

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

In the Matter of the Accusation Against:

**PHARMACEUTICAL SERVICES, INC. DBA PREFERRED
COMPOUNDING PHARMACY, TREPHENE CHARLENE BROWN**

Permit No. PHY 54528,

and

CECILIA TSE

Pharmacist License No. RPH 46128

Respondents.

Agency Case No. 7038

OAH No. 2021110201

DECISION AND ORDER

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

This Decision shall become effective at 5:00 p.m. on May 25, 2022.

It is so ORDERED on April 25, 2022.

BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

A handwritten signature in black ink, appearing to read "Seung W. Oh". The signature is fluid and cursive, with the first name "Seung" and last name "Oh" clearly visible, and "W." in the middle.

Seung W. Oh, Pharm.D.
Board President

1 ROB BONTA
Attorney General of California
2 KIM KASRELIOVICH
Supervising Deputy Attorney General
3 NANCY CALERO
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8 **BEFORE THE**
9 **BOARD OF PHARMACY**
10 **DEPARTMENT OF CONSUMER AFFAIRS**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

13 **PHARMACEUTICAL SERVICES, INC.**
14 **DBA PREFERRED COMPOUNDING**
15 **PHARMACY, TREPHENE CHARLENE**
16 **BROWN**
17 **Permit No. PHY 54528,**

18 **and**

19 **CECILIA TSE**
20 **Pharmacist License No. RPH 46128**

21 Respondents.

Case No. 7038

OAH No. 2021110201

STIPULATED SURRENDER OF
LICENSE AND ORDER AS TO
RESPONDENT PHARMACEUTICAL
SERVICES, INC. DBA PREFERRED
COMPOUNDING PHARMACY,
TREPHENE CHARLENE BROWN [PHY
54528] ONLY

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

24 **PARTIES**

25 1. Anne Sodergren (Complainant) is the Executive Officer of the Board of Pharmacy
26 (Board). She brought this action solely in her official capacity and is represented in this matter by
27 Rob Bonta, Attorney General of the State of California, by Nancy Calero, Deputy Attorney
28 General.

29 2. Pharmaceutical Services, Inc. dba Preferred Compounding Pharmacy, Trephene
30 Charlene Brown (Respondent) is represented in this proceeding by attorney Luis Andre P.

1 Vizcocho of California Pharmacy Lawyers, Law Office of Tony J. Park, Inc., APC; 9090 Irvine
2 Center Dr., Irvine, CA 92618; (949) 336-7854, Ext. 105.

3 3. On or about August 5, 2016, the Board issued Permit No. PHY 54528 to Respondent.
4 The Permit was in full force and effect at all times relevant to the charges brought in Accusation
5 No. 7038. The Permit expired on August 1, 2019, and has not been renewed.

6 **JURISDICTION**

7 4. Accusation No. 7038 was filed before the Board, and is currently pending against
8 Respondent. The Accusation and all other statutorily required documents were properly served
9 on Respondent on March 30, 2021. Respondent timely filed its Notice of Defense contesting the
10 Accusation. A copy of Accusation No. 7038 is attached as Exhibit A and incorporated by
11 reference.

12 **ADVISEMENT AND WAIVERS**

13 5. Respondent has carefully read, fully discussed with counsel, and understands the
14 charges and allegations in Accusation No. 7038. Respondent also has carefully read, fully
15 discussed with counsel, and understands the effects of this Stipulated Surrender of License and
16 Order.

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

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

25 **CULPABILITY**

26 8. Respondent understands that the charges and allegations in Accusation No. 7038, if
27 proven at a hearing, constitute cause for imposing discipline upon its Permit.
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9. 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 those charges constitute cause for discipline. Respondent hereby gives up their right to contest that cause for discipline exists based on those charges.

10. Respondent understands that by signing this stipulation Respondent enables the Board to issue an order accepting the surrender of their Permit without further process.

CONTINGENCY

11. This stipulation shall be subject to approval by the Board. Respondent understands and agrees that counsel for Complainant and the staff of the Board may communicate directly with the Board regarding this stipulation and surrender, without notice to or participation by Respondent or its counsel. By signing the stipulation, Respondent understands and agrees that they may not withdraw its agreement or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and Order, the Stipulated Surrender and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Board shall not be disqualified from further action by having considered this matter.

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

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

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

ORDER

IT IS HEREBY ORDERED that Permit No. PHY 54528, issued to Respondent Pharmaceutical Services, Inc. dba Preferred Compounding Pharmacy, Trepheene Charlene Brown, is surrendered and accepted by the Board.

1. The surrender of Respondent's Permit and the acceptance of the surrendered license by the Board shall constitute the imposition of discipline against Respondent. This stipulation constitutes a record of the discipline and shall become a part of Respondent's license history with the Board. Respondent understands and agrees that for purposes of Business and Professions Code section 4307, this surrender shall be construed the same as revocation.

2. Respondent shall lose all rights and privileges as a Pharmacy in California as of the effective date of the Board's Decision and Order.

3. Respondent shall, within ten (10) days of the effective date, arrange for the destruction of, the transfer to, sale of or storage in a facility licensed and approved by the Board of all controlled substances and dangerous drugs and/or dangerous devices. Respondent shall further arrange for the transfer of all records of acquisition and disposition of dangerous drugs to premises licensed and approved by the Board. Respondent shall further provide written proof of such disposition and submit a completed Discontinuance of Business form according to Board guidelines.

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

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1 5. Respondent shall relinquish the premises wall license and renewal license to the
2 Board within ten (10) days of the effective date of this decision.

3 6. If Respondent ever files an application for licensure or a petition for reinstatement in
4 the State of California, the Board shall treat it as a new application for licensure. Respondent
5 must comply with all the laws, regulations and procedures for licensure in effect at the time the
6 petition is filed, and all of the charges and allegations contained in Accusation No. 7038 shall be
7 deemed to be true, correct and admitted by Respondent when the Board determines whether to
8 grant or deny the application or petition.

9 7. Respondent shall pay the agency its costs of investigation and enforcement in the
10 amount of \$10,742.25 prior to filing any new application with the Board.

11 8. If Respondent should ever apply or reapply for a new license or certification, or
12 petition for reinstatement of a license, by any other health care licensing agency in the State of
13 California, all of the charges and allegations contained in Accusation, No. 7038 shall be deemed
14 to be true, correct, and admitted by Respondent for the purpose of any Statement of Issues or any
15 other proceeding seeking to deny or restrict licensure.

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ENDORSEMENT

The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted for consideration by the Board of Pharmacy of the Department of Consumer Affairs.

DATED: March 14, 2022

Respectfully submitted,

ROB BONTA
Attorney General of California
KIM KASRELIOVICH
Supervising Deputy Attorney General



NANCY CALERO
Deputy Attorney General
Attorneys for Complainant

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Exhibit A

Accusation No. 7038

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Attorney General of California
2 SHAWN P. COOK
Supervising Deputy Attorney General
3 NANCY CALERO
Deputy Attorney General
4 State Bar No. 261370
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6 Facsimile: (916) 731-2126
Attorneys for Complainant
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10 **DEPARTMENT OF CONSUMER AFFAIRS**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. 7038

13 **PHARMACEUTICAL SERVICES, INC.**
14 **DBA PREFERRED COMPOUNDING**
15 **PHARMACY, TREPHENE CHARLENE**
16 **BROWN, Chief Executive Officer, Secretary**
17 **and Chief Financial Officer**
17547 Chatsworth St.
Granada Hills, CA 91344

ACCUSATION

17 Permit No. PHY 54528,

18 **and**

19 **CECILIA TSE**
17002 River Birch Ct.
Santa Clarita, CA 91387

20 Pharmacist License No. RPH 46128

21 Respondents.
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24 **PARTIES**

25 1. Anne Sodergren (Complainant) brings this Accusation solely in her official capacity
26 as the Executive Officer of the Board of Pharmacy, Department of Consumer Affairs.
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2. On or about August 5, 2016, the Board of Pharmacy issued Permit Number PHY 54528 to Pharmaceutical Services, Inc. dba Preferred Compounding Pharmacy (Respondent Preferred Compounding Pharmacy). Respondent Trephene Charlene Brown (Respondent Brown) is and has been the Chief Executive Officer, Secretary and Chief Financial Officer since August 5, 2016. Respondent Cecilia Tse (Respondent Tse) was the Pharmacist-in-Charge from August 5, 2016 to June 30, 2019. The Pharmacy Permit was in full force and effect at all times relevant to the charges brought herein. The Pharmacy Permit expired on August 1, 2019, and has not been renewed.

3. On or about March 26, 1993, the Board of Pharmacy issued Pharmacist License Number RPH 46128 to Respondent Tse. The Pharmacist License was in full force and effect at all times relevant to the charges brought herein and will expire on July 31, 2022, unless renewed.

JURISDICTION

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

5. Section 118, subdivision (b), of the Code provides that the suspension, expiration, surrender, or cancellation of a license shall not deprive the Board/Registrar/Director of jurisdiction to proceed with a disciplinary action during the period within which the license may be renewed, restored, reissued or reinstated.

6. Section 4011 of the Code provides that the Board shall administer and enforce both the Pharmacy Law [Bus. & Prof. Code § 400 et. seq.] and the Uniform Controlled Substances Act [Health & Safety Code § 11100 et seq.].

7. Section 4300(a) of the Code provides that every license issued by the Board may be suspended or revoked.

8. Section 4300.1 of the Code states that the expiration, cancellation, forfeiture, or suspension of a Board-issued license by operation of law or by order of decision of the Board or a court of law, the placement of a license on a retired status, or the voluntary surrender of a license by a license shall not deprive the Board of jurisdiction to commence or proceed with any

1 investigation of, or action or disciplinary proceeding against, the licensee or to render a decision
2 suspending or revoking the license.

3 9. Section 4307 of the Code states:

4 (a) Any person who has been denied a license or whose license has been revoked or is
5 under suspension, or who has failed to renew his or her license while it was under suspension, or
6 who has been a manager, administrator, owner, member, officer, director, associate, partner, or
7 any other person with management or control of any partnership, corporation, trust, firm, or
8 association whose application for a license has been denied or revoked, is under suspension or has
9 been placed on probation, and while acting as the manager, administrator, owner, member,
10 officer, director, associate, partner, or any other person with management or control had
11 knowledge of or knowingly participated in any conduct for which the license was denied,
12 revoked, suspended, or placed on probation, shall be prohibited from serving as a manager,
13 administrator, owner, member, officer, director, associate, partner, or in any other position with
14 management or control of a licensee as follows:

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

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

19 (b) Manager, administrator, owner, member, officer, director, associate, partner, or any
20 other person with management or control of a license as used in this section and Section 4308,
21 may refer to a pharmacist or to any other person who serves in such capacity in or for a licensee.

22 (c) The provisions of subdivision (a) may be alleged in any pleading filed pursuant to
23 Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of the Government Code.
24 However, no order may be issued in that case except as to a person who is named in the caption,
25 as to whom the pleading alleges the applicability of this section, and where the person has been
26 given notice of the proceeding as required by Chapter 5 (commencing with Section 11500) of Part
27 1 of Division 3 of the Government Code. The authority to proceed as provided by this subdivision
28

1 shall be in addition to the board's authority to proceed under Section 4339 or any other provision
2 of law.

3 **STATUTORY PROVISIONS**

4 10. Section 4022 states:

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

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

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

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

14 11. Section 4081 of the code states in pertinent part:

15 (a) All records of manufacture and of sale, acquisition, receipt, shipment, or
16 disposition of dangerous drugs or dangerous devices shall be at all times during business hours
17 open to inspection by authorized officers of the law, and shall be preserved for at least three years
18 from the date of making. A current inventory shall be kept by every manufacturer, wholesaler,
19 third-party logistics provider, pharmacy, veterinary food-animal drug retailer, outsourcing
20 facility, physician, dentist, podiatrist, veterinarian, laboratory, licensed correctional clinic, as
21 defined in Section 4187, clinic, hospital, institution, or establishment holding a currently valid
22 and unrevoked certificate, license, permit, registration, or exemption under Division 2
23 (commencing with Section 1200) of the Health and Safety Code or under Part 4 (commencing
24 with Section 16000) of Division 9 of the Welfare and Institutions Code who maintains a stock of
25 dangerous drugs or dangerous devices.

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1 12. Section 4105 of the Code states in pertinent part:

2 (a) All records or other documentation of the acquisition and disposition of dangerous
3 drugs and dangerous devices by an entity licensed by the Board shall be retained on the licensed
4 premises in a readily retrievable form.

5 13. Section 4169 of the Code states in pertinent part:

6 (a) Any person or entity shall not do any of the following:

7 (5) Fail to maintain records of the acquisition or disposition of dangerous drugs or
8 dangerous devices for at least three years.

9 14. Section 4301 of the Code states in pertinent part:

10 The board shall take action against any holder of a license who is guilty of unprofessional
11 conduct or whose license has been issued by mistake. Unprofessional conduct shall include, but is
12 not limited to, any of the following:

13 (q) Engaging in any conduct that subverts or attempts to subvert an investigation of the
14 board.

15 ...

16 15. Section 4333 subdivision (a) of the Code state:

17 (a) All Prescriptions filled by a pharmacy and all other records required by section 4081
18 shall be maintained on the premises and available for inspection by authorized officers of the law
19 for a period of at least three years. In cases where the pharmacy discontinues business, these
20 records shall be maintained in a board-licensed facility for three years.

21 **REGULATORY PROVISIONS**

22 16. California Code of Regulations, title 16, section 1708.2 states:

23 Any permit holder shall contact the board prior to transferring or selling any dangerous
24 drugs, devices or hypodermics inventory as a result of termination of business or bankruptcy
25 proceedings and shall follow official instructions given by the Board applicable to the transaction.

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

27 “Current Inventory” as used in Sections 4081 and 4332 of the Business and Professions
28 Code shall be considered to include complete accountability for all dangerous drugs handled by

every licensee enumerated in Sections 4081 and 4332. The controlled substances inventories required by Title 21, CFR, Section 1304 shall be available for inspection upon request for at least 3 years after the date of the inventory.

18. California Code of Regulations, title 16, section 1761 states in pertinent part:

(a) Nor pharmacist shall compound or dispense any prescription which contains any significant error, omission, irregularity, uncertainty, ambiguity or alteration. Upon receipt of any such prescription, the pharmacist shall contact the prescriber to obtain the information needed to validate the prescription.

...

COST RECOVERY

19. Section 125.3 of the Code provides, in pertinent part, that the Board may request the administrative law judge to direct a licensee found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case, with failure of the licensee to comply subjecting the license to not being renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be included in a stipulated settlement.

DRUG CLASSIFICATIONS

20.

Brand Name	Generic Name	Dangerous Drug Per Bus & Prof. Code §4022	Controlled Substance Per Health & Safety Code (HSC)	Indications for Use
Xylocaine ointment	Lidocaine ointment	Yes	No	Topical anesthesia
Emla cream	Lidocaine/prilocaine cream	Yes	No	Topical anesthesia
Voltaren gel	Diclofenac gel	Yes	No	Pain and inflammation

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1 **FACTUAL ALLEGATION AND BACKGROUND**

2 21. The Board initiated an investigation into Respondent Preferred Compounding
3 Pharmacy upon receiving a complaint against Respondent on or about November 8, 2017.

4 22. On February 7, 2018, the Board Inspector conducted an inspection of Respondent
5 Preferred Compounding Pharmacy.

6 21. Respondent Tse was present during the inspection and provided pharmacy records to
7 the Board Inspector.

8 23. During the course of investigation into Respondents, the Board Inspector found
9 violations of pharmacy law related to audit overages and the discontinuance of the business.

10 **FIRST CAUSE FOR DISCIPLINE**

11 (Maintenance of Records/Current Inventory Defined)

12 24. Respondent Preferred Compounding Pharmacy and Respondent Tse are subject to
13 disciplinary action under Code section 4081 subdivision (a) and California Code of Regulations
14 section 1718 in that Respondents failed to a maintain current inventory of dangerous drugs. The
15 circumstances are as follows:

16 25. On or about February 7, 2018, Respondent Tse provided the Board Inspector with
17 inventory lists from March 23, 2017 and February 6, 2018. Respondent Tse told the Board
18 Inspector that she conducted the inventory counts for of all drugs listed. Respondent Tse
19 provided the following inventory count:

20

Inventory Date	Lidocaine 5% ointment 35.44 grams tubes/jars	Lidocaine/Prilocaine cream 30 gram tubes	Diclofenac 3% gel 100 gram tubes
3/23/2017	49 tubes/jars	1772 tubes	20 tubes
2/6/2018	768 tubes/jars	552 tubes	2 tubes

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23 26. Between April 28, 2020 and May 2, 2020, the Board Inspector requested purchase/
24 return summaries from the wholesalers utilized by Respondent Preferred Compounding
25 Pharmacy. The wholesalers provided the following information for all brand and generic Emla
26 30mg, lidocaine 5% ointment 35.44 gm and diclofenac 3% gel 100gm for the date range of March
27 23, 2017 to February 6, 2018:
28

Wholesaler	Date reply received	Exhibit No.	Lidocaine 5% Ointment 33.44 gm [tubes/jars]	Lidocaine/Prilocaine 30gm [tubes]	Diclofenac 3% Gel 100mg [tubes]
Safeway Distributors	4/29/2020	83	0	0	14
KY Meds	4/29/2020	84	502	0	0
Anda	5/1/2020	85	0	0	0
Outdate Rx	5/1/2020	86	0	0	0
Republic Pharmaceuticals	5/1/2020	87	0	0	30
Amerisource Bergen [on behalf of SmartSource]	5/4/2020	89	0	0	0
QPharma	5/5/2020	90	204	0	0
McKesson [on behalf of Masters]	5/6/2020	91	1500	1000	0
Totals			2206 tubes/jars	1000 tubes	44 tubes

27. The Board Inspector conducted an inventory audit using the pharmacy inventory list provided by Respondent Tse and the purchase/return summaries provided by the wholesalers. The Board Inspector determined that Respondents had inventory overages of twenty-eight (28) 35.44 gram jars of lidocaine 5% ointment for a total of 992.32 grams and an overage of twelve (12) 30 gram tubes of lidocaine/prilocaine cream ointment for a total of 360 grams.

SECOND CAUSE FOR DISCIPLINE

(Erroneous or Uncertain Prescriptions)

28. Respondent Preferred Compounding Pharmacy and Respondent Tse are subject to disciplinary action under California Code of Regulations section 1761(a) in that Respondents dispensed prescriptions for large quantities of dangerous drugs without validation. The circumstances are as follows:

29. On or about February 7, 2018, Respondent Tse provided the Board Inspector with Prescription Summary Reports and Prescription Detail Reports for diclofenac 3% gel, lidocaine/prilocaine 2.5%/2.5% cream and lidocaine 5% ointment. The reports showed the following totals:

1 A. 22 filled prescriptions of Diclofenac 3% gel. A total of sixty-two (62) 100 gram tubes
2 were dispensed with the following prescription breakdowns:

3 a) 19 prescriptions for three (3) 100 gram tubes

4 b) 2 prescriptions for two (2) 100 gram tubes.

5 c) 1 prescription for one (1) 100 gram tube.

6 B. 186 filled prescriptions of Lidocaine/Prilocaine cream, each prescription was for twelve
7 (12) 30 gram tubes.

8 C. 173 filled prescriptions for Lidocaine 5% ointment. A total of 1,515 jars/tubes were
9 dispensed with the following prescription breakdowns:

10 a) 19 prescriptions for one (1) 35.44 gram jars/tubes

11 b) 3 prescriptions for two (2) 35.44 gram jars/tubes

12 c) 5 prescriptions for six (6) 35.44 gram jars/tubes

13 d) 146 prescriptions for ten (10) 35.44 gram jars/tubes

14 30. Respondent Tse was the verification and filling pharmacist for all prescriptions from
15 March 23, 2017 to February 6, 2018. Respondent Tse did not verify the authenticity of the
16 prescriptions.

17 **THIRD CAUSE FOR DISCIPLINE**

18 (Failure to Maintain Records Relating to Dangerous Drugs)

19 31. Respondent Preferred Compounding Pharmacy and Respondent Brown are subject to
20 disciplinary action under Code sections 4333 subdivision (a), 4081 subdivision (a), 4105
21 subdivision (a) and 4169 subdivision (a) in that Respondents failed to maintain records of
22 acquisition and disposition in a Board-licensed facility for a period of at least three (3) years. The
23 circumstances are as follows:

24 32. On or about July 1, 2019, Respondent Preferred Compounding Pharmacy
25 discontinued business. Respondent did not file a Discontinuance of Business with the Board.

26 33. On or about July 15, 2019, the Board received a letter from Respondent Preferred
27 Compounding Pharmacy dated July 1, 2019 informing the Board that Respondent Brown was in
28

possession of prescription files and dangerous drugs belonging to the pharmacy. Respondent Brown is not licensed with the Board to store records of acquisition and disposition.

SIXTH CAUSE FOR DISCIPLINE

(Discontinuance of Business)

34. Respondent Preferred Compounding Pharmacy and Respondent Brown are subject to disciplinary action under California Code of Regulations section 1708.2 in that Respondents failed to notify the Board prior to transferring its inventory of dangerous drugs. The circumstances are as follows:

35. On or about July 1, 2019, Respondent Preferred Compounding Pharmacy discontinued business. Respondent did not file a Discontinuance of Business with the Board.

36. On or about July 15, 2019, the Board received a letter from Respondent Preferred Compounding Pharmacy dated July 1, 2019 informing the Board that its inventory of dangerous drugs had been transferred to Respondent Brown.

SEVENTH CAUSE FOR DISCIPLINE

(Unprofessional Conduct- Subverting a Board Investigation)

37. Respondent Preferred Compounding Pharmacy, Respondent Tse and Respondent Brown are subject to disciplinary action under Code section 4301(q) in that Respondents engaged in conduct that subverts an investigation by the Board. The circumstances are as follows:

38. On February 7, 2018, February 14, 2018 and February 25, 2018 , the Board Inspector asked Respondents to provide proof of patient copays and patient signature logs for each prescription filled of lidocaine 5% ointment 35.44 grams, lidocaine/prilocaine cream 30 grams, and diclofenac 3% gel 100 grams. Respondents' failed to provide the requested records.

OTHER MATTERS

39. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number PHY 54528 issued to Pharmaceutical Services, Inc. dba Preferred Compounding Pharmacy then Respondent Pharmaceutical Services, Inc. dba Preferred Compounding Pharmacy shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate,

1 or partner of a licensee for five years if Pharmacy Permit Number PHY 54528 is placed on
2 probation or until Pharmacy Permit Number PHY 54528 is revoked.

3
4 40. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number
5 PHY 54528 issued to Pharmaceutical Services, Inc. dba Preferred Compounding Pharmacy, while
6 Respondent Brown has been an officer and owner and had knowledge of or knowingly
7 participated in any conduct for which the licensee was disciplined, Respondent Brown shall be
8 prohibited from serving as a manager, administrator, owner, member, officer, director, associate,
9 or partner of a licensee for five years if Pharmacy Permit Number PHY 54528 is placed on
10 probation or until Pharmacy Permit Number PHY 52407 is reinstated if it is revoked.

11 41. Pursuant to Code section 4307, if disciplined is imposed on Pharmacist License
12 Number RPH 46128 issued to Cecilia Tse, Respondent Tse shall be prohibited from serving as a
13 manager, administrator, owner, member, officer, director, associate, or partner of a licensee for
14 five years if Pharmacist License Number RPH 46128 is placed on probation or until Pharmacist
15 License Number RPH 46128 is reinstated if it is revoked.

16 **PRAYER**

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

19 1. Revoking or suspending Pharmacy Permit Number PHY 54528, issued to
20 Pharmaceutical Services, Inc. dba Preferred Compounding Pharmacy

21 2. Revoking or suspending Pharmacist License Number RPH 46128, issued to Cecilia
22 Tse;

23 3. Prohibiting Pharmaceutical Services, Inc. dba Preferred Compounding Pharmacy,
24 from serving as a manager, administrator, owner, member, officer, director, associate, or partner
25 of a license for five years if Pharmacy Permit Number PHY 54528 is placed on probation or until
26 Pharmacy Permit Number PHY 54528 is reinstated if Pharmacy Permit Number PHY 54528
27 issued to Pharmaceutical Services, Inc. dba Preferred Compounding Pharmacy, Trephene
28 Charlene Brown is revoked;

1 4. Prohibiting Trephene Charlene Brown from serving as a manager, administrator,
2 owner, member, officer, director, associate, or partner of a license for five years if Pharmacy
3 Permit Number PHY 54528 is placed on probation or until Pharmacy Permit Number PHY 54528
4 is reinstated if Pharmacy Permit Number PHY 54528 issued to Pharmaceutical Services, Inc. dba
5 Preferred Compounding Pharmacy is revoked;

6 5. Prohibiting Cecilia Tse from serving as a manager, administrator, owner, member,
7 officer, director, associate, or partner of a licensee for five years if Pharmacist License Number
8 RPH 46128 is placed on probation or until Pharmacist License Number RPH 46128 is reinstated
9 if it is revoked.

10 6. Ordering Preferred Compounding Pharmacy, Trephene Brown and Cecilia Tse to pay
11 the Board of Pharmacy the reasonable costs of the investigation and enforcement of this case,
12 pursuant to Business and Professions Code section 125.3; and,

13 7. Taking such other and further action as deemed necessary and proper.
14
15

16 DATED: 3/21/2021

Sodergren,
Anne@DCA

Digitally signed by Sodergren,
Anne@DCA
Date: 2021.03.21 20:55:11 -07'00'

ANNE SODERGREN
Executive Officer
Board of Pharmacy
Department of Consumer Affairs
State of California
Complainant

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