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

In the Matter of the Accusation Against:

# OURX PHARMACY, INC., DBA 2222 PRESCRIPTION PHARMACY, HOMAYOON KHORSANDI

Pharmacy Permit License No. PHY 39520,

and

HOMAYOON KHORSANDI,

Pharmacist License No. RPH 43286,

Respondents.

Agency Case No. 6957

OAH No. 2021020712

# **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 November 17, 2021.

It is so ORDERED on October 18, 2021.

BOARD OF PHARMACY DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA

Ву

Seung W. Oh, Pharm.D. Board President

1	ROB BONTA Attorney General of California	
2	SHAWN P. COOK Supervising Deputy Attorney General	
3	KEVIN J. RIGLEY Deputy Attorney General	
4	State Bar No. 131800 300 So. Spring Street, Suite 1702	
5	Los Angeles, CA 90013 Telephone: (213) 269-6301	
6	Facsimile: (916) 731-2126 Attorneys for Complainant	
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8	BEFOR BOARD OF F	
9	DEPARTMENT OF CO STATE OF C	
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13	In the Matter of the Accusation Against:	Case No. 6957
14	OURX PHARMACY, INC., DBA 2222 PRESCRIPTION PHARMACY,	OAH No. 2021020712
15	HOMAYOON KHORSANDI 2222 Santa Monica Blvd., Ste. 103 Santa Monica, CA 90404	STIPULATED SETTLEMENT AND DISCIPLINARY ORDER AS TO PHARMACY PERMIT NO. PHY 39520
16	Pharmacy Permit License No. PHY 39520,	
17	and	
18	HOMAYOON KHORSANDI	
19	110 N. Anita Avenue Los Angeles, CA 90049	
20	Pharmacist License No. RPH 43286	
21	Respondents.	
22 23		
24	IT IS HEREBY STIPULATED AND AGR	EED by and between the parties to the above-
25	entitled proceedings that the following matters are	
26	PART	<u>ries</u>
27	1. Anne Sodergren (complainant) is the	Executive Officer of the Board of Pharmacy
28	(board). She brought this action solely in her office	cial capacity and is represented in this matter by
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Rob Bonta, Attorney General of the State of California, by Kevin J. Rigley, Deputy Attorney General.

- Respondent Ourx Pharmacy Inc., dba 2222 Prescription Pharmacy, Homayoon
   Khorsandi (respondent) is represented in this proceeding by attorney Edward Idell, Esq., whose
   address is 355 South Grand Ave., Ste. 1750, Los Angeles, CA 90071-1562.
- 3. On or about October 4, 1993, the board issued Pharmacy Permit No. PHY 39520 to respondent. The Pharmacy Permit was in full force and effect at all times relevant to the charges brought in Accusation No. 6957, and will expire on October 1, 2021, unless renewed.

# **JURISDICTION**

- 4. Accusation No. 6957 was filed before the board, and is currently pending against respondent. The accusation and all other statutorily required documents were properly served on Respondent on September 17, 2020. Respondent timely filed its Notice of Defense contesting the accusation.
- 5. A copy of Accusation No. 6957 is attached as exhibit A and incorporated herein by reference.

# ADVISEMENT AND WAIVERS

- 6. Respondent has carefully read, fully discussed with counsel, and understands the charges and allegations in Accusation No. 6957. Respondent has also carefully read, fully discussed with counsel, and understands the effects of this Stipulated Settlement and Disciplinary Order.
- 7. Respondent is fully aware of its legal rights in this matter, including the right to a hearing on the charges and allegations in the accusation; the right to confront and cross-examine the witnesses against it; the right to present evidence and to testify on its own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.
- 8. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

# **CULPABILITY**

- Respondent understands and agrees that the charges and allegations in Accusation
   No. 6957, if proven at a hearing, constitute cause for imposing discipline upon its Pharmacy
   Permit.
- 10. For the purpose of resolving the accusation without the expense and uncertainty of further proceedings, respondent agrees that, at a hearing, complainant could establish a factual basis for the charges in the accusation, and that respondent hereby gives up its right to contest those charges.
- 11. Respondent agrees that its Pharmacy Permit is subject to discipline and it agrees to be bound by the board's probationary terms as set forth in the Disciplinary Order below.

# **CONTINGENCY**

- 12. This stipulation shall be subject to approval by the Board of Pharmacy. Respondent understands and agrees that counsel for complainant and the staff of the Board of Pharmacy may communicate directly with the board regarding this stipulation and settlement, without notice to or participation by respondent or its counsel. By signing the stipulation, respondent understands and agrees that it may not withdraw its agreement or seek to rescind the stipulation prior to the time the board considers and acts upon it. If the board fails to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the board shall not be disqualified from further action by having considered this matter.
- 13. 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.
- 14. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions, negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary

Order may not be altered, amended, modified, supplemented, or otherwise changed except by a writing executed by an authorized representative of each of the parties.

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

# **DISCIPLINARY ORDER**

IT IS HEREBY ORDERED that Pharmacy Permit No. 39520 issued to respondent Ourx Pharmacy Inc., dba 2222 Prescription Pharmacy, Homayoon Khorsandi is revoked. However, the revocation is stayed and respondent is placed on probation for four (4) years on the following terms and conditions:

# 1. **Definition: Respondent**

For the purposes of these terms and conditions, "Respondent" shall refer to Respondent Ourx Pharmacy Inc., dba 2222 Prescription Pharmacy, Homayoon Khorsandi. All terms and conditions stated herein shall bind and be applicable to the licensed premises and to all owners, managers, officers, administrators, members, directors, trustees, associates, or partners thereof. For purposes of compliance with any term or condition, any report, submission, filing, payment, or appearance required to be made by Respondent to or before the Board or its designee shall be made by an owner or executive officer with authority to act on behalf of and legally bind the licensed entity.

## 2. 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 and federal food and drug laws, or state and federal controlled substances laws;

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a plea of guilty, or 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 pharmacy or 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 such occurrence shall be considered a violation of probation.

# 3. 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.

## 4. 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.

## 5. Cooperate with Board Staff

Respondent shall timely cooperate with the board's inspection program and with the board's monitoring and investigation of respondent's compliance with the terms and conditions of the probation, including but not limited to: timely responses to requests for information by board staff; timely compliance with directives from board staff regarding requirements of any term or

condition of probation; and timely completion of documentation pertaining to a term or condition of probation. Failure to timely cooperate shall be considered a violation of probation.

### 6. Reimbursement of Board Costs

As a condition precedent to successful completion of probation, respondent shall be jointly and severally responsible with respondent Homayoon Khorsandi to pay to the board its costs of investigation and prosecution in the amount of \$12,500.00. Respondent shall make said payments as follows:

There shall be no deviation from this schedule absent prior written approval by the board or its designee. Failure to pay costs by the deadline(s) as directed shall be considered a violation of probation.

Respondent shall be permitted to pay these costs in a payment plan approved by the board or its designee, so long as full payment is completed no later than one (1) year prior to the end date of probation.

# 7. **Probation Monitoring Costs**

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

## 8. Status of License

Respondent shall, at all times while on probation, maintain current Pharmacy Permit with the board. Failure to maintain current licensure shall be considered a violation of probation.

If respondent's Pharmacy Permit expires or is cancelled by operation of law or otherwise at any time during the period of probation, including any extensions thereof due to tolling or otherwise, upon renewal or reapplication respondent's Pharmacy permit shall be subject to all terms and conditions of this probation not previously satisfied.

# 9. License Surrender While on Probation/Suspension

Following the effective date of this decision, should respondent wish to discontinue business, respondent may tender the premises license to the board for surrender. The board or its

designee shall have the discretion whether to grant the request for surrender or take any other action it deems appropriate and reasonable. Upon formal acceptance of the surrender of the license, respondent will no longer be subject to the terms and conditions of probation.

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

Respondent further stipulates that it shall reimburse the board for its costs of investigation and prosecution prior to the acceptance of the surrender.

# 10. Sale or Discontinuance of Business

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

# 11. Notice to Employees

Respondent shall, upon or before the effective date of this decision, ensure that all employees involved in permit operations are made aware of all the terms and conditions of probation, either by posting a notice of the terms and conditions, circulating such notice, or both. If the notice required by this provision is posted, it shall be posted in a prominent place and shall 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. Additionally, 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 at any time during probation.

# 12. Owners and Officers: Knowledge of the Law

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

# 13. Premises Open for Business

Respondent shall remain open and engaged in its ordinary business as a pharmacy in California for a minimum of 120 hours per calendar month. Any month during which this minimum is not met shall toll the period of probation, i.e., the period of probation shall be extended by one month for each month during with this minimum is not met. During any such period of tolling of probation, respondent must nonetheless comply with all terms and conditions of probation, unless respondent is informed otherwise in writing by the board or its designee. If respondent is not open and engaged in its ordinary business as a pharmacy for a minimum of 120 hours in any calendar month, for any reason (including vacation), respondent shall notify the board in writing within ten (10) days of the conclusion of that calendar month. This notification shall include at minimum all of the following: the date(s) and hours respondent was open; the reason(s) for the interruption or why business was not conducted; and the anticipated date(s) on which respondent will resume business as required. Respondent shall further notify the board in writing with ten (10) days following the next calendar month during which respondent is open and engaged in its ordinary business as a

# 14. Posted Notice of Probation

notification(s) shall be considered a violation 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. Failure to timely post such notice, or to maintain the posting during the entire period of probation, shall be considered a violation of probation.

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.

pharmacy in California for a minimum of hours. Any failure to timely provide such

### 15. Violation of Probation

If respondent has not complied with any term or condition of probation, the board shall have continuing jurisdiction over respondent, and the board shall provide notice to respondent that probation shall automatically be 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. The board or its designee may post a notice of the extended probation period on its website.

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, or the preparation of an accusation or petition to revoke probation is requested from the Office of the Attorney General, 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, and the charges and allegations in Accusation No. 6957 shall be deemed true and correct.

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# 16. Completion of Probation

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

# 17. No Additional Ownership or Management of Licensed Premises

Respondent shall not acquire any additional ownership, legal or beneficial interest in, nor serve as a manager, administrator, member, officer, director, associate, partner or any business, firm, partnership, or corporation currently or hereinafter licensed by the board except as approved by the board or its designee. Violations of this restriction shall be considered a violation of probation.

# 18. Consultant Review of Pharmacy Operations

During the period of probation, respondent Pharmacy shall retain an independent consultant at its own expense who shall be responsible for conducting an inspection to review the operations of respondent Pharmacy on a monthly basis for compliance by respondent Pharmacy with state and federal laws and regulations governing the practice of pharmacy, and compliance by respondent. During the period of probation, the board or its designee, retains the discretion to modify the frequency of the inspection of the pharmacist consultant's review.

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.

Failure to timely retain, seek approval of, or ensure timely reporting by the consultant shall be considered a violation of probation.

# **ACCEPTANCE**

I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Edward Idell, Esq. I understand the stipulation and the effect it will have on my Pharmacy Permit. I enter into this Stipulated Settlement and Disciplinary Order

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1	voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the
2	Board of Pharmacy.
3	
4	DATED:
5	HOMAYOON KHORSANDI, CEO, 100% SHAREHOLDER AND SECRETARY,
6	OURX PHARMACY INC., DBA 2222 PRESCRIPTION PHARMACY
7	Respondent
8	
9	I have read and fully discussed with respondent Ourx Pharmacy Inc., dba 2222 Prescription
10	Pharmacy, Homayoon Khorsandi the terms and conditions and other matters contained in the
11	above Stipulated Settlement and Disciplinary Order. I approve its form and content.
12	
13	DATED:
14	EDWARD IDELL, ESQ. Attorney for Respondent
15	
16	<u>ENDORSEMENT</u>
17	The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully
18	submitted for consideration by the Board of Pharmacy.
19	
20	DATED: Respectfully submitted,
21	ROB BONTA Attorney General of California
22	SHAWN P. COOK Supervising Deputy Attorney General
23	
24	KEVIN J. RIGLEY Deputy Attorney General
25	Attorneys for Complainant
26	
27	Stipulated Settlement and Disciplinary Order - LIC.docx
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1	voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the
2	Board of Pharmacy.
3	in haba 11 ans of
4	DATED: 6 / 10/21
5	HOMAYOON KHORSANDI, CEO, 100% SHAREHOLDER AND SECRETARY,
6	OURX PHARMACY INC., DBA 2222 PRESCRIPTION PHARMACY
7	Respondent
8	
9	I have read and fully discussed with respondent Ourx Pharmacy Inc., dba 2222 Prescription
10	Pharmacy, Homayoon Khorsandi the terms and conditions and other matters contained in the
11	above Stipulated Settlement and Disciplinary Order. I approve its form and content.
12	
13	DATED: 7-14-71
14	EDWARD IDELL, ESQ. Anorney for Respondent
15	
	SUMP TO SUMPLE OF SUMPLE O
16	<u>ENDORSEMENT</u>
16 17	ENDORSEMENT  The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully
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17 18 19	The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Board of Pharmacy.  DATED: July 16, 2021  Respectfully submitted,  ROB BONTA
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# Exhibit A

Accusation No. 6957

1	XAVIER BECERRA Attorney General of California	
2	LINDA L. SUN Supervising Deputy Attorney General	
3	KEVIN J. RIGLEY Deputy Attorney General	
4	State Bar No. 131800 300 So. Spring Street, Suite 1702	
5	Los Angeles, CA 90013 Telephone: (213) 269-6301	
6	Facsimile: (916) 731-2126 Attorneys for Complainant	
7		
8		RE THE PHARMACY
9		CONSUMER AFFAIRS CALIFORNIA
10	STATE OF	CALIFORNIA
11		
12	In the Matter of the Accusation Against:	Case No. 6957
13	OURX PHARMACY, INC., DBA 2222 PRESCRIPTION PHARMACY,	
14	HOMAYOON KHORSANDI, CEO 2222 Santa Monica Blvd., Suite 103	ACCUSATION
15	Santa Monica, CA 90404	
16	Pharmacy Permit No. PHY 39520,	
17	and	
18 19	HOMAYOON KHORSANDI 110 N. Anita Avenue Los Angeles, CA 90049	
20	Pharmacist License No. RPH 43286	
21	Respondents.	
22		
23	PAR	TIES
		gs this Accusation solely in her official capacity
24	as the Executive Officer of the Board of Pharma	
25		• • • • • • • • • • • • • • • • • • • •
26		ard issued Pharmacy Permit Number PHY 39520
27	to Homayoon Khorsandi, dba 2222 Prescription	·
28	Board issued Pharmacy Permit Number PHY 39	520 to Ourx Pharmacy, Inc., dba 2222
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or knowingly participated in any conduct for which the license was denied, revoked,

"(10) Check boxes shall be printed on the form so that the prescriber may indicate the number of refills ordered.

. . . .

- "(b) Each batch of controlled substance prescription forms shall have the lot number printed on the form and each form within that batch shall be numbered sequentially beginning with the numeral one."
- 15. Section 11164 of the Health and Safety Code states:

"Except as provided in Section 11167, no person shall prescribe a controlled substance, nor shall any person fill, compound, or dispense a prescription for a controlled substance, unless it complies with the requirements of this section.

- "(a) Each prescription for a controlled substance classified in Schedule II, III, IV, or V, except as authorized by subdivision (b), shall be made on a controlled substance prescription form as specified in Section 11162.1 and shall meet the following requirements:
- "(1) The prescription shall be signed and dated by the prescriber in ink and shall contain the prescriber's address and telephone number; the name of the ultimate user or research subject, or contact information as determined by the Secretary of the United States Department of Health and Human Services; refill information, such as the number of refills ordered and whether the prescription is a first-time request or a refill; and the name, quantity, strength, and directions for use of the controlled substance prescribed.
- "(2) The prescription shall also contain the address of the person for whom the controlled substance is prescribed. If the prescriber does not specify this address on the prescription, the pharmacist filling the prescription or an employee acting under the direction of the pharmacist shall write or type the address on the prescription or maintain this information in a readily retrievable form in the pharmacy.
- "(b) (1) Notwithstanding paragraph (1) of subdivision (a) of Section 11162.1, any controlled substance classified in Schedule III, IV, or V may be dispensed upon an oral or electronically transmitted prescription, which shall be produced in hard copy form and

signed and dated by the pharmacist filling the prescription or by any other person expressly authorized by provisions of the Business and Professions Code. Any person who transmits, maintains, or receives any electronically transmitted prescription shall ensure the security, integrity, authority, and confidentiality of the prescription.

- "(2) The date of issue of the prescription and all the information required for a written prescription by subdivision (a) shall be included in the written record of the prescription; the pharmacist need not include the address, telephone number, license classification, or federal registry number of the prescriber or the address of the patient on the hard copy, if that information is readily retrievable in the pharmacy.
- "(3) Pursuant to an authorization of the prescriber, any agent of the prescriber on behalf of the prescriber may orally or electronically transmit a prescription for a controlled substance classified in Schedule III, IV, or V, if in these cases the written record of the prescription required by this subdivision specifies the name of the agent of the prescriber transmitting the prescription.
- "(c) The use of commonly used abbreviations shall not invalidate an otherwise valid prescription.
- "(d) Notwithstanding subdivisions (a) and (b), prescriptions for a controlled substance classified in Schedule V may be for more than one person in the same family with the same medical need.
- "(e) (1) Notwithstanding any other law, a prescription written on a prescription form that was otherwise valid prior to January 1, 2019, but that does not comply with paragraph (15) of subdivision (a) of Section 11162.1, or a valid controlled substance prescription form approved by the Department of Justice as of January 1, 2019, is a valid prescription that may be filled, compounded, or dispensed until January 1, 2021.
- "(2) If the Department of Justice determines that there is an inadequate availability of compliant prescription forms to meet demand on or before the date described in paragraph (1), the department may extend the period during which prescriptions written on

renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be included in a stipulated settlement.

# **DRUG CLASSIFICATIONS**

- 19. Adderall, sold under the generic name dextroamphetamine/amphetamine salts, is a Schedule II controlled substance pursuant to Health and Safety Code section 11055, subdivision (d)(1), and a dangerous drug pursuant to Business and Professions Code section 4022.
- 20. Norco, sold under the generic name hydrocodone/acetaminophen, is a Schedule III controlled substance pursuant to Health and Safety Code section 11056, subdivision (e)(4), a Schedule II controlled substance pursuant to Title 21, Code of Federal Regulations, section 1308.12, subdivision (b)(1)(vi), and a dangerous drug pursuant to Business and Professions Code section 4022.
- 21. Roxicodone, sold under the generic name oxycodone, is a Schedule II controlled substance pursuant to Health and Safety Code section 11055, subdivision (b)(1)(M) and a dangerous drug pursuant to Business and Professions Code section 4022.
- 22. Valium, sold under the generic name diazepam, is a Schedule IV controlled substance pursuant to Title 21, Code of Federal Regulations, section 1308.14, subdivision (c)(16), and a dangerous drug pursuant to Business and Professions Code section 4022.
- 23. Xanax, sold under the generic name alprazolam, is a Schedule IV controlled substance under Health and Safety Code section 11057, subdivision (d)(1), and a dangerous drug under Business and Professions Code Section 4022.

# **BOARD INVESTIGATION REPORT DATED MARCH 2, 2020**

24. The Controlled Substance Utilization Review and Evaluation System (CURES) is California's Prescription Drug Monitoring Program (PDMP). Pharmacies in California are required to report all filled prescriptions for Schedule II-IV controlled substances (CII-IV) to the database every week. The data is collected statewide and can be used by healthcare professionals to evaluate and determine whether their patients are utilizing controlled substances correctly, or if a patient has used multiple prescribers and multiple pharmacies to fill controlled substance prescriptions.

25. Т	The following factors are some that have been determined to constitute red flags that
should give a	a pharmacy and pharmacist the inkling of a potential problem with prescriptions for
drugs of com	amon abuse and invoke in them a duty of inquiry:
• I	rregularities on the face of the prescription itself
• N	Nervous patient demeanor
• A	Age or presentation of patient (e.g. youthful patients seeking chronic pain
medica	ations)
• N	Multiple patients at the same address
• (	Cash payments
• F	Requests for early refills of prescriptions
• F	Prescriptions written for an unusually large quantity of drugs
• P	Prescriptions written for potentially duplicative drugs
• т	The same combinations of drugs prescribed for multiple patients
• I	nitial prescriptions written for strong opiates (e.g. OxyContin 80mg)
• I	Long distances traveled from the patient's home, to the prescriber's office or
pharma	acy
• I	rregularities in the prescriber's qualifications in relation to the medication(s)
prescri	bed
• P	Prescriptions that are written outside of the prescriber's medical specialty
• P	Prescriptions for medications with no logical connection to diagnosis or treatment
26. Т	The Board analyzed controlled substance dispensing data from Respondent Pharmacy
and determin	ed a need for an investigation to evaluate the pharmacy's dispensing of potentially
fraudulent pr	escriptions. Previous investigations identified controlled substance prescriptions
from Dr. A a	nd Dr. Q which did not conform to the requirements of Health and Safety Code
Section 1116	2.1. The Board initiated an investigation at Respondent Pharmacy based on this

present and assisted in the inspection. The inspection and investigation determined Respondent Pharmacy and Respondent Khorsandi failed to fulfill their corresponding responsibility to fill only medically legitimate controlled substance prescriptions, and that Respondents filled controlled substance prescriptions written on approximately 139 forms which did not comply with the requirements for controlled substance prescription documents.

28. In regard to the August 15, 2019 inspection, the Board Inspector reviewed the dispensing profiles for several prescribers at Respondent Pharmacy using the electronic dispensing data provided by PIC Respondent Khorsandi. The data included all non-controlled and controlled substances dispensed between August 2016 and August 2019. It should be noted that Respondent Khorsandi was directly involved in all of the dispensed medications in connection with the instant investigation. The Board Inspector identified irregularities in the prescribing profiles of Drs. A, Q and S. The Board Inspector also reviewed the original prescription documents and its associated documents, if any, collected from Respondent Pharmacy. The associated documents may have included related information, such as a CURES report.

# Board Inspector's findings contained in March 2, 2020 Investigation Report

- 29. As a result of this investigation, the Board Inspector found that from on or about August 15, 2016 through on or about August 15, 2019, Respondent Pharmacy and Respondent Khorsandi (Respondents) dispensed approximately 564 prescriptions, of which 449 of these prescriptions were for controlled substances, under the prescribing authority of Drs. A, Q, and S. Of these 449 controlled substance prescriptions, Respondents dispensed a total of approximately: 41,410 oxycodone 30 mg tablets; 4,660 hydrocodone/acetaminophen 10/325 mg tablets; 4,500 alprazolam 2 mg tablets; 1,260 tablets of diazepam 10 mg; and 90 tablets of dextroamphetamine/amphetamine mixed salts 20 mg.
- 30. The Board Inspector determined that there were 141 controlled substance prescriptions written by Drs. A and Q on at least approximately 139 forms collected which did not conform to the requirements of Health and Safety Code Section 11162.1, in that they lacked a

"California Security Prescription" watermark, refill checkboxes, and some also lacked a lot number.

- 31. The Board Inspector also determined that Respondents dispensed prescriptions for controlled substances, under the prescribing authority of Drs. A, Q, and S., in the presence of significant factors of irregularity suggesting the prescriptions were not legitimately written.

  Objective factors indicating these prescriptions were not written for legitimate medical purposes included the following:
- As stated above, there were 141 controlled substance prescriptions written by Drs. A and Q on at least approximately 139 forms collected which did not conform to the requirements of Health and Safety Code Section 11162.1, in that they lacked a "California Security Prescription" watermark, refill checkboxes, and some also lacked a lot number.
- A commonly abused controlled substance, oxycodone 30 mg, accounted for more than 50% of each of the listed prescribers' (Drs. A, Q, and S) total prescribing.
- The listed prescribers (Drs. A, Q, and S) prescribed immediate-release oxycodone exclusively in the highest available strength only.
- Nearly 100% of the prescriptions written by the listed prescribers (Drs. A, Q, and S) were purchased in cash, meaning without the financial aid of prescription insurance, as opposed to the typical payment pattern at Respondent Pharmacy, where only approximately 30% of prescriptions purchased overall during this period were purchased in cash.
- All 14 patients received prescriptions for oxycodone 30 mg from the listed prescribers
   (Drs. A, Q, and S) during the query period. According to the CURES Patient Activity Reports,
   approximately six (6) of these patients appeared to be receiving strong opioids as an initial treatment at Respondent Pharmacy.
- Drs. A's and Q's office addresses presented irregularities, including long distances. On the licensing records, the prescribers practiced in zip codes more than 100 miles away from Respondent Pharmacy. On the dispensing data, the prescribers' addresses did not match the licensing record and the prescription forms collected. The prescribers had the same address printed on the prescription forms collected.

- There were several instances when two or more of the patients had very similar addresses on record at Respondent Pharmacy, and required similar treatment with the same quantity and dose of the same commonly abused controlled substance, to wit: 120 tablets of oxycodone 30 mg.
- Respondent Pharmacy and Respondent Khorsandi did not produce any documentation regarding the efforts of Respondent Khorsandi (or any pharmacist at Respondent Pharmacy) conferring with the prescribers (Drs. A, Q, and S) to discuss the irregularities or objective factors described above. Moreover, even if Respondent Khorsandi had conferred with the prescribers prior to filling the subject prescriptions and did not document such efforts, the factors of irregularity and red flags described above cast such significant doubt on the legitimacy of the prescriptions, a prudent pharmacist would have still been left with objective reason to believe the subject prescriptions were not legitimately prescribed.
- Respondent Khorsandi confirmed to the Board Inspector that he dispensed all of the prescriptions collected under the prescribing authority of Drs. A, Q, and S, and that all of these prescriptions were picked up at Respondent Pharmacy. According to the dispensing data provided by Respondent Pharmacy, each of these three prescribers had 12 patients filling at Respondent Pharmacy during the query period. However, the three prescribers shared the same 11 patients. Of note, these same 11 patients generally filled their prescriptions under Dr. A, then under Dr. Q, and then under Dr. S at Respondent Pharmacy, in that order.

## FIRST CAUSE FOR DISCIPLINE

# (Requirements for Dispensing Controlled Substance Prescriptions)

32. Respondent Pharmacy is subject to disciplinary action under Code section 4301, subdivisions (j) and (o), for violating Health and Safety Code sections 11164 and 11162.1, subdivisions (a)(2) and (10), and (b), in that Respondent Pharmacy processed controlled substance prescriptions written on forms collected which did not conform to the requirements of Health and Safety Code Section 11162.1. Complainant hereby incorporates paragraphs 24 through 31 above as though set forth in full herein.

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# SECOND CAUSE FOR DISCIPLINE

# (Violation of Corresponding Responsibility to Verify Prescriptions)

33. Respondent Pharmacy is subject to disciplinary action under Health and Safety Code section 11153, subdivision (a), and California Code of Regulations, title 16, section 1761, subdivisions (a) and (b), in that Respondent Pharmacy violated its corresponding responsibility to verify prescriptions. Complainant hereby incorporates paragraphs 24 through 31 above as though set forth in full herein.

# THIRD CAUSE FOR DISCIPLINE

# (Requirements for Dispensing Controlled Substance Prescriptions)

34. Respondent Khorsandi is subject to disciplinary action under Code section 4301, subdivisions (j) and (o), for violating Health and Safety Code sections 11164 and 11162.1, subdivisions (a)(2) and (10), and (b), in that Respondent Khorsandi processed controlled substance prescriptions written on forms collected which did not conform to the requirements of Health and Safety Code Section 11162.1. Complainant hereby incorporates paragraphs 24 through 31 above as though set forth in full herein.

# **FOURTH CAUSE FOR DISCIPLINE**

# (Violation of Corresponding Responsibility to Verify Prescriptions)

35. Respondent Khorsandi is subject to disciplinary action under Code section 4306.5, Health and Safety Code section 11153, subdivision (a), and California Code of Regulations, title 16, section 1761, subdivisions (a) and (b), in that Respondent Khorsandi violated his corresponding responsibility to verify prescriptions. Complainant hereby incorporates paragraphs 24 through 31 above as though set forth in full herein.

## **OTHER MATTERS**

36. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit No.
PHY 39520 issued to Ourx Pharmacy, Inc., dba 2222 Prescription Pharmacy, Homayoon
Khorsandi, CEO, Respondent Pharmacy shall be prohibited from serving as a manager,
administrator, owner, member, officer, director, associate, or partner of a licensee for five years if

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3	DATED: 5	3/30/2020	Anne Sodergren  ANNE SODERGREN
4			Executive Officer
5			Board of Pharmacy Department of Consumer Affairs State of California
6			State of California  Complainant
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