

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

In the Matter of the Accusation Against:

Case No. 5883

LOS ANGELES COUNTY/USC MEDICAL
CENTER
1200 North State St. RM A1C109
Los Angeles, CA 90033

Pharmacy Permit No. PHE 49214

And

ALAN R. SIU
1990 Del Mar Avenue
San Marino, CA 91108

Pharmacist License No. RPH 38427

Respondents.

STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER FOR PUBLIC
REPROVAL AS TO
ALAN H. SIU ONLY

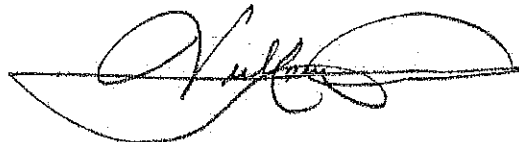
DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order for Public Repeval 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 September 6, 2017.

It is so ORDERED on August 7, 2017, 2017.

BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA



By

Victor Law, R.Ph.
Board Vice President

1 XAVIER BECERRA
Attorney General of California
2 LINDA L. SUN
Supervising Deputy Attorney General
3 HELENE E. ROUSE
Deputy Attorney General
4 State Bar No. 130426
300 So. Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 620-3005
6 Facsimile: (213) 897-2804
Attorneys for Complainant
7

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

11 In the Matter of the Accusation Against:

Case No. 5883

12 **LOS ANGELES COUNTY/USC MEDICAL**
CENTER
13 1200 North State St. RM A1C109
Los Angeles, CA 90033

STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER FOR PUBLIC
REPROVAL AS TO ALAN H. SIU ONLY

14 Pharmacy Permit No. PHE 49214

[Bus. & Prof. Code § 495]

15 And

16 **ALAN R. SIU**
17 1990 Del Mar Avenue
San Marino, CA 91108

18 Pharmacist License No. RPH 38427

19 Respondent.
20

21
22 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-
23 entitled proceedings that the following matters are true:

24 PARTIES

25 1. Virginia Herold (Complainant) is the Executive Officer of the Board of Pharmacy
26 (Board). She brought this action solely in her official capacity and is represented in this matter by
27 Xavier Becerra, Attorney General of the State of California, by Helene E. Rouse, Deputy
28 Attorney General.

STIPULATED SETTLEMENT & DISC ORDER FOR PUBLIC REPROVAL AS TO ALAN SIU
(CASE NO. 5883)

1 2. Respondent Alan H. Siu (Respondent) is represented in this proceeding by George E.
2 Peterson, Esq., Peterson • Bradford • Burkwitz, 100 N. First Street, Suite 300, Burbank, CA
3 91502 (telephone: (818) 562-5800).

4 JURISDICTION

5 3. On or about March 23, 1984, the Board issued Pharmacist License No. RPH 38427 to
6 Alan H. Siu (Respondent Siu), which License was in full force and effect at all times relevant to
7 the charges brought herein and will expire on February 28, 2018, unless renewed. From April 1,
8 2011 through April 1, 2015, Respondent Siu was the Pharmacist-in-Charge (PIC) for Respondent
9 Los Angeles County/USC Medical Center.

10 4. Accusation No. 5883 was filed before the Board of Pharmacy (Board), Department of
11 Consumer Affairs and is currently pending against Respondent. The Accusation and all other
12 statutorily required documents were properly served on Respondent on November 9, 2016.
13 Respondent timely filed its Notice of Defense contesting the Accusation. A copy of Accusation
14 No. 5883 is attached as Exhibit A and incorporated herein by reference.

15 ADVISEMENT AND WAIVERS

16 5. Respondent has carefully read, fully discussed with counsel, and understands the
17 charges and allegations in Accusation No. 5883. Respondent has also carefully read, fully
18 discussed with counsel, and understands the effects of this Stipulated Settlement and Disciplinary
19 Order for Public Reposal.

20 6. Respondent is fully aware of his legal rights in this matter, including the right to a
21 hearing on the charges and allegations in the Accusation; the right to be represented by counsel at
22 its own expense; the right to confront and cross-examine the witnesses against them; the right to
23 present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel
24 the attendance of witnesses and the production of documents; the right to reconsideration and
25 court review of an adverse decision; and all other rights accorded by the California
26 Administrative Procedure Act and other applicable laws.

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

1 CULPABILITY

2 8. Respondent Siu admits that at hearing Complainant could establish a factual basis for
3 the charges and allegations in Accusation No. 5883, and that those charges and allegations are
4 cause for discipline. Respondent Siu gives up his right to contest those charges and allegations.

5 9. Respondent Siu agrees that his Original Pharmacist License is subject to discipline and
6 he agrees to be bound by the Disciplinary Order below.

7 CONTINGENCY

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

18 11. The parties understand and agree that Portable Document Format (PDF) and facsimile
19 copies of this Stipulated Settlement and Disciplinary Order for Public Repeval, including
20 Portable Document Format (PDF) and facsimile signatures thereto, shall have the same force and
21 effect as the originals.

22 12. This Stipulated Settlement and Disciplinary Order for Public Repeval is intended by
23 the parties to be an integrated writing representing the complete, final, and exclusive embodiment
24 of their agreement. It supersedes any and all prior or contemporaneous agreements,
25 understandings, discussions, negotiations, and commitments (written or oral). This Stipulated
26 Settlement and Disciplinary Order for Public Repeval may not be altered, amended, modified,
27 supplemented, or otherwise changed except by a writing executed by an authorized representative
28 of each of the parties.

1 13. In consideration of the foregoing admissions and stipulations, the parties agree that
2 the Board may, without further notice or formal proceeding, issue and enter the following
3 Disciplinary Order;

4 DISCIPLINARY ORDER

5 IT IS HEREBY ORDERED that Pharmacist License No. RPH 38427 issued to Respondent
6 Alan H. Siu shall be publicly reprovved by the Board of Pharmacy under Business and Professions
7 Code section 495 based upon the allegations set forth in Accusation No. 5883, attached as Exhibit
8 A.


9 IT IS FURTHER ORDERED that Respondent Siu shall comply with the terms and
10 conditions as set forth below. Any violation of the terms and conditions shall constitute
11 unprofessional conduct and grounds for further disciplinary action.

12 **Cost Recovery.** Respondent shall pay \$3,621.63 to the Board for its costs associated with
13 the investigation and enforcement of this matter. Respondent shall be permitted to pay these
14 costs in a payment plan approved by the Board. If Respondent fails to pay the Board costs as
15 ordered, Respondent shall not be allowed to renew his Pharmacist License until Respondent pays
16 costs in full.

17 ACCEPTANCE

18 I have carefully read the above Stipulated Settlement and Disciplinary Order for Public
19 Repraval and have fully discussed it with my attorney, George E. Peterson. I understand the
20 stipulation and the effect it will have on my Pharmacist License. I enter into this Stipulated
21 Settlement and Disciplinary Order for Public Repraval voluntarily, knowingly, and intelligently,
22 and agree to be bound by the Decision and Order of the Board of Pharmacy.

23
24 DATED: 5/15/2017


25 ALAN H. SIU, PHARMACIST
26 Respondent
27
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

I have read and fully discussed with Respondent ALAN H. SIU the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order for Public Repeval. I approve its form and content.

DATED: 5-18-17

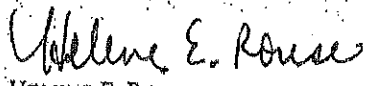

GEORGE E. PETERSON, ESQ.
Attorney for Respondent, Alan Siu

ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order for Public Repeval as to Alan H. Siu is hereby respectfully submitted for consideration by the Board of Pharmacy of the Department of Consumer Affairs.

Dated: May 23, 2017

Respectfully submitted,
XAVIER BECERRA
Attorney General of California
LINDA L. SUN
Supervising Deputy Attorney General


HELENE E. ROUSE
Deputy Attorney General
Attorneys for Complainant

LA2016601710
52344520.docx

Exhibit A

Accusation No. 5883

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

In the Matter of the Accusation Against:

Case No. 5883

LOS ANGELES COUNTY/USC MEDICAL
CENTER

1200 North State St. RM A1C109
Los Angeles, CA 90033

Pharmacy Permit No. PHE 49214

And

ALAN R. SIU
1990 Del Mar Avenue
San Marino, CA 91108

Pharmacist License No. RPH 38427

Respondent.

DECISION AND ORDER

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

This Decision shall become effective on _____

It is so ORDERED.

FOR THE BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS

1 KAMALA D. HARRIS
Attorney General of California
2 LINDA L. SUN
Supervising Deputy Attorney General
3 HELENE E. ROUSE
Deputy Attorney General
4 State Bar No. 130426
300 So. Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 620-3005
6 Facsimile: (213) 897-2804
Attorneys for Complainant
7

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

10 In the Matter of the Accusation Against:	Case No. 5883
11 LOS ANGELES COUNTY/USC MEDICAL	ACCUSATION
12 CENTER	
13 1200 North State St. RM A1C109	
14 Los Angeles, CA. 90033	
15 Pharmacy Permit No. PHE 49214	
16 And	
17 ALAN R. SIU	
18 1990 Del Mar Avenue	
19 San Marino, CA 91108	
20 Pharmacist License No. RPH 38427	
Respondent.	

21 Complainant alleges:

22 PARTIES

- 23 1. Virginia Herold (Complainant) brings this Accusation solely in her official capacity
24 as the Executive Officer of the Board of Pharmacy, Department of Consumer Affairs (Board).
- 25 2. On or about August 24, 2008, the Board issued Pharmacy Permit No. PHE 49214 to
26 County of Los Angeles to do business as Los Angeles County/USC Medical Center (LAC/USC
27 Medical Center and/or Respondent), a pharmacy located at 1200 North State St. RM A1C109,
28

1 Los Angeles, CA 900033. The Pharmacy Permit was in full force and effect at all times relevant
2 to the charges brought herein and will expire on November 1, 2017, unless renewed.

3 3. On or about March 23, 1984, the Board issued Pharmacist License RPH No. 38427 to
4 Alan H. Siu (Respondent Siu), which License was in full force and effect at all times relevant to
5 the charges brought herein and will expire on February 28, 2018, unless renewed. From April 1,
6 2011 through April 1, 2015, Respondent Siu was the Pharmacist-in-Charge (PIC) for Respondent
7 LAC/USC Medical Center.

8 JURISDICTION

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

11 5. Under Section 4300, the Board may discipline any license, for any reason provided in
12 the Pharmacy Law, (i.e., Sections 4000 et. seq.).

13 6. Section 4300.1 states:

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

20 7. Section 4402, subdivision (a) provides that any pharmacist license that is not renewed
21 within three years following its expiration may not be renewed, restored, or reinstated and shall
22 be canceled by operation of law at the end of the three-year period. Under Section 4402,
23 subdivision (d), the Board has authority to proceed with an accusation that has been filed prior to
24 the expiration of the three-year period.

25 STATUTORY PROVISIONS

26 8. Section 4022 states, in pertinent part:

27 "Dangerous drug" or "dangerous device" means any drug or device unsafe
28 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.

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

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

7 9. Section 4024 states, in pertinent part:

8 (a) Except as provided in subdivision (b), "dispense" means the furnishing of
9 drugs or devices upon a prescription from a physician, dentist, optometrist,
10 podiatrist, veterinarian, or naturopathic doctor pursuant to Section 3640.7, or upon
11 an order to furnish drugs or transmit a prescription from a certified nurse-midwife,
12 nurse practitioner, physician assistant, naturopathic doctor pursuant to Section
13 3640.5, or pharmacist acting within the scope of his or her practice.

14 10. Section 4036.5 states that "'Pharmacist-in-charge' means a pharmacist proposed by a
15 pharmacy and approved by the board as the supervisor or manager responsible for ensuring the
16 pharmacy's compliance with all state and federal laws and regulations pertaining to the practice
17 of pharmacy."

18 11. Section 4059 states, in pertinent part, that "(a) A person may not furnish any
19 dangerous drug, except upon the prescription of a physician, dentist, podiatrist, optometrist,
20 veterinarian, or naturopathic doctor . . .".

21 12. Section 4060 of the Code states, in pertinent part, that "A person shall not possess any
22 controlled substance, except that furnished to a person upon the prescription of a physician,
23 dentist, podiatrist, veterinarian . . . or furnished pursuant to a drug order issued by a certified
24 nurse-midwife, nurse practitioner, or a physician assistant."

25 13. Section 4105 of the Code states, in pertinent part, that "(a) All records or other
26 documentation of the acquisition and disposition of dangerous drugs and dangerous devices by
27 any entity licensed by the board shall be retained on the licensed premises in a readily retrievable
28 form."

14. Section 4113 states, in pertinent part, that "(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."

///

1 15. Section 4126.5 states, in relevant part, that:

2 (a) A pharmacy may furnish dangerous drugs only to the following:

3 (1) A wholesaler owned or under common control by the wholesaler from
4 whom the dangerous drug was acquired.

5 (2) The pharmaceutical manufacturer from whom the dangerous drug was
6 acquired.

7 (3) A licensed wholesaler acting as a reverse distributor.

8 (4) Another pharmacy or wholesaler to alleviate a temporary shortage of a
9 dangerous drug that could result in the denial of the health care. A pharmacy
10 furnishing dangerous pursuant to this paragraph may only furnish a quantity
11 sufficient to alleviate the temporary shortage.

12 (5) A patient or to another pharmacy pursuant to a prescription or as
13 otherwise authorized by law.

14 (6) A health care provider that is not a pharmacy but is authorized to
15 purchase dangerous drugs.

16 (7) To another pharmacy under common control.

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

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

21 * * * *

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

24 * * * *

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

17. Health and Safety Code section 11152 states that "No person shall write, issue, fill,
compound, or dispense a prescription that does not conform to this division."

18. Health and Safety Code section 11153 provides as follows:

(a) A prescription for a controlled substance shall only be issued for a
legitimate medical purpose by an individual practitioner acting in the usual course
of his or her professional practice. The responsibility for the proper prescribing
and dispensing of controlled substances is upon the prescribing practitioner, but a
corresponding responsibility rests with the pharmacist who fills the prescription.
Except as authorized by this division, the following are not legal prescriptions: (1)

1 an order purporting to be a prescription which is issued not in the usual course of
2 professional treatment or in legitimate and authorized research; or (2) an order for
3 an addict or habitual user of controlled substances, which is issued not in the
4 course of professional treatment or as part of any authorized narcotic treatment
5 program, for the purpose of providing the user with controlled substances,
6 sufficient to keep him or her comfortable by maintaining customary use.

7 19. Health and Safety Code section 11157 provides that "No person shall issue a
8 prescription that is false or fictitious in any respect."

9 20. Health and Safety Code section 11158, subdivision (a), states:

10 Except as provided in Section 11159 or in subdivision (b) of this section, no
11 controlled substance classified in Schedule II shall be dispensed without a
12 prescription meeting the requirements of this chapter. Except as provided in
13 Section 11159 or when dispensed directly to an ultimate user by a practitioner,
14 other than a pharmacist or pharmacy, no controlled substance classified in
15 Schedule III, IV, or V may be dispensed without a prescription meeting the
16 requirements of this chapter.

17 21. Health and Safety Code section 11164, subdivision (a), states "Except as provided in
18 Section 11167, no person shall prescribe a controlled substance, nor shall any person fill,
19 compound, or dispense a prescription for a controlled substance, unless it complies with the
20 requirements of this section.

21 22. Health and Safety Code section 11171 provides that no person shall prescribe,
22 administer, or furnish a controlled substance except under the conditions and in the manner
23 provided by this division.

24 REGULATORY PROVISIONS

25 23. California Code of Regulations, title 16, section 1709.1 provides that: "(a) The
26 pharmacist-in-charge of a pharmacy shall be employed at that location and shall have
27 responsibility for the daily operation of the pharmacy."

28 24. California Code of Regulations, title 16, section 1714, subdivisions (b) and (d)
provides that:

* * * *

(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.

* * * *

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

6 25. California Code of Regulations, title 16, section 1761 provides:

7 (a) No pharmacist shall compound or dispense any prescription which
8 contains any significant error, omission, irregularity, uncertainty, ambiguity or
9 alteration. Upon receipt of any such prescription, the pharmacist shall contact the
10 prescriber to obtain the information needed to validate the prescription.

11 (b) Even after conferring with the prescriber, a pharmacist shall not
12 compound or dispense a controlled substance prescription where the pharmacist
13 knows or has objective reason to know that said prescription was not issued for a
14 legitimate medical purpose.

15 COST RECOVERY

16 26. Section 125.3 provides, in pertinent part, that the Board may request the
17 administrative law judge to direct a licensee found to have committed a violation of the licensing
18 act to pay a sum not to exceed its reasonable costs of investigation and enforcement.

19 CONTROLLED SUBSTANCES/DANGEROUS DRUGS

20 27. "Norco" (hydrocodone bitartrate and acetaminophen) 10mg/325 mg is an opioid
21 which is used to treat moderate to severe pain, and is a brand name for Hydrocodone.
22 Hydrocodone is a Schedule III controlled substance pursuant to Health and Safety Code section
23 11056, and a dangerous drug pursuant to Section 4022.

24 FACTS SUPPORTING CAUSES FOR DISCIPLINE

25 28. On April 28, 2014, the Board received a letter from Respondent Stu, who was serving
26 as the PIC of LAC/USC Medical Center at that time, notifying the Board an employee of the
27 medical center had filled, altered and/or forged controlled substance prescriptions through the
28 pharmacy over a two-year period. On June 19, 2014, in response to a request from the Board,
Respondent Stu sent the Board a copy of the U.S. Department of Justice, Drug Enforcement
Administration (DEA), Office of Diversion Control online report, listing a total quantity loss of
8,850 hydrocodone/acetaminophen 10/325 mg tablets. The report also states the narcotics were
suspected to have been fraudulently taken by a hospital employee over a two-year period of time.

1 29. Respondent Siu also provided a written statement about the fraudulent activity, which
2 stated that on March 19, 2014, a pharmacy clerk, M.P. had notified Pharmacy Service Chief II,
3 S.D., that she was concerned about an employee, L.L., who was working as a ward clerk on Ward
4 3C (the OB-GYN ward) of the hospital, because L.L. was coming to the pharmacy and picking up
5 patient prescriptions. When M.P. became suspicious of L.L. and started asking questions, L.L.
6 would not talk to M.P. and waited for other employees to conduct her transactions. M.P.
7 requested other pharmacy staff make copies of L.L.'s signed receipts. S.D.'s investigation
8 revealed that all of the patients L.L. picked up medications for were receiving Norco and were
9 from Ward 3H (OB triage unit) of the hospital. In addition, S.D.'s investigation revealed that the
10 physicians on Ward 3H do not normally write prescriptions for Norco because they prefer writing
11 prescriptions for Percocet. The Human Resources Department removed L.L. from Ward 3C and
12 notified the Los Angeles Sheriff's Department. S.D. was notified by the L.A. Sheriff's
13 Department that they found blank prescriptions in L.L.'s possession. A statement from staff
14 pharmacist L.L. documented that he had performed an audit of generic Norco 10/325 tablets for
15 the audit period from February 17, 2014 through March 25, 2014, which showed a loss of 298
16 tablets, or a difference of 2%.

17 30. On March 4, 2015, a Board Inspector conducted an inspection at LAC/USC Medical
18 Center's Outpatient Pharmacy (the pharmacy). She met with PIC Siu and he informed the
19 Inspector that the Department of Health Services (DHS) conducted a full investigation and would
20 have additional information about the diversion case. The Inspector interviewed M.P., who
21 confirmed that a clerk from Ward 3C would often state she was picking up medication for the
22 patient to speed up the discharge process. L.L. had the appropriate patient identification cards to
23 drop off the prescriptions and sometimes signed the patient's name instead of her own name.
24 M.P. grew more suspicious of L.L. and receipts which L.L. signed for the patient prescriptions
25 were copied. M.P. noticed L.L. began to "avoid" her help at the prescription intake window.
26 After one of the prescriptions which L.L. picked up for a patient required a payment to the
27 finance office, which L.L. was willing to pay for, M.P. notified S.D.

28 ///

1 31. Respondent Siu told the Inspector that S.D. conducted an investigation in conjunction
2 with the nursing staff and he believed L.L. was placed on administrative leave or suspended from
3 her job, pending the outcome of the DHS investigation. A new "Discharge Medication Pickup by
4 Nursing Staff" Policy, #251, was instituted shortly after the incident to help prevent similar,
5 future diversions of drugs. In addition, they acquired a new computer system in order to integrate
6 the exchange of information between various departments of the hospital. The Inspector obtained
7 a copy of Policy #251. The Inspector also obtained copies of 55 original prescriptions suspected
8 of either being diverted, altered, or forged by the ward clerk.

9 32. On March 10, 2015, the Board's investigator spoke with DHS Investigator A.H.,
10 who informed him that he obtained information about the diversion from all different departments
11 of the hospital and found shortfalls in the policies and procedures at various levels. A.H. stated
12 the ward clerk, L.L., had access to patient prescriptions and would alter them from Percocet to
13 Norco herself. L.L. may have obtained a controlled substance prescription pad from past resident
14 doctors who were no longer at the facility. A.H. also indicated that L.L. was arrested by the L.A.
15 Sheriff's Department, but no criminal charges were filed by the L.A. City attorneys (or L.A.
16 District Attorney's Office). L.L. was placed on administrative leave and she filed a request to
17 resign her position, effective March 31, 2015. Furthermore, A.H. found a policy allowing
18 pharmacy staff access to a physician's directory to look up current resident doctors; however, this
19 directory had not been properly maintained/updated and the amount of residents coming and
20 going from the hospital made it extremely difficult to research current resident doctors. Also, it
21 was common practice for younger resident physicians to write or make corrections to
22 prescriptions adding to the potential confusion of prescription writing styles and causing there to
23 be multiple types of ink on the prescriptions themselves.

24 33. The Board's Investigator subsequently requested and received a redacted copy of
25 the DHS report related to L.L.'s diversion of drugs, which documented various violations,
26 including but not limited to pharmacy supervision, in failing to ensure pharmacists were
27 thoroughly screening controlled prescriptions for accuracy, for allowing non-pharmacists to pick
28 up controlled substance medications, for failing to furnish drugs only to a patient with a

1 legitimate prescription, and the pharmacist's corresponding responsibility to ensure a prescription
2 for a controlled substance is issued only for a legitimate medical purpose. The DHS report
3 concluded that L.L. admitted to altering and forging prescriptions allowing her to obtain Norco
4 from the pharmacy. L.L. was able to obtain Norco because the pharmacy released controlled
5 substances to a non-licensed employee, in violation of LAC/USC Medical Center Department of
6 Nursing Services Policy #922. Moreover, the report concluded that the unmaintained electronic
7 database of clinician credentialing information was operational, but was not routinely utilized by
8 pharmacists and pharmacy staff when screening and verifying prescribers' credentialing
9 information before approving prescriptions.

10 34. Furthermore, the DHS report indicated that 38 of the 51 prescriptions appeared to
11 have been forged and 13 appeared to have been altered. The dates on the prescriptions were often
12 backdated and did not correlate with the dates the patients were seen at the medical center. The
13 fraudulent prescriptions were written by 19 past and present LAC/USC Medical Center physician
14 post-graduates assigned to the OB-GYN 3C and 3H ambulatory care areas where L.L. worked.
15 None of the patients complained that they did not receive their medications.

16 35. Between April 7, 2015 and April 17, 2015, the Board's Investigator requested and
17 received additional information and documents from Respondent Sui related to LAC/USC
18 Medical Center pharmacy's policies and procedures related to the processing of prescriptions.

19 36. The prescriptions obtained from LAC/USC Medical Center involved 62 total
20 prescriptions, the majority of which were written for, or altered to, Norco 10/325 mg, and were
21 dated between February 2, 2012 and February 22, 2014. The evidence appeared to show that L.L.
22 gained possession of the controlled prescription pads of multiple physicians to forge 37
23 prescriptions for Norco 10/325 mg and two prescriptions for Colace 100 mg (a stool softener).

24 37. Prescription RX# 0121871884600 for Patient I.R. dated June 23, 2012 was changed
25 from Colace to Norco 10/325 mg of 60 tablets with an additional refill. The date on the
26 prescription appears to have been altered. These two combined items make for a potentially
27 erroneous or uncertain prescription which required further investigation by a pharmacist to verify
28 the prescription's legitimacy, which apparently was not done. Similarly, Prescription RX#

1 0121531800 for Patient R.R. dated June 27, 2012 was originally written for Colace and altered by
2 the addition of Norco 10/325 mg to the prescription and an alteration to the date. The majority of
3 the altered prescriptions had the intended controlled substance (Percocet 5/325 mg) crossed out
4 and Norco 10/325 mg written into the next empty box of the prescription. In each case, the
5 Percocet was written for a quantity between 30-50 tablets with no additional refills, and the
6 addition of the Norco were all written for a quantity of 60 tablets and three additional refills.
7 These alterations make for a potentially erroneous or uncertain prescription requiring further
8 investigation by the pharmacist to verify their legitimacy.

9 38. Because all of the altered prescriptions appear to have the changes made in a different
10 handwriting and, in some instances, a different colored ink pen, they make for a potentially
11 erroneous or uncertain prescription requiring further investigation by the pharmacist to verify
12 their legitimacy. After reviewing all of the prescription data and summarizing the total quantity
13 of controlled substances available (original quantity and additional refills), the Board's
14 Investigator prepared the following table:

15 Drug	16 Diverted Rx	17 Altered Rx	18 Forged Rx	19 Total No. of 20 Tablets
21 Norco 10/325 mg	245	2,100	7,020	9,365
22 Percocet 5/325 mg	20	0	0	20

23 39. On May 6, 2015, the Board's Investigator had a conference call with Respondent Shu,
24 Pharmacy Director S.M. and Pharmacy Supervisors S.D. and B.B. for the purpose of having them
25 explain the steps which they took to investigate L.L.'s theft/diversion of the hydrocodone and
26 provide updated findings and documentation about the final count of 8,895 tablets. Respondent
27 Shu indicated that refills for prescriptions could have been called into the automated refill line and
28 the generic patient ID cards (no picture ID was required for medications schedule CIII or below)
could have been generated on the ward where L.L. worked and had access to the patients'
records. In addition, prior to the audit, all stock bottles with schedule CIII and below were stored
in a locked cabinet in the Main Pharmacy with numerous "open" bottles on the pharmacy
dispensing line. The medications were inventoried on a monthly basis. After the audit on or

1 about March 25, 2014, the number of "open" bottles were limited, inventory checks were
2 increased to every other week, and specific "controlled substance cabinet" pharmacists were
3 assigned per shift with key access to the cabinet, among other changes.

4 40. On May 15, 2015, the Board's Investigator received an e-mail from Respondent Siu,
5 with various reports attached, including but not limited to a summary which lists the final,
6 updated count of Norco 10/325 mg dispensed to L.L. by way of diversion, alteration or forgery as
7 8,895 tablets.

8 41. The Board's Investigator prepared an updated table related to the quantity of
9 controlled substances which were diverted, altered and/or forged by L.L., based upon a
10 comparison of LAC/USC Medical Center's dispensing data and original prescriptions, as follows:

11 Drug	Diverted Rx	Altered Rx	Forged Rx	Total No. of Tablets
12 Norco 10/325 mg	15	1,980	6,900	8,895
13 Percocet 5/325 mg	0			0

14 42. On June 10, 2015, in response to the Board's Investigator's e-mail, Respondent Siu
15 replied to his e-mail with additional information. Respondent Siu stated that the pharmacists did
16 not report any of the prescriptions at issue to the Quantifi computer system and the pharmacists
17 did not realize these prescriptions were forged at the time of dispensing.

18 43. The Board's investigation confirmed that there were similar violations of policy and
19 procedure by pharmacy staff as those documented in the DHS report. The pharmacy staff failed
20 to ensure the security of the prescription department against the potential diversion of medications
21 by not utilizing the file of credentialed LAC/USC Medical Center clinicians, per Pharmacy
22 Department Policy and Procedure Manual #605, and by not verifying the authenticity of any of
23 L.L.'s questionable prescriptions as required by their Pharmacy Department Policy and Procedure
24 Manual, #240 (Pharmacy Interventions) and #205 (Outpatient Prescription Guidelines). In
25 addition, the pharmacy staff should have been educated on Nursing Services Policy #922
26 (controlled substances will be handled only by licensed staff), and should not have allowed L.L.
27 to "transport" controlled substance discharge medications of the hospital because she was
28 employed as an unlicensed ward clerk.

FIRST CAUSE FOR DISCIPLINE

(Respondents LAC/USC Medical Center and Stu - Prescriptions Containing Errors, Omissions, Irregularities, Uncertainties and/or Alterations)

44. Respondent LAC/USC Medical Center and Respondent Stu, while employed as the PIC of LAC/USC Medical Center, have subjected their pharmacy permit and pharmacist license, respectively, to discipline for unprofessional conduct pursuant to Sections 4301, subdivisions (j) and/or (o), in conjunction with Sections 4059, 4060 and 4113, Health and Safety Code sections 11152, 11153, 11157, 11158, subdivision (a), 11164, 11167 and 11171, and California Code of Regulations, title 16, sections 1709.1, 1716 and 1761, subdivisions (a) and (b), in that for a two-year period ending on April 22, 2014, an unlicensed ward clerk of LAC/USC Medical Center was able to alter 13 prescriptions for hydrocodone/acetaminophen 10/325 mg, a narcotic controlled substance, in an amount totaling approximately 1,980 tablets, due to the pharmacy staff failing to uphold the pharmacy department's policies and procedures to determine the legitimacy of the altered prescriptions. The underlying facts and allegations are set forth with more particularity above, in Paragraphs 28-43, which are incorporated by reference.

SECOND CAUSE FOR DISCIPLINE

(Respondent LAC/USC Medical Center - Failure to Maintain Effective Control and Security of Dangerous Drugs)

45. Respondent LAC/USC Medical Center is subject to disciplinary action under Section 4301, subdivisions (o) and/or (j), in that Respondent violated California Code of Regulations, title 16, section 1714, subdivision (b), by failing to provide effective control and security against the loss or diversion of dangerous drugs/controlled substances. Specifically, an audit of LAC/USC Medical Center revealed a total loss of 298 tablets of hydrocodone/acetaminophen 10/325 mg, a controlled substance, by an unknown origin between the period of time from approximately February 17, 2012 and March 25, 2014, a variance of 2.1 percent, as set forth above in Paragraphs 28-43, which are incorporated by reference.

///

///

///

///

THIRD CAUSE FOR DISCIPLINE
(Respondent Siu – Operational Standards and Security)

1
2 46. Respondent Siu is subject to disciplinary action under Section 4301, subdivisions (o)
3 and (j) in that, while employed as the PIC of LAC/USC Medical Center, Respondent Siu violated
4 Section 4113, subdivision (c) and California Code of Regulations, title 16, section 1714,
5 subdivision (d), by failing to provide effective control and security against the loss or diversion of
6 dangerous drugs/controlled substances from the pharmacy department. During an approximate
7 two-year period ending on April 22, 2014, an unlicensed ward clerk of LAC/USC Medical Center
8 was able to divert, alter and forge prescriptions for hydrocodone/ acetaminophen 10/325 mg, a
9 controlled substance, in an amount totaling 8,895 tablets. In addition, a LAC/USC Medical
10 Center audit revealed a total loss of 298 tablets of hydrocodone/acetaminophen 10/325 mg, by an
11 unknown origin between approximately February 17, 2012 and March 25, 2014, a variance of
12 2.1%, as set forth above in Paragraphs 28-43, which are incorporated here by reference.

FOURTH CAUSE FOR DISCIPLINE
(Respondents LAC/USC Medical Center and Siu -
Furnishing Drugs Without a Prescription)

13
14
15 47. Respondent LAC/USC Medical Center and Respondent Siu are subject to disciplinary
16 action under Sections 4300 and 4301, subdivisions (j) and (c), on the grounds of unprofessional
17 conduct, for violating Sections 4059, subdivision (a), 4126.5, subdivision (a) and 4113, and
18 Health and Safety Code sections 11152, 11153, 11157, 11158, subdivision (a), 11164,
19 subdivision (a), 11167 and 11171, for furnishing drugs/controlled substances without a legitimate
20 prescription, as more fully set forth above in Paragraphs 28-43, and incorporated by reference.

DISCIPLINE CONSIDERATIONS

21
22 48. To determine the degree of discipline, Complainant alleges as follows:

23 a. On or about September 23, 2014, the Board issued administrative Citation No. CI
24 2013 59355 against Respondent LAC/USC Medical Center for failing to ensure that prescriptions
25 were dispensed in containers correctly labeled with the strength of the drug(s) dispensed, in
26 violation of Sections 4076, subdivision (a)(7) and 4077, subdivision (a). No fine was issued with
27 the citation.

28 ///

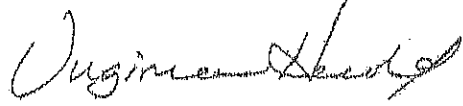
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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 PEB No. 49214, issued to County of Los Angeles dba Los Angeles County/USC Medical Center;
2. Revoking or suspending Pharmacist License RPH No. 38427, issued to Alan R. Siu;
3. Ordering Respondent Alan R. Siu 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; and
3. Taking such other and further action as deemed necessary and proper.

DATED: 11/4/16



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