality as alleged in paragraphs 19, 21, and all of its subparts, 22, and 23, above, and Addendum A, hereto, all of which are incorporated herein by reference.

THIRD CAUSE FOR DISCIPLINE

(Failed to Maintain Inventory)

27. Respondent Pharmacy is subject to disciplinary action under Code sections 4300 and 4301, subdivisions (j) and (o), in conjunction with California Code of Regulations, title 16, section 1714, subdivision (b), in that Respondent failed to maintain its facilities, space, fixtures, and equipment so that drugs in its stock were safely and properly prepared, maintained, secured and distributed, resulting in Respondent's failure to maintain an inventory of the drugs allegedly returned by patients, paragraphs 19, 21, and all of its subparts, 22, and 23, above, and Addendum A, hereto, all of which are incorporated herein by reference.

28. Respondent Anderson is subject to disciplinary action sections 4300 and 4300.1, subdivisions (j) and (o), in conjunction with California Code of Regulations, title 16, section 1714, subdivision (d), in that Respondent, the Pharmacist-in-Charge, failed to secure the prescription department of Respondent Pharmacy, failed to provide for the effective control against theft or diversion of dangerous drugs, and failed to provide for records of dangerous drugs, resulting in Respondent's failure to maintain an inventory of the drugs allegedly returned

¹ The drugs allegedly had been returned to Respondent Pharmacy by patients,

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by patients, as set forth in paragraphs 19, 21, and all of its subparts, 22, and 23, above, and Addendum A, hereto, all of which are incorporated herein by reference.

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 Pharmacy Permit Number PHY 49115 issued to Anderson Bros. Town & Country Pharmacy, Inc.;

 Revoking or suspending Pharmacist License Number RPH 42685 issued to Stephen Vincent Anderson, Pharmacist-In-Charge for Anderson Bros. Town & Country Pharmacy Inc.;
 Ordering Anderson Bros. Town & Country Pharmacy, Inc. and Stephen Vincent
 Anderson to pay the Board of Pharmacy the reasonable costs of the investigation and enforcement, of this case, pursuant to Business and Professions Code Section 125.3;

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ACCUSATION

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

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DATED;

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