

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

In the Matter of the Accusation Against:

**CITY CENTER PHARMACY  
BRENTWOOD, INC.  
50 Eagle Rock Way, Suite C  
Brentwood, CA 94513  
Original Pharmacy Permit No. PHY 50457**

**CENTRAL RX PHARMACY  
50 Eagle Rock Way, Suite C  
Brentwood, CA 94513  
Temporary Pharmacy Permit No. PHY 55855**

**NAVID RAHMAN  
50 Eagle Rock Way, Suite C  
Brentwood, CA 94513  
Pharmacist License No. RPH 53027**

and

**SAIFUDDIN HATIM RANIWALAL  
2721 Magazine Lane  
Tracy, CA 95377  
Pharmacist License No. RPH 49936**

Respondents.

AND

In the Matter of the Statement of Issues Against:

**CENTRAL RX PHARMACY  
50 Eagle Rock Way, Suite C  
Brentwood, CA 94513**

**Applicant for Community Pharmacy Permit**

Respondent.

Case No. 6456

**STIPULATED SETTLEMENT AND  
DISCIPLINARY ORDER**

**ONLY AS TO RESPONDENTS**

**City Center Pharmacy Brentwood, Inc.  
Central Rx Pharmacy  
Navid Rahman**

Case No. 6453

**DECISION AND ORDER**

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

This Decision shall become effective at 5:00 p.m. on July 26, 2018.

It is so ORDERED on July 26, 2018.

BOARD OF PHARMACY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

A handwritten signature in black ink, appearing to read "Greg M. Lippe", is written over a light yellow rectangular background.

By

\_\_\_\_\_  
Greg Lippe  
Board Vice President

XAVIER BECERRA  
Attorney General of California  
LINDA K. SCHNEIDER  
Senior Assistant Attorney General  
JOSHUA A. ROOM  
Supervising Deputy Attorney General  
State Bar No. 214663  
455 Golden Gate Avenue, Suite 11000  
San Francisco, CA 94102-7004  
Telephone: (415) 510-3512  
Facsimile: (415) 703-5480  
*Attorneys for Complainant*

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

In the Matter of the Accusation Against:

Case No. 6456

**CITY CENTER PHARMACY  
BRENTWOOD, INC.  
50 Eagle Rock Way, Suite C  
Brentwood, CA 94513  
Original Pharmacy Permit No. PHY 50457**

**STIPULATED SETTLEMENT AND  
DISCIPLINARY ORDER**

**CENTRAL RX PHARMACY  
50 Eagle Rock Way, Suite C  
Brentwood, CA 94513  
Temporary Pharmacy Permit No. PHY 55855**

**ONLY AS TO RESPONDENTS**

**City Center Pharmacy Brentwood, Inc.  
Central Rx Pharmacy  
Navid Rahman**

**NAVID RAHMAN  
50 Eagle Rock Way, Suite C  
Brentwood, CA 94513  
Pharmacist License No. RPH 53027**

**and**

**SAIFUDDIN HATIM RANIWALA  
2721 Magazine Lane  
Tracy, CA 95377  
Pharmacist License No. RPH 49936**

Respondents.

**AND**

In the Matter of the Statement of Issues Against:

Case No. 6453

**CENTRAL RX PHARMACY  
50 Eagle Rock Way, Suite C  
Brentwood, CA 94513**

**Applicant for Community Pharmacy Permit**

Respondent.

1 In the interest of a prompt and speedy settlement of this matter, consistent with the public  
2 interest and the responsibility of the Board of Pharmacy of the Department of Consumer Affairs,  
3 the parties hereby agree to the following Stipulated Settlement and Disciplinary Order which will  
4 be submitted to the Board for approval and adoption as the final disposition of Accusation No.  
5 6456 and Statement of Issues No. 6453 solely with respect to Respondents City Center Pharmacy  
6 Brentwood, Inc., Central Rx Pharmacy, and Navid Rahman. This stipulation does not apply to or  
7 resolve the case regarding Respondent Saifuddin Hatim Raniwala.

#### 8 **PARTIES**

9 1. Virginia Herold (Complainant), Executive Officer, Board of Pharmacy (Board),  
10 brought this action solely in her official capacity and is represented by Xavier Becerra, Attorney  
11 General of the State of California, by Joshua A. Room, Supervising Deputy Attorney General.

12 2. Respondent City Center Pharmacy Brentwood Inc. dba City Center Pharmacy  
13 Brentwood Inc. (Respondent City Center), Respondent ARAR Healthcare Inc. dba Central Rx  
14 Pharmacy (Respondent Central Rx), and Respondent Navid Rahman (Respondent Rahman)  
15 (collectively, Respondents) are each and severally represented by attorney Ivan Petrzelka,  
16 California Pharmacy Lawyers, 49 Discovery, Suite 240, Irvine, CA 92618-6713.

#### 17 **JURISDICTION**

18 3. Accusation No. 6456 and Statement of Issues No. 6453 was filed before the Board,  
19 and is currently pending against Respondents. The Accusation and Statement of Issues and all  
20 other statutorily required documents were properly served on Respondents on June 8, 2018.  
21 Respondents timely filed one or more Notices of Defense contesting the Accusation and seeking a  
22 hearing on the Statement of Issues. A copy of Accusation No. 6456 and Statement of Issues No.  
23 6453 is attached as exhibit A and incorporated herein by reference.

#### 24 **ADVISEMENT AND WAIVERS**

25 4. Respondents have carefully read, fully discussed with counsel, and understand the  
26 charges and allegations in Accusation No. 6456 and Statement of Issues No. 6453. Respondents  
27 have also carefully read, fully discussed with counsel, and understand the effects of this  
28 Stipulated Settlement and Disciplinary Order.



5. Respondents are fully aware of their legal rights in this matter, including the right to a hearing on the charges and allegations in the Accusation and Statement of Issues; the right to confront and cross-examine the witnesses against them; the right to present evidence and to testify on their 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. Respondents voluntarily, knowingly, and intelligently waive and give up each and every right set forth above.

### CULPABILITY

7. Respondents understand and agree that the charges and allegations in Accusation No. 6456 and Statement of Issues No. 6453, if proven at a hearing, constitute cause for discipline on existing licenses and cause for denial of the pending application.

8. For the purpose of resolving the Accusation and Statement of Issues without the expense and uncertainty of further proceedings, Respondents agree that, at a hearing, Complainant could establish a factual basis for the charges in the Accusation and Statement of Issues, and that Respondents hereby give up their right to contest those charges.

9. Respondents agree that their existing licenses are subject to discipline and that their pending application is subject to denial, and they further agree to be bound by the Board's discipline and probationary terms as set forth in the Disciplinary Order below.

## RESERVATION

10. Admissions made by Respondents herein are only for the purposes of this proceeding, or any other proceedings in which the Board of Pharmacy or other professional licensing agency is involved, and shall not be admissible in any other criminal or civil proceeding.

## CONTINGENCY

11. The parties understand and agree that Portable Document Format (PDF) and 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.

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

10        13. Whereas a Decision and Order of the Board is typically made effective up to thirty  
11 (30) days after its date of adoption and issuance, because Temporary Pharmacy Permit No. PHY  
12 55855 issued to Respondent Central Rx will expire on July 5, 2018, and cannot be renewed, the  
13 parties hereby stipulate that any Decision and Order issued by the Board adopting this stipulation  
14 may be made immediately effective, with the goal being to avoid an interruption of service to the  
15 patients served by Respondent Central Rx. This is only a goal, not a binding agreement.

16        14. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an  
17 integrated writing representing the complete, final, and exclusive embodiment of their agreement.  
18 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,  
19 negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary  
20 Order may not be altered, amended, modified, supplemented, or otherwise changed except by a  
21 writing executed by an authorized representative of each of the parties.

22        15. In consideration of the foregoing, the parties agree that the Board may, without  
23 further notice or formal proceeding, issue and enter the following Disciplinary Order:

24  
25                                    **DISCIPLINARY ORDER**

26                                    **AS TO RESPONDENT CITY CENTER**

27        IT IS HEREBY ORDERED that Pharmacy License No. PHY 50457, issued to Respondent  
28 City Center, is surrendered and accepted by the Board as of the effective date of this decision.



1           1.     Respondent shall lose all rights and privileges as a Pharmacy in California as of the  
2 effective date of this decision.

3           2.     The surrender of Respondent's license and the acceptance of the surrendered license  
4 shall constitute the imposition of discipline against Respondent. This decision constitutes a record  
5 of discipline and shall become a part of Respondent's license history with the Board.

6           3.     Respondent may only seek a new or reinstated license from the Board by way of a  
7 new application for licensure. Respondent is not eligible to petition for reinstatement of licensure.

8           4.     Respondent may not reapply for any license from the Board for three (3) years from  
9 the effective date of this decision. Respondent stipulates that should it apply for any license from  
10 the Board on or after the effective date of this decision, all allegations set forth in Accusation No.  
11 6456 and Statement of Issues No. 6453 shall be deemed to be true, correct and admitted by  
12 Respondent when the Board determines whether to grant or deny the application. Respondent  
13 shall satisfy all requirements applicable to that license as of the date the application is submitted  
14 to the Board. Respondent is required to report this surrender as disciplinary action.

15  
16                                   **AS TO RESPONDENT CENTRAL RX**

17           IT IS HEREBY ORDERED that upon satisfaction of all statutory and regulatory  
18 requirements for issuance of a Community Pharmacy Permit, said license shall issue to  
19 Respondent Central Rx and be immediately revoked;<sup>1</sup> the order of revocation is stayed and  
20 Respondent is placed on probation for five (5) years on the following terms and conditions:

21           **1.     Definition: Respondent**

22           For the purposes of these terms and conditions, "respondent" shall refer to Respondent  
23 Central Rx. All terms and conditions stated herein shall bind and be applicable to the licensed  
24 premises and to all owners, managers, officers, administrators, members, directors, trustees,  
25 associates, or partners thereof.

26           ///

27  
28           <sup>1</sup> Simultaneously, Temporary Pharmacy Permit No. PHY 55855, previously issued to  
Respondent Central Rx, shall be revoked. This order of revocation will not be stayed.

1 For purposes of compliance with any term or condition, any report, submission, filing,  
2 payment, or appearance required to be made by Respondent shall be made by an owner or  
3 executive officer with authority to act on behalf of and legally bind the licensed entity.

#### 4 **2. Civil Penalty**

5 Respondent shall, along with Respondent Rahman (see below), be jointly and severally  
6 liable for and responsible for paying to the Board a civil penalty of \$30,000.00, with the full  
7 amount of the civil penalty due and payable within one (1) year of the effective date of this  
8 decision, on a payment schedule approved by the Board or its designee. There shall be no  
9 deviation from this payment schedule absent prior written approval by the Board or its designee.  
10 Failure to timely pay the civil penalty in full shall be considered a violation of probation.

11 Respondent understands and agrees that this civil penalty is an administrative fine pursuant  
12 to 11 U.S.C. § 523(a)(7), and as such is not dischargeable in bankruptcy.

#### 13 **3. Reimbursement of Board Costs**

14 As a condition precedent to successful completion of probation, Respondent shall, along  
15 with Respondent Rahman (see below), be jointly and severally liable for and responsible for  
16 paying to the Board its costs of investigation and prosecution in the amount of \$7,000.00.

17 Respondents Central Rx and Rahman shall be permitted to pay these costs in a payment  
18 plan approved by the Board or its designee, so long as full payment is completed no later than one  
19 (1) year prior to the end date of probation. There shall be no deviation from this schedule absent  
20 prior written approval by the Board or its designee. Failure to pay costs by the deadline(s) as  
21 directed shall be considered a violation of probation.

#### 22 **4. Probation Monitoring Costs**

23 Respondent shall pay any costs associated with probation monitoring of Respondent as  
24 determined by the Board each and every year of probation. Such costs shall be payable to the  
25 Board on a schedule as directed by the Board or its designee. Failure to pay such costs by the  
26 deadline(s) as directed shall be considered a violation of probation.

27 ///

28 ///



1           **5. Engagement of Pharmacy Consultant**

2           During the period of probation, Respondent shall, along with Respondent Rahman (see  
3 below), be jointly and severally liable for and responsible for retaining a Board-approved  
4 independent consultant at their own expense who shall be responsible for reviewing pharmacy  
5 operations on a monthly basis for compliance with state and federal laws and regulations  
6 governing the practice of pharmacy, including review of all billing conducted by the pharmacy,  
7 and for compliance with the obligations of a pharmacist-in-charge.

8           The consultant shall be a pharmacist licensed by and not on probation with the Board and  
9 whose name shall be submitted to the Board or its designee, for prior approval, within thirty (30)  
10 days of the effective date of this decision. After twelve (12) such monthly reviews, Respondents  
11 may submit a written request to the Board or its designee for permission to reduce the frequency  
12 of consultant reviews from monthly to quarterly. Whether or not to grant such request is solely  
13 within the discretion of the Board or its designee. The consultant may be required to submit a  
14 report to the Board or its designee after any monthly or quarterly review, in a format specified by  
15 the Board or its designee. Failure to timely retain, seek approval of, or ensure timely reporting  
16 by, a consultant, shall be considered a violation of probation.

17           **6. Community Service**

18           During the period of probation, Respondent shall, along with Respondent Rahman (see  
19 below), be jointly and severally liable for and responsible for providing community service.  
20 Within sixty (60) days of the effective date of this decision, Respondents shall submit to the  
21 Board or its designee, for prior approval, a community service program in which Respondents  
22 shall provide free health-care related services to a community or charitable facility or agency.  
23 The community service program shall consist of pharmacy professional staff conducting on-site  
24 education and counseling activities at nursing homes, residential care facilities, hospitals or  
25 community centers, and/or other similar "brown bag" services, for at least six (6) days per year  
26 for the duration of probation. The program shall begin no later than July 2018.

27       ///

28       ///



1 Within thirty (30) days of Board or designee approval thereof, Respondents shall submit  
2 documentation to the Board demonstrating commencement of the community service program.  
3 Respondents shall report on progress with the community service program in quarterly reports.

4 Failure to timely submit, secure approval, commence, or comply with the community  
5 service program shall be considered a violation of probation

6 **7. Obey All Laws**

7 Respondent shall obey all state and federal laws and regulations.

8 Respondent shall report any of the following occurrences to the Board, in writing, within  
9 seventy-two (72) hours of such occurrence:

- 10 • an arrest or issuance of a criminal complaint for violation of any provision of the  
11 Pharmacy Law, state or federal food and drug laws, or state or federal controlled substances laws;
- 12 • a plea of guilty, nolo contendere, no contest, or similar, in any state or federal  
13 criminal proceeding to any criminal complaint, information or indictment;
- 14 • a conviction of any crime; or
- 15 • discipline, citation, or other administrative action filed by any state or federal agency  
16 which involves Respondent's pharmacy license or which is related to the practice of pharmacy or  
17 the manufacturing, obtaining, handling or distributing, billing, or charging for any dangerous  
18 drug, and/or dangerous device or controlled substance.

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

20 **8. Report to the Board**

21 Respondent shall report to the Board quarterly, on a schedule as directed by the Board or its  
22 designee. The report shall be made either in person or in writing, as directed. Among other  
23 requirements, Respondent shall state in each report under penalty of perjury whether there has  
24 been compliance with all the terms and conditions of probation. Failure to submit timely reports  
25 in a form as directed shall be considered a violation of probation. Any period(s) of delinquency  
26 in submission of reports as directed may be added to the total period of probation. Moreover, if  
27 the final probation report is not made as directed, probation shall be automatically extended until  
28 such time as the final report is made and accepted by the Board.

1           **9. Interview with the Board**

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

7           **10. Cooperate with Board Staff**

8           Respondent shall timely cooperate with the Board's inspection program and with the  
9 Board's monitoring and investigation of Respondent's compliance with the terms and conditions  
10 of probation, including but not limited to: timely responses to requests for information by Board  
11 staff; timely compliance with directives from Board staff regarding requirements of any term or  
12 condition of probation; and timely completion of documentation pertaining to a term or condition  
13 of probation. Failure to timely cooperate shall be considered a violation of probation.

14           **11. Status of License**

15           Respondent shall, at all times while on probation, maintain a current pharmacy license with  
16 the Board. Failure to maintain current licensure shall be considered a violation of probation. If  
17 Respondent's license expires or is cancelled by operation of law or otherwise at any time during  
18 probation, including any extensions thereof, upon renewal or reapplication Respondent's license  
19 shall be subject to all terms and conditions of this probation not previously satisfied.

20           **12. Sale or Discontinuance of Business**

21           During the period of probation, should Respondent sell, trade or transfer all or part of the  
22 ownership of the licensed entity, discontinue doing business under the license issued to  
23 Respondent, or should practice at that location be assumed by another full or partial owner,  
24 person, firm, business, or entity, under the same or a different premises license number, the Board  
25 or its designee shall have the sole discretion to determine whether to exercise continuing  
26 jurisdiction over the licensed location, under the current or new premises license number, and/or  
27 carry the remaining period of probation forward to be applicable to the current or new premises  
28 license number of the new owner.



1           **13. No Additional Ownership or Management of Licensed Premises**

2 Respondent shall not acquire any new ownership, legal or beneficial interest in, nor serve as a  
3 manager, administrator, member, officer, director, associate, or partner of any additional business,  
4 firm, partnership, or corporation currently or hereinafter licensed by the Board except as approved  
5 by the Board or its designee. Any violation shall be considered a violation of probation.

6           **14. Premises Open for Business**

7 Respondent shall remain open and engaged in its ordinary business as a pharmacy in  
8 California for a minimum of forty (40) hours per calendar month. Any month during which this  
9 minimum is not met shall toll the period of probation, i.e., the period of probation shall be  
10 extended by one month for each month during with this minimum is not met. During any such  
11 period of tolling of probation, Respondent must nonetheless comply with all terms and conditions  
12 of probation, unless Respondent is informed otherwise in writing by the Board or its designee. If  
13 Respondent is not open and engaged in its ordinary business as a pharmacy for a minimum of  
14 forty (40) hours in any calendar month, for any reason (including vacation), Respondent shall  
15 notify the Board in writing within ten (10) days of the conclusion of that calendar month. This  
16 notification shall include at minimum all of the following: the date(s) and hours Respondent was  
17 open; the reason(s) for the interruption or why business was not conducted; and the anticipated  
18 date(s) on which Respondent will resume business as required. Respondent shall further notify  
19 the Board in writing within ten (10) days following the next calendar month during which  
20 respondent is open and engaged in its ordinary business as a pharmacy in California for a  
21 minimum of forty (40) hours. Any failure to timely provide such notification(s) shall be  
22 considered a violation of probation.

23           **14. Notice to Employees**

24 Respondent shall, upon or before the effective date of this decision, ensure that all  
25 employees involved in permit operations are made aware of all the terms and conditions of  
26 probation, either by posting a notice of the terms and conditions, circulating such notice, or both.  
27 If the notice required by this provision is posted, it shall be posted in a prominent place and shall  
28 remain posted throughout the probation period.

Respondent shall ensure that any employees hired or used after the effective date of this decision are made aware of the terms and conditions of probation by posting a notice, circulating a notice, or both. Respondent shall submit written notification to the Board, within fifteen (15) days of the effective date of this decision, that this term has been satisfied. Failure to timely provide such notification to employees, or to timely submit such notification to the board shall be considered a violation of probation.

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

#### **15. Posted Notice of Probation**

Respondent shall prominently post a probation notice provided by the Board or its designee in a place conspicuous to and readable by the public within two (2) days of receipt thereof from the Board or its designee. Respondent 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 timely post such notice, to maintain the posting during the entire period of probation, or to engage in any conduct or make any statement intended to or likely to have the effect of misleading, shall be considered a violation of probation.

#### **16. Report of Controlled Substances**

Respondent shall submit reports to the board detailing the total acquisition and disposition of such controlled substances as the board or its designee may direct. Respondent shall specify the manner of disposition (e.g., by prescription, due to burglary, etc.) or acquisition (e.g., from a manufacturer, from another retailer, etc.) of such controlled substances. Respondent shall report on a quarterly basis or as directed by the board or its designee. The report shall be delivered or mailed to the board no later than ten (10) days following the end of the reporting period as determined by the board or its designee. Failure to timely prepare or submit such reports shall be considered a violation of probation.

///

///



1           **17. Owners and Officers: Knowledge of the Law**

2           Respondent shall provide, within thirty (30) days of the effective date of this decision,  
3 signed and dated statements from its owners, including any owner or holder of ten percent (10%)  
4 or more of the interest in Respondent or Respondent's stock, and all of its officers, stating under  
5 penalty of perjury that said individuals have read and are familiar with state and federal laws and  
6 regulations governing the practice of pharmacy. The failure to timely provide such statements  
7 under penalty of perjury shall be considered a violation of probation.

8           **18. License Surrender While on Probation**

9           Following the effective date of this decision, should Respondent wish to discontinue  
10 business, Respondent may tender the premises license to the Board for surrender. The Board or its  
11 designee shall have the discretion whether to grant the request for surrender or take any other  
12 action it deems appropriate and reasonable. Upon formal acceptance of the surrender of the  
13 license, Respondent will no longer be subject to the terms and conditions of probation. This  
14 surrender constitutes a record of discipline and shall become a part of Respondent's license  
15 history with the Board. Respondent may only seek a new or reinstated license from the Board by  
16 way of a new application. Respondent will not be eligible to petition for reinstatement of license

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

20           Respondent further stipulates that it shall reimburse the Board for any remaining amount of  
21 the civil penalty or the costs of investigation and prosecution prior to tendering the surrender.

22           In the event of a surrender, within ten (10) days of notification by the Board that the  
23 surrender is accepted, Respondent shall: relinquish the premises wall and renewal license to the  
24 Board; arrange for the destruction of, the transfer to, sale of or storage in a facility licensed and  
25 approved by the Board of all controlled substances and dangerous drugs and/or dangerous  
26 devices; arrange for the transfer of all records of acquisition and disposition of dangerous drugs to  
27 premises licensed and approved by the Board; provide written proof of such disposition; and  
28 submit a completed Discontinuance of Business form according to Board guidelines.



Respondent shall also, prior to the effective date of the surrender, 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 (5) days of its provision to the pharmacy's ongoing patients, Respondent 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 filled a prescription within the preceding sixty (60) days.

#### **19. Violation of Probation**

If Respondent has not complied with any term or condition of probation, the Board shall have continuing jurisdiction over Respondent, and probation shall be automatically extended, until all terms and conditions have been satisfied or the Board has taken other action as deemed appropriate to treat the failure to comply as a violation of probation, to terminate probation, and to impose the penalty that was stayed.

If Respondent violates probation in any respect, the Board, after giving Respondent notice and an opportunity to be heard, may revoke probation and carry out the disciplinary order that was stayed. If a petition to revoke probation or an accusation is filed against respondent during probation, the Board shall have continuing jurisdiction and the period of probation shall be automatically extended until the petition to revoke probation or accusation is heard and decided.

#### **20. Completion of Probation**

Upon written notice by the Board or its designee indicating successful completion of probation, Respondent's license will be fully restored.

#### **AS TO RESPONDENT RAHMAN**

IT IS HEREBY ORDERED that Pharmacist License No. RPH 53027, issued to Respondent Rahman, is revoked; the order of revocation is stayed and Respondent is placed on probation for five (5) years on the following terms and conditions:

1           **1. Civil Penalty**

2           Respondent shall, along with Respondent Central Rx (see above), be jointly and severally  
3           liable for and responsible for paying to the Board a civil penalty of \$30,000.00, with the full  
4           amount of the civil penalty due and payable within one (1) year of the effective date of this  
5           decision, on a payment schedule approved by the Board or its designee. There shall be no  
6           deviation from this payment schedule absent prior written approval by the Board or its designee.  
7           Failure to timely pay the civil penalty in full shall be considered a violation of probation.

8           Respondent understands and agrees that this civil penalty is an administrative fine pursuant  
9           to 11 U.S.C. § 523(a)(7), and as such is not dischargeable in bankruptcy.

10           **2. Reimbursement of Board Costs**

11           As a condition precedent to successful completion of probation, Respondent shall, along  
12           with Respondent Central Rx (see above), be jointly and severally liable for and responsible for  
13           paying to the Board its costs of investigation and prosecution in the amount of \$7,000.00.

14           Respondents Central Rx and Rahman shall be permitted to pay these costs in a payment  
15           plan approved by the Board or its designee, so long as full payment is completed no later than one  
16           (1) year prior to the end date of probation. There shall be no deviation from this schedule absent  
17           prior written approval by the Board or its designee. Failure to pay costs by the deadline(s) as  
18           directed shall be considered a violation of probation.

19           **3. Probation Monitoring Costs**

20           Respondent shall pay any costs associated with probation monitoring of Respondent as  
21           determined by the Board each and every year of probation. Such costs shall be payable to the  
22           Board on a schedule as directed by the Board or its designee. Failure to pay such costs by the  
23           deadline(s) as directed shall be considered a violation of probation.

24           **4. Engagement of Pharmacy Consultant**

25           During the period of probation, Respondent shall, along with Respondent Central Rx (see  
26           above), be jointly and severally liable for and responsible for retaining a Board-approved  
27           independent consultant at their own expense who shall be responsible for reviewing pharmacy  
28           operations on a monthly basis for compliance with state and federal laws and regulations



governing the practice of pharmacy, including review of all billing conducted by the pharmacy, and for compliance with the obligations of a pharmacist-in-charge.

The consultant shall be a pharmacist licensed by and not on probation with the Board and whose name shall be submitted to the Board or its designee, for prior approval, within thirty (30) days of the effective date of this decision. After twelve (12) such monthly reviews, Respondents may submit a written request to the Board or its designee for permission to reduce the frequency of consultant reviews from monthly to quarterly. Whether or not to grant such request is solely within the discretion of the Board or its designee. The consultant may be required to submit a report to the Board or its designee after any monthly or quarterly review, in a format specified by the Board or its designee. Failure to timely retain, seek approval of, or ensure timely reporting by, a consultant, shall be considered a violation of probation.

#### **5. Community Service**

During the period of probation, Respondent shall, along with Respondent Central Rx (see above), be jointly and severally liable for and responsible for providing community service. Within sixty (60) days of the effective date of this decision, Respondents shall submit to the Board or its designee, for prior approval, a community service program in which Respondents shall provide free health-care related services to a community or charitable facility or agency. The community service program shall consist of pharmacy professional staff conducting on-site education and counseling activities at nursing homes, residential care facilities, hospitals or community centers, and/or other similar "brown bag" services, for at least six (6) days per year for the duration of probation. The program shall begin no later than July 2018.

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

Failure to timely submit, secure approval, commence, or comply with the community service program shall be considered a violation of probation

#### **6. Obey All Laws**

Respondent shall obey all state and federal laws and regulations.

Respondent shall report any of the following occurrences to the Board, in writing, within seventy-two (72) hours of such occurrence:

- an arrest or issuance of a criminal complaint for violation of any provision of the Pharmacy Law, state or federal food and drug laws, or state or federal controlled substances laws;
- a plea of guilty, nolo contendere, no contest, or similar, in any state or federal criminal proceeding to any criminal complaint, information or indictment;
- a conviction of any crime; or
- discipline, citation, or other administrative action filed by any state or federal agency which involves Respondent's pharmacist license or which is related to the practice of pharmacy or the manufacturing, obtaining, handling or distributing, billing, or charging for any dangerous drug, and/or dangerous device or controlled substance.

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

#### **7. Report to the Board**

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

#### **8. Interview with the Board**

Upon receipt of reasonable prior notice, Respondent 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.

///



1           **9. Cooperate with Board Staff**

2           Respondent shall timely cooperate with the Board's inspection program and with the  
3 Board's monitoring and investigation of Respondent's compliance with the terms and conditions  
4 of probation, including but not limited to: timely responses to requests for information by Board  
5 staff; timely compliance with directives from Board staff regarding requirements of any term or  
6 condition of probation; and timely completion of documentation pertaining to a term or condition  
7 of probation. Failure to timely cooperate shall be considered a violation of probation.

8           **11. Status of License**

9           Respondent shall, at all times while on probation, maintain a current pharmacist license  
10 with the Board. Failure to maintain current licensure shall be considered a violation of probation.  
11 If Respondent's license expires or is cancelled by operation of law or otherwise at any time  
12 during probation, including any extensions thereof, upon renewal or reapplication Respondent's  
13 license shall be subject to all terms and conditions of this probation not previously satisfied.

14           **12. Continuing Education**

15           Respondent shall provide evidence of efforts to maintain skill and knowledge as a  
16 pharmacist as directed by the board or its designee.

17           **13. Reporting of Employment and Notice to Employers**

18           During the period of probation, respondent shall notify all present and prospective  
19 employers of the decision in Accusation and Statement of Issues case number 6456 and 6453 and  
20 the terms, conditions and restrictions imposed on Respondent by the decision, as follows:

21           Within thirty (30) days of the effective date of this decision, and within ten (10) days of  
22 undertaking any new employment, Respondent shall report to the Board in writing the name,  
23 physical address, and mailing address of each employer(s), and the name(s) and telephone  
24 number(s) of each direct supervisor(s), as well as any pharmacist(s)-in-charge, designated  
25 representative(s)-in-charge, responsible managers, or other compliance supervisor(s), and their  
26 work schedules, if known. Upon any transition in employment, Respondent shall also include the  
27 reason(s) for leaving the prior employment.

28       ///



1        Within thirty (30) days of the effective date, and within ten (10) days of undertaking any  
2 new employment, Respondent shall sign and return to the Board a written consent authorizing the  
3 Board or its designee to communicate with all of Respondent's employer(s) and supervisor(s),  
4 and authorizing those employer(s) or supervisor(s) to communicate with the Board or its  
5 designee, concerning Respondent's work status, performance, and monitoring. Failure to comply  
6 with the requirements or deadlines of this condition shall be considered a violation of probation.

7        Within thirty (30) days of the effective date of this decision, and within fifteen (15) days of  
8 Respondent undertaking any new employment, Respondent shall cause each (a) direct supervisor,  
9 (b) pharmacist-in-charge, designated representative-in-charge, responsible manager, or other  
10 compliance supervisor, and (c) the owner or owner representative of his employer(s), to report to  
11 the Board in writing acknowledging that the listed individual(s) has/have read the decision in case  
12 number 6456/6453, and terms and conditions imposed thereby. If one person serves in more than  
13 one role described in (a), (b), or (c), the acknowledgment shall so state. It shall be Respondent's  
14 responsibility to ensure that these acknowledgment(s) are timely submitted to the Board. In the  
15 event of a change in the person(s) serving the role(s) described in (a), (b), or (c) during the term  
16 of probation, Respondent shall cause the person(s) taking over the role(s) to report to the Board in  
17 writing within fifteen (15) days of the change acknowledging that he or she has read the decision  
18 in case number 6456/6453, and the terms and conditions imposed thereby.

19        If Respondent works for or is employed by or through an employment service, Respondent  
20 must notify the person(s) described in (a), (b), and (c) above at every entity licensed by the Board  
21 of the decision in case number 6456/6453, and the terms and conditions imposed thereby, in  
22 advance of Respondent commencing work at such licensed entity. A record of this notification  
23 must be provided to the Board upon request.

24        Furthermore, within thirty (30) days of the effective date of this decision, and within fifteen  
25 (15) days of respondent undertaking any new employment by or through an employment service,  
26 Respondent shall cause the person(s) described in (a), (b), and (c) above at the employment  
27 service to report to the Board in writing acknowledging that he or she has read the decision in  
28 case number 6456/6453, and the terms and conditions imposed thereby.

1 It shall be Respondent's responsibility to ensure that any and all these acknowledgment(s)  
2 are timely submitted to the Board. Failure to timely notify present or prospective employer(s) or  
3 failure to cause the identified person(s) with that/those employer(s) to submit timely written  
4 acknowledgments to the Board shall be considered a violation of probation.

5 "Employment" within the meaning of this provision includes any full-time, part-time,  
6 temporary, relief, or employment/management service position as a pharmacist, or any position  
7 for which a pharmacist license is a requirement or criterion for employment, whether the  
8 Respondent is an employee, independent contractor or volunteer.

9 **14. Notification of Change(s) in Name, Address(es), or Phone Number(s)**

10 Respondent shall further notify the Board in writing within ten (10) days of any change in  
11 employer, name, residence address, mailing address, e-mail address or phone number.

12 Failure to timely notify the board of any change in employer, name, address(es), or phone  
13 number shall be considered a violation of probation.

14 **15. Practice Requirement – Extension of Probation**

15 Except during any periods of suspension, Respondent shall, at all times while on probation,  
16 be employed as a pharmacist in California for a minimum of forty (40) hours per calendar month.  
17 Any month during which this minimum is not met shall extend the period of probation by one  
18 month. During any such period of insufficient employment, Respondent must nonetheless  
19 comply with all terms and conditions of probation, unless Respondent receives a waiver in  
20 writing from the Board or its designee.

21 If Respondent does not practice as a pharmacist in California for the minimum number of  
22 hours in any calendar month, for any reason (including vacation), respondent shall notify the  
23 board in writing within ten (10) days of the conclusion of that calendar month. This notification  
24 shall include at least: the date(s), location(s), and hours of last practice; the reason(s) for the  
25 interruption or reduction in practice; and the anticipated date(s) on which Respondent will resume  
26 practice at the required level. Respondent shall further notify the board in writing within ten (10)  
27 days following the next calendar month during which respondent practices as a pharmacist in  
28 California for the minimum number of hours.



1 Any failure to timely provide such notification(s) shall be considered a violation of  
2 probation. It is furthermore a violation of probation for Respondent's probation to be extended  
3 pursuant to the provisions of this condition for a total period, counting consecutive and non-  
4 consecutive months, exceeding thirty-six (36) months. The Board or its designee may post a  
5 notice of any extension of the probation period on its website.

6 **16. Restrictions on Supervision and Oversight of Licensed Facilities**

7 During the period of probation, except as noted below, Respondent shall not supervise any  
8 intern pharmacist, be the pharmacist-in-charge, designated representative-in-charge, responsible  
9 manager or other compliance supervisor of any entity licensed by the board, nor serve as a  
10 consultant. Assumption of any such unauthorized supervision responsibilities shall be considered  
11 a violation of probation. Respondent shall be permitted to remain the pharmacist-in-charge for  
12 Respondent Central Rx until a new pharmacist-in-charge for Respondent Central Rx is nominated  
13 to and approved by the Board or its designee, or until sixty (60) days after the date this agreement  
14 is signed by all parties, whichever occurs first. In no event may Respondent remain pharmacist-  
15 in-charge for Respondent Central Rx beyond sixty (60) days from the final signature hereon.

16 **17. No Additional Ownership or Management of Licensed Premises**

17 Respondent shall not acquire any new ownership, legal or beneficial interest in, nor serve as a  
18 manager, administrator, member, officer, director, associate, or partner of any additional business,  
19 firm, partnership, or corporation currently or hereinafter licensed by the Board except as approved  
20 by the Board or its designee. Any violation shall be considered a violation of probation.

21 **18. Ethics Course**

22 Within sixty (60) days of the effective date of this decision, Respondent shall enroll in a  
23 course in ethics, at Respondent's expense, approved in advance by the Board or its designee, that  
24 complies with California Code of Regulations, title 16, section 1773.5. Respondent shall provide  
25 proof of enrollment upon request. Respondent shall initiate the course during the first year of  
26 probation, and complete it before the end of the second year. Within five (5) days of completion,  
27 Respondent shall submit a copy of the certificate of completion to the Board or its designee.

28 ///

1 Failure to timely enroll in an approved ethics course, to initiate the course during the first  
2 year, to successfully complete it before the end of the second year, or to timely submit proof of  
3 completion to the Board or its designee, shall be considered a violation of probation.

#### 4 **19. License Surrender While on Probation/Suspension**

5 Following the effective date of this decision, should Respondent cease practice due to  
6 retirement or health, or be otherwise unable to satisfy the terms and conditions of probation,  
7 Respondent may relinquish his pharmacist license, including any indicia of licensure issued by  
8 the Board, along with a request to surrender the license. The Board or its designee shall have the  
9 discretion whether to accept the surrender or take any other action it deems appropriate and  
10 reasonable. Upon formal acceptance of the surrender of the license, Respondent will no longer be  
11 subject to the terms and conditions of probation. This surrender constitutes a record of discipline  
12 and shall become a part of Respondent's license history with the board.

13 Upon acceptance of the surrender, Respondent shall relinquish his pocket and/or wall  
14 license, including any indicia of licensure not previously provided to the Board, within ten (10)  
15 days of notification by the Board that the surrender is accepted. Respondent may only seek a new  
16 or reinstated license from the Board by way of a new application. Respondent will not be eligible  
17 to petition for reinstatement of license

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

21 Respondent further stipulates that he shall reimburse the Board for any remaining amount  
22 of the civil penalty or the costs of investigation and prosecution prior to tendering the surrender.

#### 23 **20. Violation of Probation**

24 If Respondent has not complied with any term or condition of probation, the Board shall  
25 have continuing jurisdiction over Respondent, and probation shall be automatically extended,  
26 until all terms and conditions have been satisfied or the Board has taken other action as deemed  
27 appropriate to treat the failure to comply as a violation of probation, to terminate probation, and  
28 to impose the penalty that was stayed.



1 If Respondent violates probation in any respect, the Board, after giving Respondent notice  
2 and an opportunity to be heard, may revoke probation and carry out the disciplinary order that  
3 was stayed. If a petition to revoke probation or an accusation is filed against respondent during  
4 probation, the Board shall have continuing jurisdiction and the period of probation shall be  
5 automatically extended until the petition to revoke probation or accusation is heard and decided.

6 **21. Completion of Probation**

7 Upon written notice by the Board or its designee indicating successful completion of  
8 probation, Respondent's license will be fully restored.

9  
10 ACCEPTANCE

11 I am authorized to sign for Respondent City Center. I have carefully read the above  
12 Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Ivan  
13 Petrzelka. I understand the stipulation and the effect it will have on Pharmacy License No. PHY  
14 50457. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and  
15 intelligently, and agree to be bound by the Decision and Order of the Board of Pharmacy.

16 DATED: 6/27/2018

N. Rahman  
Navid Rahman, for  
CITY CENTER PHARMACY BRENTWOOD INC.  
Respondent

18  
19 I am authorized to sign for Respondent Central Rx. I have carefully read the above  
20 Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Ivan  
21 Petrzelka. I understand the stipulation and the effect it will have on Temporary Pharmacy Permit  
22 No. PHY 55855, the application for a Community Pharmacy Permit submitted by Respondent  
23 Central Rx, and the Pharmacy License to be subsequently issued pursuant to that application. I  
24 enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and  
25 intelligently, and agree to be bound by the Decision and Order of the Board of Pharmacy.

26 DATED: 6/27/2018

N. Rahman  
Navid Rahman, for  
ARAR HEALTHCARE INC. DBA  
CENTRAL RX PHARMACY  
Respondent



1 I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully  
2 discussed it with my attorney, Ivan Petrzelka. I understand the stipulation and the effect it will  
3 have on my Pharmacist License. I enter into this Stipulated Settlement and Disciplinary Order  
4 voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the  
5 Board of Pharmacy.

6 DATED: 6/27/18

NAVID RAHMAN  
Respondent

8  
9 I have read and fully discussed with Respondents City Center, Central Rx, and Rahman, the  
10 terms and conditions and other matters contained in the above Stipulated Settlement and  
11 Disciplinary Order. I approve its form and content.

12 DATED: June 27, 2018

IVAN PETRZELKA  
California Pharmacy Lawyers  
Attorneys for Respondent

15 ENDORSEMENT

16 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully  
17 submitted for consideration by the Board of Pharmacy.

18  
19 Dated: 6/27/2018

Respectfully submitted,

20 XAVIER BECERRA  
Attorney General of California  
21 LINDA K. SCHNEIDER  
Senior Assistant Attorney General

JOSHUA A. ROOM  
Supervising Deputy Attorney General  
Attorneys for Complainant

26  
27 SF2018200475  
28 21163283.doc

**EXHIBIT A**

## **Exhibit A**

**Accusation No. 6456 and Statement of Issues No. 6453**



1 XAVIER BECERRA  
Attorney General of California  
2 LINDA K. SCHNEIDER  
Senior Assistant Attorney General  
3 JOSHUA A. ROOM  
Supervising Deputy Attorney General  
4 State Bar No. 214663  
455 Golden Gate Avenue, Suite 11000  
5 San Francisco, CA 94102-7004  
Telephone: (415) 510-3512  
6 Facsimile: (415) 703-5480  
*Attorneys for Complainant*

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

11 In the Matter of the Accusation Against:

Case No. 6456

12 **CITY CENTER PHARMACY**  
13 **BRENTWOOD, INC.**  
14 **50 Eagle Rock Way, Suite C**  
15 **Brentwood, CA 94513**  
16 **Original Pharmacy Permit No. PHY 50457**

**ACCUSATION**

17 **CENTRAL RX PHARMACY**  
18 **50 Eagle Rock Way, Suite C**  
19 **Brentwood, CA 94513**  
20 **Temporary Pharmacy Permit No. PHY 55855**

21 **NAVID RAHMAN**  
22 **50 Eagle Rock Way, Suite C**  
23 **Brentwood, CA 94513**  
24 **Pharmacist License No. RPH 53027**

25 **and**

26 **SAIFUDDIN HATIM RANIWALA**  
27 **2721 Magazine Lane**  
28 **Tracy, CA 95377**  
**Pharmacist License No. RPH 49936**

Respondents.

**AND**

In the Matter of the Statement of Issues Against:

Case No. 6453

29 **CENTRAL RX PHARMACY**  
30 **50 Eagle Rock Way, Suite C**  
31 **Brentwood, CA 94513**

**STATEMENT OF ISSUES**

32 **Applicant for Community Pharmacy Permit**

Respondent.

1 Complainant alleges:

2 PARTIES

3 1. Virginia Herold (Complainant) brings this Accusation and Statement of Issues solely  
4 in her official capacity as Executive Officer of the Board of Pharmacy of the Department of  
5 Consumer Affairs (Board).

6 2. On or about December 15, 2010, the Board issued Original Pharmacy Permit No.  
7 PHY 50457 to City Center Pharmacy Brentwood Inc. dba City Center Pharmacy Brentwood Inc.,  
8 Saifuddin Hatim Ranawala, Secretary and 51% shareholder, Navid Rahman, Treasurer/CFO and  
9 49% shareholder (Respondent City Center). The Pharmacy Permit was in full force and effect at  
10 all times relevant to the charges herein. The Pharmacy Permit expired on January 5, 2018, and  
11 was cancelled on January 8, 2018 pursuant to a change of ownership.

12 3. On or about August 30, 2017, the Board received an application for a Community  
13 Pharmacy Permit from ARAR Healthcare Inc. dba Central Rx Pharmacy, Aatika N. Rahman,  
14 CEO/President and 50% shareholder, Navid A. Rahman, Secretary and 50% shareholder  
15 (Respondent Central Rx). On or about August 29, 2017, both Aatika N. Rahman and Navid A.  
16 Rahman certified under penalty of perjury to the truthfulness of all statements, answers, and  
17 representations in the application. On or about January 5, 2018, the Board issued Temporary  
18 Pharmacy Permit No. PHY 55855 to Respondent Central Rx, effective until May 15, 2018. On or  
19 about May 1, 2018, the Board denied the application, as to a permanent Community Pharmacy  
20 Permit. On or about May 4, 2018, Respondent Central Rx appealed the denial. The expiration  
21 date of Temporary Pharmacy Permit No. 55855 was subsequently extended to June 15, 2018.

22 4. On or about September 10, 2001, the Board issued Pharmacist License No. RPH  
23 53027 to Navid A. Rahman (Respondent Rahman). The License was in full force and effect at all  
24 times relevant to the charges herein and will expire on December 31, 2018, unless renewed.  
25 Between on or about April 20, 2016 and on or about January 8, 2018, Respondent Rahman served  
26 and/or was listed in Board records as Pharmacist in Charge (PIC) for Respondent City Center.  
27 From on or about January 6, 2018 to the present, Respondent Rahman served and/or was listed in  
28 Board records as PIC for Respondent Central Rx.



1           5.    On or about March 16, 1998, the Board issued Pharmacist License No. RPH 49936 to  
2 Saifuddin Hatim Raniwala (Respondent Raniwala). The License was in full force and effect at all  
3 times relevant to the charges herein and will expire on April 30, 2020, unless renewed.

4                                   **JURISDICTION**

5           6.    This Accusation and Statement of Issues is brought before the Board under the  
6 authority of the following laws. All statutory references are to the Business and Professions Code  
7 (Code), unless otherwise indicated.

8           7.    Section 4011 of the Code provides that the Board shall administer and enforce both  
9 the Pharmacy Law [Bus. & Prof. Code, § 4000 et seq.] and the Uniform Controlled Substances  
10 Act [Health & Safety Code, § 11000 et seq.].

11          8.    Section 4300, subdivision (a), of the Code provides that every license issued by the  
12 Board may be suspended or revoked.

13          9.    Section 4300.1 of the Code provides that the expiration, cancellation, forfeiture, or  
14 suspension of a Board-issued license, the placement of a license on a retired status, or the  
15 voluntary surrender of a license by a licensee, shall not deprive the Board of jurisdiction to  
16 commence or proceed with any investigation of, or action or disciplinary proceeding against, the  
17 licensee or to render a decision suspending or revoking the license.

18                                   **STATUTORY PROVISIONS**

19          10.   Section 480 of the Code states, in pertinent part:

20               “(a) A board may deny a license regulated by this code on the grounds that the applicant  
21 has one of the following:

22               ...

23               “(2) Done any act involving dishonesty, fraud or deceit with the intent to substantially  
24 benefit himself or another, or substantially injure another; or

25               “(3) Done any act which if done by a licentiate of the business or profession in question,  
26 would be grounds for suspension or revocation of license.

27               “The board may deny a license pursuant to this subdivision only if the crime or act is  
28 substantially related to the qualifications, functions, or duties of the . . . [license].”

1        11. Section 4081 of the Code provides, in pertinent part, that all records of manufacture,  
2 sale, acquisition, or disposition of dangerous drugs or dangerous devices shall be kept open to  
3 inspection and retained for at least three years, that a current inventory shall be kept by every  
4 pharmacy that maintains a stock of dangerous drugs or dangerous devices, and that the owner(s),  
5 officer(s), partner(s), and pharmacist in charge or designated representative in charge shall be  
6 jointly responsible for maintaining the records and keeping the inventory.

7        12. Section 4105 of the Code requires, in pertinent part, that unless a waiver is granted by  
8 the board, all records and other documentation of the acquisition and disposition of dangerous  
9 drugs and devices by any entity licensed by the board be retained on the licensed premises, in a  
10 readily retrievable form, for three years from the date of making.

11        13. Section 4113, subdivision (c) of the Code states:

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

14        14. Section 4300, subdivision (c), of the Code states in pertinent part:

15        (c) The board may refuse a license to any applicant guilty of unprofessional  
16 conduct. The board may, in its sole discretion, issue a probationary license to any  
17 applicant for a license who is guilty of unprofessional conduct and who has met all  
other requirements for licensure. The board may issue the license subject to any  
terms or conditions not contrary to public policy. . . .

18        15. Section 4301 of the Code provides, in pertinent part, that the Board shall take action  
19 against any holder of a license who is guilty of "unprofessional conduct," defined to include, but  
20 not be limited to, any of the following:

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

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

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



1 16. Section 4307, subdivision (a) of the Code states that:

2 Any person who has been denied a license or whose license has been revoked  
3 or is under suspension, or who has failed to renew his or her license while it was  
4 under suspension, or who has been a manager, administrator, owner member, officer,  
5 director, associate, or partner of any partnership, corporation, firm, or association  
6 whose application for a license has been denied or revoked, is under suspension or  
7 has been placed on probation, and while acting as the manger, administrator, owner,  
member, officer, director, associate, or partner had knowledge 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:

8 (1) Where a probationary license is issued or where an existing license is placed  
9 on probation, this prohibition shall remain in effect for a period not to exceed five  
years.

10 (2) Where the license is denied or revoked, the prohibition shall continue until  
the license is issued or reinstated.

11 17. Section 4332 of the Code makes it unlawful for any person: to fail, neglect, or refuse  
12 to maintain the records required by Section 4081; or, when called upon by an authorized officer  
13 or a member of the board, to fail, neglect, or refuse to produce or provide the records within a  
14 reasonable time; or to willfully produce or furnish records that are false.

### 15 REGULATORY PROVISIONS

16 18. California Code of Regulations, title 16, section 1718, states:

17 “‘Current Inventory’ as used in Sections 4081 and 4332 of the Business and Professions  
18 Code shall be considered to include complete accountability for all dangerous drugs handled by  
19 every licensee enumerated in Sections 4081 and 4332.

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

22 19. California Code of Regulations, title 16, section 1735.5, subdivision (a) requires in  
23 pertinent part that any pharmacy engaged in compounding shall maintain written policies and  
24 procedures governing standard operating procedures related to compounding. Subdivision (b)  
25 requires that the written compounding policies and procedures be reviewed on an annual basis by  
26 the PIC and that review documented. It further requires that the written policies and procedures  
27 shall be updated whenever changes in policies and procedures are implemented.

28 ///

1       20. California Code of Regulations, title 16, section 1735.7, subdivision (a) requires in  
2       pertinent part that any pharmacy engaged in compounding shall maintain documentation  
3       demonstrating that personnel involved in compounding have the skills and training required to  
4       properly and accurately perform their assigned responsibilities and documentation demonstrating  
5       that all personnel involved in compounding are trained in all aspects of policies and procedures.  
6       This training shall include but is not limited to support personnel (e.g., institutional environmental  
7       services, housekeeping), maintenance staff, supervising pharmacists and all others whose jobs are  
8       related to the compounding process.

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

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

#### 14       **COST RECOVERY**

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

#### 18       **CONTROLLED SUBSTANCES / DANGEROUS DRUGS**

19       23. Section 4021 of the Code states:

20       “‘Controlled substance’ means any substance listed in Chapter 2 (commencing with Section  
21       11053) of Division 10 of the Health and Safety Code.”

22       24. Section 4022 of the Code states, in pertinent part:

23       “‘Dangerous drug’ or ‘dangerous device’ means any drug or device unsafe for self use,  
24       except veterinary drugs that are labeled as such, and includes the following:

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

27       ...

28       ///



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

3       25. **Abilify** is a brand name for **aripiprazole**, a dangerous drug as designated by Business  
4       and Professions Code section 4022. It is used to treat various mental health disorders.

5                                   **FACTUAL BACKGROUND**

6       26. On or about December 20, 2017, the Board received a complaint against Respondent  
7       City Center, alleging various violations of pharmacy law including that the pharmacy was filling  
8       prescriptions with generic **aripiprazole** but billing for dispensing name brand **Abilify**.

9       27. Subsequent to receipt of the complaint, Respondent City Center changed ownership,  
10       cancelling its Original Pharmacy Permit January 8, 2018, and causing a Temporary Pharmacy  
11       Permit to issue to Respondent Central Rx on January 5, 2018, based on its 2017 application.

12       28. On or about February 6, 2018 and subsequently, during an inspection and subsequent  
13       investigation of Respondents Central Rx and City Center, Board Inspector(s) discovered:

14           a. That the written compounding policies and procedures had not been reviewed  
15           by the PIC(s) for Respondent City Center or Respondent Central Rx since 2015;

16           b. Incomplete compounding staff competency and training records, pertaining to  
17           both Respondent City Center and Respondent Central Rx;

18           c. Significant and unexplained discrepancies in acquisition and disposition records  
19           for brand name **Abilify** and generic **aripiprazole** for quantities acquired and dispensed  
20           between January 1, 2017 and February 6, 2018. During this period, far more brand name  
21           **Abilify** had been recorded as dispensed by both Respondent City Center and Respondent  
22           Central Rx than had been purchased (over 9,500 tablets of various strengths), and far more  
23           generic **aripiprazole** had been purchased by Respondent City Center and Respondent  
24           Central Rx than had been recorded as dispensed by either (over 6,500 tablets).

25           d. Between January 1, 2017 and February 6, 2018, Respondents City Center and  
26           Central Rx billed Medi-Cal for brand name **Abilify** for each prescription dispensed, and  
27           billed other insurance for generic **aripiprazole**. The reimbursement difference from Medi-  
28           Cal for brand name **Abilify** versus generic was approximately \$1,200.00 per prescription.

1 **FIRST CAUSE FOR DISCIPLINE**

2 **(Acts Involving Moral Turpitude, Dishonesty, Fraud, Deceit or Corruption)**

3 29. Respondents City Center, Central Rx, Rahman, and Raniwala are each and severally  
4 subject to discipline under section 4301, subdivision (f) of the Code, as well as section 4113,  
5 subdivision (c) of the Code, in that Respondents, as described in paragraphs 26 to 28 above,  
6 committed acts involving moral turpitude, dishonesty, fraud, deceit, or corruption when they  
7 billed for name brand **Abilify** while dispensing generic **aripiprazole** to Medi-Cal patients.

8 **SECOND CAUSE FOR DISCIPLINE**

9 **(Incomplete/Inaccurate Inventory and/or Records of Acquisition and/or Disposition)**

10 30. Respondents City Center, Central Rx, Rahman, and Raniwala are each and severally  
11 subject to discipline under section 4301, subdivision(s) (j) and/or (o), and/or section 4113,  
12 subdivision (c) of the Code, by reference to section(s) 4081, 4105, and/or 4332 of the Code,  
13 and/or California Code of Regulations, title 16, section 1718, for violating statutes regulating  
14 controlled substances or dangerous drugs, and/or directly or indirectly violating, attempting to  
15 violate, or assisting in or abetting a violation of laws or regulations governing the practice of  
16 pharmacy, in that, as described in paragraph 28 above, Respondent pharmacies and their PIC and  
17 owners failed to maintain an accurate, complete, and readily retrievable inventory and/or records  
18 of acquisition and disposition of all dangerous drugs in the pharmacy inventory.

19 **THIRD CAUSE FOR DISCIPLINE**

20 **(Failure to Annually Review Compounding Policies and Procedures)**

21 31. Respondents Central Rx and Rahman are each and severally subject to discipline  
22 under section 4301, subdivision(s) (j) and/or (o), and/or section 4113, subdivision (c) of the Code,  
23 by reference to California Code of Regulations, title 16, section 1735.5, for violating statutes  
24 regulating controlled substances or dangerous drugs, and/or directly or indirectly violating,  
25 attempting to violate, or assisting in or abetting a violation of laws or regulations governing the  
26 practice of pharmacy, in that, as described in paragraph 28 above, Respondent pharmacy and its  
27 PIC failed to annually review written policies and procedures pertaining to compounding.

28 ///



1 **FOURTH CAUSE FOR DISCIPLINE**

2 **(Failure to Complete and/or Document Compounding Staff Training)**

3 32. Respondents Central Rx and Rahman are each and severally subject to discipline  
4 under section 4301, subdivision(s) (j) and/or (o), and/or section 4113, subdivision (c) of the Code,  
5 by reference to California Code of Regulations, title 16, section 1735.7, for violating statutes  
6 regulating controlled substances or dangerous drugs, and/or directly or indirectly violating,  
7 attempting to violate, or assisting in or abetting a violation of laws or regulations governing the  
8 practice of pharmacy, in that, as described in paragraph 28 above, Respondent pharmacy and its  
9 PIC failed to complete or adequately document training of staff engaged in compounding.

10  
11  
12 **FIRST CAUSE FOR DENIAL OF APPLICATION**

13 **(Acts Involving Moral Turpitude, Dishonesty, Fraud, Deceit or Corruption)**

14 33. Respondent Central Rx's application for a permanent Pharmacy Permit is subject to  
15 denial under section(s) 480, subdivision (a)(2) and/or (a)(3) and/or 4300, subdivision (c) of the  
16 Code, by reference to section 4301, subdivision (f) of the Code, in that Respondent, as described  
17 in paragraphs 26 to 28 above, committed acts involving moral turpitude, dishonesty, fraud, deceit,  
18 or corruption when it billed for name brand Abilify while dispensing generic aripiprazole.

19 **SECOND CAUSE FOR DENIAL OF APPLICATION**

20 **(Incomplete/Inaccurate Inventory and/or Records of Acquisition and/or Disposition)**

21 34. Respondent Central Rx's application for a permanent Pharmacy Permit is subject to  
22 denial under section(s) 480, subdivision (a)(3) and/or 4300, subdivision (c) of the Code, by  
23 reference to section(s) 4301, subdivision(s) (j) and/or (o), 4081, 4105, and/or 4332 of the Code,  
24 and/or California Code of Regulations, title 16, section 1718, in that, as described in paragraph 28  
25 above, Respondent failed to maintain an accurate, complete, and readily retrievable inventory  
26 and/or records of acquisition and disposition of all dangerous drugs in the pharmacy inventory.

27 ///

28 ///



1                                   **THIRD CAUSE FOR DENIAL OF APPLICATION**

2                                   **(Failure to Annually Review Compounding Policies and Procedures)**

3           35.   Respondent Central Rx's application for a permanent Pharmacy Permit is subject to  
4 denial under section(s) 480, subdivision (a)(3) and/or 4300, subdivision (c) of the Code, by  
5 reference to section 4301, subdivision(s) (j) and/or (o), and California Code of Regulations, title  
6 16, section 1735.5, in that, as described in paragraph 28 above, Respondent failed to annually  
7 review written policies and procedures pertaining to compounding.

8                                   **FOURTH CAUSE FOR DENIAL OF APPLICATION**

9                                   **(Failure to Complete and/or Document Compounding Staff Training)**

10          36.   Respondent Central Rx's application for a permanent Pharmacy Permit is subject to  
11 denial under section(s) 480, subdivision (a)(3) and/or 4300, subdivision (c) of the Code, by  
12 reference to section 4301, subdivision(s) (j) and/or (o), and California Code of Regulations, title  
13 16, section 1735.7, in that, as described in paragraph 28 above, Respondent failed to complete or  
14 adequately document training of staff engaged in compounding.

15  
16                                   **OTHER MATTERS**

17          37.   Pursuant to section 4307 of the Code, if discipline is imposed on Pharmacy Permit  
18 No. PHY 50457 or on Temporary Pharmacy Permit No. PHY 55855, or if the application for  
19 permanent licensure submitted by Respondent Central Rx is denied, then any person who has  
20 been a manager, administrator, owner, member, officer, director, associate, partner, or any other  
21 person with management or control of any partnership, corporation, trust, firm, or association  
22 which received this discipline or denial, and while acting as the manager, administrator, owner,  
23 member, officer, director, associate, partner, or any other person with management or control, had  
24 knowledge of or knowingly participated in any conduct leading to discipline or denial, shall be  
25 prohibited from serving as a manager, administrator, owner, member, officer, director, associate,  
26 or partner of a licensee for: five years if Pharmacy Permit No. PHY 50457 or Temporary  
27 Pharmacy Permit No. PHY 55855 is placed on probation or a probationary permanent license is  
28 issued to Respondent Central Rx; or until any license revoked or denied is issued or reinstated.

38. Pursuant to section 4307 of the Code, if discipline is imposed on Pharmacist License No. RPH 53027 or on Pharmacist License No. RPH 49936, then the licensee so disciplined shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for: five years if the license is placed on probation; or if the license is revoked, until it is reinstated or reissued.

### **DISCIPLINARY CONSIDERATIONS**

39. To determine the degree of discipline, if any, to be imposed on Respondents City Center, Rahman, and Raniwala, Complainant alleges that:

a. On or about June 2, 2016, the Board issued Citation No. CI 2015 66718 to Respondent City Center for violating: California Code of Regulations, title 16, section 1714, subdivision (c) (failure to maintain pharmacy, fixtures, and equipment in clean and orderly condition); Business and Professions Code section 4342, subdivision (a) (failure to remove multiple expired medications intended for compounding from the drug stock); and California Code of Regulations, title 16, section 1761 (filling suspicious "red flag" prescriptions). The Citation imposed a fine of \$4,000.00. Respondent City Center paid the fine. That Citation is now final and is incorporated herein by reference.

b. On or about June 2, 2016, the Board issued Citation No. CI 2015 70584 to Respondent Rahman for violating California Code of Regulations, title 16, section 1761 (filling suspicious "red flag" prescriptions). The Citation imposed a fine of \$500.00. Respondent Rahman paid the fine. That Citation is now final and is incorporated herein by reference.

c. On or about June 2, 2016, the Board issued Citation No. CI 2015 70582 to Respondent Raniwala, as PIC of Respondent City Center, for violating: California Code of Regulations, title 16, section 1714, subdivision (c) (failure to maintain pharmacy, fixtures, and equipment in clean and orderly condition); and Business and Professions Code section 4342, subdivision (a) (failure to remove multiple expired medications intended for compounding from the drug stock). The Citation imposed a fine of \$1,750.00. Respondent Raniwala paid the fine. That Citation is now final and is 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 Original Pharmacy Permit No. PHY 50457, issued to City Center Pharmacy Brentwood Inc. dba City Center Pharmacy Brentwood Inc., Saifuddin Hatim Ranawala and Navid Rahman, owners and officers (Respondent City Center);

2. Revoking or suspending Temporary Pharmacy Permit No. PHY 55855, issued to ARAR Healthcare Inc. dba Central Rx Pharmacy, Aatika N. Rahman and Navid A. Rahman, owners and officers (Respondent Central Rx);

3. Revoking or suspending Pharmacist License No. RPH 53027, issued to Navid A. Rahman (Respondent Rahman);

4. Revoking or suspending Pharmacist License No. RPH 49936, issued to Saifuddin Hatim Raniwala (Respondent Raniwala);

5. Denying the application for a Community Pharmacy Permit submitted by ARAR Healthcare Inc. dba Central Rx Pharmacy, Aatika N. Rahman and Navid A. Rahman, owners and officers (Respondent Central Rx);

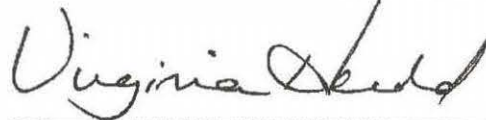
6. Prohibiting Respondents from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for: five years if an applicable license is placed on probation; or until any license revoked or denied is issued or reinstated;

7. Ordering Respondents to pay the Board the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3; and,

8. Taking such other and further action as is deemed necessary and proper.

DATED: \_\_\_\_\_

6/6/18



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

SF2018200475  
21137663.doc