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8	BEFOR	E THE
9	BOARD OF F DEPARTMENT OF CO	
10	DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA	
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12	In the Matter of the Accusation Against:	Case No. 7119
13	APS PHARMACY	
14	Jaime Alberto Rios, President Michele Ann Lagamba, Secretary	DEFAULT DECISION AND ORDER
15	George Chrysakis, Pharmacist-in-Charge 34911 US Hwy 19N, Ste 600	[Gov. Code, §11520]
16	Palm Harbor, FL 34684	[Gov. Code, §11320]
17	Nonresident Sterile Compounding Permit Number NSC 99796	
18 19	Nonresident Pharmacy Permit No. NRP 1286	
20	Respondent.	
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22		
23	<u>FINDINGS</u>	OF FACT
24	1. On or about October 3, 2021, Compla	inant Anne Sodergren, in her official capacity
25	as the Executive Officer of the Board of Pharmac	y, Department of Consumer Affairs, filed
26	Accusation No. 7119 against Drug Depot Inc., dba APS Pharmacy, Drug Depot Inc., dba APS	
27	Pharmacy (Respondent) before the Board of Phar	macy. (Accusation attached as Exhibit A.)
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	2.	On or about May 20, 2013, the Board of Pharmacy (Board) issued Nonresident Sterile
Comp	ound	ing Permit No. NSC 99796 to Respondent. The Nonresident Sterile Compounding
Permi	t exp	red on May 14, 2020, and has not been renewed.

- 3. On or about May 16, 2013, the Board of Pharmacy issued Nonresident Pharmacy Permit No. NRP 1286 to Respondent. The Nonresident Pharmacy Permit expired on May 14, 2020, and has not been renewed.
- 4. On or about October 12, 2021, Respondent was served by Certified and First Class Mail copies of the Accusation No. 7119, Statement to Respondent, Notice of Defense, Request for Discovery, and Discovery Statutes (Government Code sections 11507.5, 11507.6, and 11507.7) at Respondent's address of record which, pursuant to Business and Professions Code section 4100, is required to be reported and maintained with the Board. Respondent's address of record was and is: 34911 US Hwy 19N. Ste. 600, Palm Harbor, FL 34684. On or about November 9, 2021, the above documents were also served by Certified and First Class Mail to 6213 Laferre Lane, Hillard, OH 43026.
- 5. Service of the Accusation was effective as a matter of law under the provisions of Government Code section 11505(c) and/or Business and Professions Code section 124.
 - 6. Government Code section 11506(c) states, in pertinent part:
 - (c) The respondent shall be entitled to a hearing on the merits if the respondent files a notice of defense . . . and the notice shall be deemed a specific denial of all parts of the accusation . . . not expressly admitted. Failure to file a notice of defense . . . shall constitute a waiver of respondent's right to a hearing, but the agency in its discretion may nevertheless grant a hearing.
- 7. The Board takes official notice of its records and the fact that Respondent filed a Notice of Defense within 15 days after service upon them of the Accusation, and on or about January 2, 2022 withdrew their Notice of Defense, waiving their right to a hearing on the merits of Accusation No. 7119.
 - 8. California Government Code section 11520(a) states, in pertinent part:
 - (a) If the respondent either fails to file a notice of defense . . . or to appear at the hearing, the agency may take action based upon the respondent's express admissions or upon other evidence and affidavits may be used as evidence without any notice to respondent

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1	e. Adulterated Preparations (BPC § 4301, subd. (j), 4169, subd. (a)(2), Health and		
2	Safety Code § 111295, and Health and Safety Code § 111250.)		
3	<u>ORDER</u>		
4	IT IS SO ORDERED that Nonresident Sterile Compounding Permit No. NSC 99796, and		
5	Nonresident Pharmacy Permit No. NRP 1286, issued to Respondent Drug Depot Inc., dba APS		
6	Pharmacy, Drug Depot Inc., dba APS Pharmacy, are revoked.		
7	Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a		
8	written motion requesting that the Decision be vacated and stating the grounds relied on within		
9	seven (7) days after service of the Decision on Respondent. The agency in its discretion may		
10	vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.		
11	This Decision shall become effective at 5:00 p.m. on April 27, 2022.		
12	It is so ORDERED on March 28, 2022.		
13			
14	Jeury W. Ol. Ph. D		
15	Seung W. Oh, Pharm.D. Board President FOR THE BOARD OF BHARMAGY		
16	FOR THE BOARD OF PHARMACY DEPARTMENT OF CONSUMER AFFAIRS		
17	35890621.DOCX DOJ Matter ID:SA2021301248		
18	Attachment:		
19	Exhibit A: Accusation		
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Exhibit A

Accusation

1	ROB BONTA Attorney General of California	
2	Attorney General of California KAREN R. DENVIR Supervising Deputy Attorney General	
3	ANAHITA S. CRAWFORD Deputy Attorney General	
4	State Bar No. 209545 1300 I Street, Suite 125	
5	P.O. Box 944255 Sacramento, CA 94244-2550	
6 7	Telephone: (916) 210-6099 Facsimile: (916) 327-8643 Attorneys for Complainant	
8		
9	BEFORE THE BOARD OF PHARMACY	
10	DEPARTMENT OF CO STATE OF C	
11		
12	In the Matter of the Accusation Against:	Case No. 7119
13	APS PHARMACY Jaime Alberto Rios, President	
14	Michele Ann Lagamba, Secretary George Chrysakis, Pharmacist-in-Charge	ACCUSATION
15	34911 US Hwy 19N, Ste 600	
16	Palm Harbor, FL 34684	
17 18	Nonresident Sterile Compounding Permit Number NSC 99796	
19	Nonresident Pharmacy Permit No. NRP 1286	
20	Respondent.	
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22	<u>PARTIES</u>	
23	Anne Sodergren (Complainant) brings this Accusation solely in her official capacity	
24	as the Executive Officer of the Board of Pharmacy, Department of Consumer Affairs.	
25	2. On or about May 16, 2013, the Board of Pharmacy issued Nonresident Pharmacy	
26	Permit Number NRP 1286 to APS Pharmacy (Respondent). The Nonresident Pharmacy Permit	
27 28	was cancelled on May 14, 2020, and has not been	renewed.
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1	10. Code section 4169 states, in pertinent part:			
2	(a) A person or entity shall not do any of the following:			
3				
4	(2) Purchase, trade, sell, or transfer dangerous drugs that the person knew			
5	or reasonably should have known were adulterated, as set forth in Article 2 (commencing with Section 111250) of Chapter 6 of Part 5 of Division 104 of the Health and Safety Code.			
6				
7	<u>REGULATORY PROVISIONS</u>			
8	11. California Code of Regulations (Regulation), title 16, section 1735 states, in pertinent			
9	part:			
10	(a) "Compounding" means any of the following activities occurring in a licensed			
11	pharmacy, by or under the supervision of a licensed pharmacist, pursuant to a prescription:			
12	(1) Altering the dosage form or delivery system of a drug			
13	(2) Altering the strength of a drug			
14	(3) Combining components or active ingredients			
15	(4) Preparing a compounded drug preparation from chemicals or bulk drug substances			
16	(c) The parameters and requirements stated by Article 4.5 (Section 1735 et seq.)			
17	apply to all compounding practices. Additional parameters and requirements applicable solely to sterile compounding are stated by Article 7 (Section 1751 et seq.).			
18				
19	12. Regulation section 1735.1 states, in pertinent part:			
20	(a) "Ante-area" means an area with ISO Class 8 or better air quality where personnel hand hygiene and garbing procedures, staging of components, and other high-			
21	particulate-generating activities are performed, that is adjacent to the area designated for sterile compounding. It is a transition area that begins the systematic reduction of			
particles, prevents large fluctuations in air temperature and pressures in	particles, prevents large fluctuations in air temperature and pressures in the cleanroom, and maintains air flows from clean to dirty areas. ISO Class 7 or better air			
23	quality is required for ante-areas providing air to a negative pressure room.			
24	(b) "Beyond use date" means the date, or date and time, after which administration of			
25	a compounded drug preparation shall not begin, the preparation shall not be dispensed, and the preparation shall not be stored (other than for quarantine			
26	purposes).			
27	····			
28	(ae) "Quality" means the absence of harmful levels of contaminants, including filth, putrid, or decomposed substances, the absence of active ingredients other than those			

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1	listed on the label, and the absence of inactive ingredients other than those listed on the master formula document.
2	13. Regulation section 1735.2, states, in pertinent part:
3	(i) Every compounded drug preparation shall be given a beyond use date representing the date or date and time beyond which the compounded drug preparation should not
4	be used, stored, transported or administered, and determined based on the professional judgment of the pharmacist performing or supervising the compounding.
5	
6	(3) For sterile compounded drug preparations, extension of a beyond use date is only allowable when supported by the following:
7	(A) Method Suitability Test,
8	(B) Container Closure Integrity Test, and
9	(C) Stability Studies
10	14. Regulation section 1751 states, in pertinent part:
11	(a) Any pharmacy engaged in compounding sterile drug preparations shall conform to the parameters and requirements stated by Article 4.5 (Section 1735 et
12	seq.), applicable to all compounding, and shall also conform to the parameters and requirements stated by this Article 7 (Section 1751 et seq.), applicable solely to sterile
13	compounding.
14	15. Regulation section 1751.4 states, in pertinent part:
15	(a) No sterile drug preparation shall be compounded if it is known, or reasonably should be known, that the compounding environment fails to meet criteria
16	specified in the pharmacy's written policies and procedures for the safe compounding of sterile drug preparations.
17	
18	(f) Pharmacies preparing sterile compounded preparations require the use of a
19 20	PEC that provides ISO Class 5 air or better air quality. Certification and testing of primary and secondary engineering controls shall be performed no less than every six months and whenever the device or area designated for compounding is relocated,
21	altered or a service to the facility is performed that would impact the device or area. Certification must be completed by a qualified technician who is familiar with
22	certification methods and procedures in accordance with CETA Certification Guide for Sterile Compounding Facilities (CAG-003-2006-13, Revised May 20, 2015),
23	which is hereby incorporated by reference. Certification records must be retained for at least 3 years. Unidirectional compounding aseptic isolators or compounding aseptic
24	containment isolators may be used outside of an ISO Class 7 cleanroom if the isolator is certified to meet the following criteria:
25	(1) Particle counts sampled approximately 6-12 inches upstream of the critical
26	exposure site shall maintain ISO Class 5 levels during compounding operations.
27	(2) Not more than 3520 particles (0.5 um and larger) per cubic meter shall be counted during material transfer, with the particle counter probe located as near to the transfer door as possible without obstructing transfer.
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air changes was noted to "not meet the requirement of USP797." The hazardous compounding buffer room report states that HEPA filters number 1 and 6 failed the leak test. The pharmacy's compounding environment returned to within specifications on March 11, 2019, for the first time since January 24, 2019. The pharmacy continued to compound drugs in this environment during the period that the environment did not meet specifications.

- 22. The United States Pharmacopeia (USP) and National Formulary (NF) are the official standards for all prescription and over the counter medicines, dietary supplements and other health care products manufactured and sold in the United States¹. USP drug Monographs set forth the quality expectations of a medicine and how to test the medicine and its ingredients to meet the quality expectations².
- 23. On February 27, 2020, APS Pharmacy, was inspected by a Board inspector for its annual onsite sterile compounding inspection.
- 24. The inspections and subsequent investigations revealed the following violations of California pharmacy laws related to sterile compounding of drugs

FIRST CAUSE FOR DISCIPLINE

(Failure to Maintain Safe Environment for Compounding of Sterile Drug Products)

25. Respondent is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subd. (o) for violating pharmacy regulations described in Regulation section 1751.4, subsection (a), and Respondent's compounding policies and procedures, in that in and between January 24, 2019 and March 11, 2019, Respondent compounded and dispensed approximately 1,947 prescriptions to California patients when the pharmacy ante room and non-hazardous buffer where the prescriptions were prepared had HEPA filters which failed to meet certification requirements, per certification reports for the designated compounding areas, and before certification of the new HEPA filters on March 11, 2019, as further explained in paragraph 20, above.

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https://www.pharmaceutical-business-review.com/products/usp-bp-ep-jp-nf-chemicals.

SECOND CAUSE FOR DISCIPLINE

(Failure to Maintain Facility Standards for Sterile Compounding)

26. Respondent is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subd. (o) for violating pharmacy regulations described in Regulation section 1751.4, subsection (f), and the pharmacy's compounding policies and procedures, in that in and between January 24, 2019 and March 11, 2019, Respondent compounded and dispensed approximately 1,947 prescriptions to California patients when the pharmacy ante room and non-hazardous buffer where the prescriptions were prepared had HEPA filters which failed to meet certification requirements, and before certification of the new HEPA filters on March 11, 2019, as further explained in paragraph 20, above.

THIRD CAUSE FOR DISCIPLINE

(Failure to Provide Documentation to Support Extension of Beyond Use Date for Sterile Drug Preparation)

- 27. Respondent is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subd. (o) for violating pharmacy regulations described in Regulation section 1735.2, subsection (i)(3), as follows:
- a. In or about and between March 1, 2018 and March 11, 2019, Respondent dispensed approximately 52 prescriptions to California patients from 24 compounded sterile preparations lot batches of Glutamine/Arginine/Carnitine (GAC) that were assigned a 90 day room temperature Beyond Use Date (BUD), which exceeded the required BUD maximum of 24 hours at room temperature required by CCR section 1751.8, subsection (c), without documentation from container closure integrity and stability studies supporting the BUD extension to 90 days.
- b. In or about and between March 12, 2019 and February 26, 2020, Respondent dispensed approximately 2,115 prescriptions to California patients. Thirty-eight prescriptions for Glutamine/Arginine/Carnitine were assigned a 90-day BUD without supporting BUD extension from container closure integrity and stability studies, and 2077 prescriptions from Human Chorionic Gonadotropin with Theanine with a 95-day BUD without supporting BUD extension from stability studies.

FOURTH CAUSE FOR DISCIPLINE

(Failure to Maintain the Quality of a Compounded Sterile Preparation)

- 28. Respondent is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subd. (o) for violating pharmacy regulations described in CCR section 1735.1, subsection (ae), as follows:
- a. In or about and between February 11, 2019 and March 11, 2019, Respondent compounded and dispensed approximately 1,314 compounded drug preparations with bulk ingredients made from one or more substances intended for dietary use only, or not approved for compounding by the FDA, or which lacked compliance with United States Pharmacopeia standards, thus rendering the compounded drug product lacking in quality.
- b. In or about and between March 12, 2019 and February 26, 2020, Respondent compounded and dispensed approximately 2,440 compounded drug preparation, including 363 prescriptions of Glutathione, and 2,077 prescriptions of Human Chorionic Gonadotropin with Theanine, with bulk ingredients made from one or more substances intended for dietary use only or not approved for compounding by the FDA, or lacked compliance with USP standards, thus rendering the compounded drug product lacking in quality.

FIFTH CAUSE FOR DISCIPLINE

(Adulterated Preparations)

- 29. Respondent is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subd. (j) for violating statutes regulating controlled substances and dangerous drugs as they relate to adulterated preparations described in Code section 4169, subd. (a)(2) and Health and Safety Code section 111295, and defined in Health and Safety Code section 111250, as follows:
- a. In or about and between February 11, 2019 and March 11, 2019, Respondent dispensed approximately 1,314 compounded drug preparations with bulk ingredients made from one or more substances intended for dietary use only, or not approved for compounding by the FDA, or which lacked compliance with USP standards, therefore adulterating the compounded sterile preparation.

b. In or about and between March 12, 2019 and February 26, 2020, Respondent compounded and dispensed at least 2,440 compounded drug preparations, including 363 prescriptions of Glutathione and 2,077 prescriptions of Human Chorionic Gonadotropin with Theanine, with bulk ingredients made from one or more substances intended for dietary use only, or not approved for compounding by the FDA, or which lacked compliance with USP standards, therefore adulterating the compounded sterile preparation.

DISCIPLINE CONSIDERATIONS

- 30. To determine the degree of discipline, if any, to be imposed on Respondent, Complainant alleges that on or about July 28, 2017, in a prior action, the Board of Pharmacy issued Citation Number CI 2016 74158 for two violations of Code section 4301, subdivisions (n). Respondent was ordered to pay a fine in the amount of \$5000, and Respondent complied. That citation is now final and is incorporated by reference as if fully set forth. The bases of the citation are as follows:
- a. On or about February 24, 2016, the Oklahoma Board of Pharmacy placed Respondent on probation for three years and fined it \$15,000 after discovering that between October 1, 2013 and May 31, 2015, Respondent was not continuously licensed yet shipped 1,002 prescriptions to Enhance Spa, which were controlled substances; mailed patient-specific drugs to addresses other than the patient's home or work; and compounded medications in strength that were already commercially available.
- b. On or about March 8, 2016, the Iowa Board of Pharmacy cited Respondent and ordered it to pay \$2,500 after discovering that Respondent did not have an active license between January 1, 2014 and September 7, 2014, yet Respondent shipped approximately 100 prescriptions into Iowa.

OTHER MATTERS

31. Pursuant to section 4307 of the Code, if discipline is imposed on Nonresident Pharmacy Permit Number NRP 1286 issued to APS Pharmacy, then it shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a California licensee for 1) a period not to exceed five (5) years if Nonresident Pharmacy Permit

Number NRP 1286 is placed on probation; or, 2) if the pharmacy permit is revoked, the prohibition shall continue until the pharmacy permit is reinstated.

- 32. Pursuant to section 4307 of the Code, if discipline is imposed on Nonresident Pharmacy Permit Number NRP 1286 issued to APS Pharmacy, then Nonresident Sterile Compounding Permit Number NSC 99796, issued to APS Pharmacy shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a California licensee for 1) a period not to exceed five (5) years if Nonresident Pharmacy Permit Number NRP 1286 is placed on probation; or, 2) if Nonresident Pharmacy Permit Number NRP 1286 is revoked, the prohibition shall continue until the pharmacy permit is reinstated.
- 33. Pursuant to section 4307 of the Code, if discipline is imposed on Nonresident Pharmacy Permit Number NRP 1286 issued to APS Pharmacy, then Jaime Alberto Rios, President, shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a California licensee for 1) a period not to exceed five (5) years if Nonresident Pharmacy Permit Number NRP 1286 is placed on probation; or, 2) if Nonresident Pharmacy Permit Number NRP 1286 is revoked, the prohibition shall continue until the pharmacy permit is reinstated.
- 34. Pursuant to section 4307 of the Code, if discipline is imposed on Nonresident Pharmacy Permit Number NRP 1286 issued to APS Pharmacy, then Michele Ann Lagamba, Secretary, shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a California licensee for 1) a period not to exceed five (5) years if Nonresident Pharmacy Permit Number NRP 1286 is placed on probation; or, 2) if Nonresident Pharmacy Permit Number NRP 1286 is revoked, the prohibition shall continue until the pharmacy permit is reinstated.

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:

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(APS PHARMACY) ACCUSATION