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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 **CALIX DRUGS PHARMACY, INC.,**
14 **MENG-HUI CHIU, CZAR IVAN V.**
15 **MANIGBAS**
16 **942 & 944 N. Grand Ave.**
17 **Covina, CA 91724**

18 **Pharmacy Permit No. PHY 54225,**

19 **CZAR IVAN V. MANIGBAS**
20 **299 E. Arrow Highway, Unit 4**
21 **Glendora, CA 91740**

22 **Pharmacy Technician License No. TCH**
23 **135586,**

24 **and**

25 **MENG-HUI CHIU**
26 **944 N. Grand Ave.**
27 **Covina, CA 91724**

28 **Registered Pharmacist License No. RPH**
49855

Respondents.

Case No. 7157

OAH No. 2022040211

**DEFAULT DECISION AND ORDER AS
TO RESPONDENT CALIX DRUGS
PHARMACY INC., PHARMACY
PERMIT NO. PHY 54225 ONLY**

[Gov. Code, §11520]

FINDINGS OF FACT

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2 1. On or about October 23, 2021, Complainant Anne Sodergren, in her official capacity
3 as the Executive Officer of the Board of Pharmacy (Board), Department of Consumer Affairs,
4 filed Accusation No. 7157 against Calix Drugs Pharmacy, Inc. (Respondent Calix Drugs
5 Pharmacy) before the Board. (Accusation attached as Exhibit A.)

6 2. On or about December 11, 2015, the Board issued Pharmacy Permit No. PHY 54225
7 to Respondent Calix Drugs Pharmacy, with Czar Ivan V. Manigbas designated as the Chief
8 Executive Officer and 100% Shareholder since December 29, 2017, and Director, Secretary, and
9 Treasurer/Chief Financial Officer since December 11, 2015. The Pharmacy Permit was in full
10 force and effect at all times relevant to the charges brought in Accusation No. 7157 and will
11 expire on December 1, 2022, unless renewed.

12 3. On or about November 4, 2021, Respondent Calix Drugs Pharmacy was served by
13 Certified and First Class Mail copies of the Accusation No. 7157, Statement to Respondent,
14 Notice of Defense, Request for Discovery, and Discovery Statutes (Government Code sections
15 11507.5, 11507.6, and 11507.7) at Respondent Calix Drug Pharmacy's address of record which,
16 pursuant to Business and Professions Code section 4100, is required to be reported and
17 maintained with the Board. Respondent Calix Drugs Pharmacy's address of record was and is:
18 942 & 944 N. Grand Ave., Covina, CA 91724.

19 4. Service of the Accusation was effective as a matter of law under the provisions of
20 Government Code section 11505(c) and/or Business and Professions Code section 124.

21 5. Government Code section 11506(c) states, in pertinent part:

22 (c) The respondent shall be entitled to a hearing on the merits if the respondent
23 files a notice of defense . . . and the notice shall be deemed a specific denial of all
24 parts of the accusation . . . not expressly admitted. Failure to file a notice of defense
25 . . . shall constitute a waiver of respondent's right to a hearing, but the agency in its
26 discretion may nevertheless grant a hearing.

27 6. On or about November 11, 2021, Respondent Calix Drugs Pharmacy submitted a
28 Notice of Defense, which the Board deemed invalid because Respondent Calix Drugs Pharmacy's
corporate status was suspended at the time of the filing of the Accusation and continues to be
suspended. The Board takes official notice of its records and the fact that Respondent Calix Drugs

1 Pharmacy failed to file a Notice of Defense within 15 days after service upon them of the
2 Accusation, and therefore waived their right to a hearing on the merits of Accusation No. 7157.

3 7. California Government Code section 11520(a) states, in pertinent part:

4 (a) If the respondent either fails to file a notice of defense . . . or to appear at
5 the hearing, the agency may take action based upon the respondent's express
6 admissions or upon other evidence and affidavits may be used as evidence without
any notice to respondent

7 8. Pursuant to its authority under Government Code section 11520, the Board finds
8 Respondent Calix Drugs Pharmacy is in default. The Board will take action without further
9 hearing and, based on the relevant evidence contained in the Default Decision Investigatory
10 Evidence Packet in this matter, as well as taking official notice of all the investigatory reports,
11 exhibits and statements contained therein on file at the Board's offices regarding the allegations
12 contained in Accusation No. 7157, finds that the charges and allegations in Accusation No. 7157,
13 are separately and severally, found to be true and correct by clear and convincing evidence.

14 9. The Board finds that the actual costs for investigation and prosecution as to
15 Respondent Calix Drugs Pharmacy only are \$15,532.50 as of August 19, 2022.

16 **DETERMINATION OF ISSUES**

17 1. Based on the foregoing findings of fact, Respondent Calix Drugs Pharmacy, Inc. has
18 subjected its Pharmacy Permit No. PHY 54225 to discipline.

19 2. The agency has jurisdiction to adjudicate this case by default.

20 3. The Board of Pharmacy is authorized to revoke Respondent Calix Drugs Pharmacy's
21 Pharmacy Permit based upon the following violations alleged in the Accusation which are
22 supported by the evidence contained in the Default Decision Investigatory Evidence Packet in this
23 case:

24 a. Business and Professions Code section 4301, subdivision (o), in conjunction with
25 Business and Professions Code section 4307, subdivision (a), and California Code of Regulations,
26 title 16, sections 1707.4, subdivision (a), 1717.1, subdivision (a), and 1793.3, subdivision (a) –
27 Violation of Laws Governing Pharmacies;

28 ///

b. Business and Professions Code section 4301, subdivisions (j) and (o), in conjunction with Business and Professions Code section 4081, subdivision (d) – Failure to Retain Records of Acquisition and Disposition;

c. Business and Professions Code section 4301, subdivisions (t) and (u) – Acquisition of Diabetic Testing Supplies from Unauthorized Source;

d. Business and Professions Code section 4301, subdivision (o), in conjunction with California Code of Regulations, title 16, section 1709, subdivision (a) – Failure to Report Changes in Ownership and Officers; and

e. Business and Professions Code section 4301, subdivision (o), in conjunction with California Code of Regulations, title 16, section 1776 – Failure to Comply with Regulations for Drug Take Back Services.

ORDER

IT IS SO ORDERED that Pharmacy Permit No. PHY 54225, issued to Respondent Calix Drugs Pharmacy, Inc., is revoked.

Pursuant to Government Code section 11520, subdivision (c), Respondent Calix Drugs Pharmacy may serve a written motion requesting that the Decision be vacated and stating the grounds relied on within seven (7) days after service of the Decision on Respondent Calix Drugs Pharmacy. The agency in its discretion may vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.

This Decision shall become effective at 5:00 p.m. on October 19, 2022.

It is so ORDERED on September 19, 2022.

BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

By

Seung W. Oh, Pharm. D.
Board President

65361006.DOCX
DOJ Matter ID:LA2021602494

Attachment:
Exhibit A: Accusation

Exhibit A

Accusation

(CALIX DRUGS PHARMACY, INC., MENG-HUI CHIU, CZAR IVAN V. MANIGBAS, CZAR IVAN V.
MANIGBAS, and MENG-HUI CHIU)

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

12 In the Matter of the Accusation Against:

Case No. 7157

13 **CALIX DRUGS PHARMACY, INC.,**
14 **CZAR IVAN V. MANIGBAS, OWNER**
15 **942 & 944 N. Grand Ave.**
Covina, CA 91724

ACCUSATION

16 **Pharmacy Permit No. PHY 54225,**

17 **CZAR IVAN V. MANIGBAS**
18 **299 E. Arrow Highway, Unit 4**
Glendora, CA 91740

19 **Pharmacy Technician License No. TCH**
20 **135586,**

21 **and**

22 **MENG-HUI CHIU**
23 **944 N. Grand Ave.**
24 **Covina, CA 91724**

Registered Pharmacist License No. RPH
49855

25 Respondents.
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1 **PARTIES**

2 1. Anne Sodergren (Complainant) brings this Accusation solely in her official capacity
3 as the Executive Officer of the Board of Pharmacy, Department of Consumer Affairs.

4 2. On or about December 11, 2015, the Board of Pharmacy issued Pharmacy Permit
5 Number PHY 54225 to Calix Drugs Pharmacy, Inc., Czar Ivan V. Manigbas, Owner (Calix). The
6 Pharmacy Permit was in full force and effect at all times relevant to the charges brought herein
7 and will expire on December 1, 2021, unless renewed.

8 3. On or about January 27, 2014, the Board of Pharmacy issued Pharmacy Technician
9 License Number TCH 135586 to Czar Ivan V. Manigbas (Manigbas). The Pharmacy Technician
10 License was in full force and effect at all times relevant to the charges brought herein and will
11 expire on August 31, 2023, unless renewed.

12 4. On or about September 15, 1997, the Board of Pharmacy issued Registered
13 Pharmacist License Number RPH 49855 to Meng-Hui Chiu (Chiu). The Registered Pharmacist
14 License was in full force and effect at all times relevant to the charges brought herein and will
15 expire on September 30, 2023, unless renewed.

16 **JURISDICTION**

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

20 6. Section 4300 of the Code states, in pertinent part:
21 (a) Every license issued may be suspended or revoked.
22 (b) The board shall discipline the holder of any license issued by the board, whose default
has been entered or whose case has been heard by the board and found guilty, by any of the
23 following methods:
24 (1) Suspending judgment.
25 (2) Placing him or her upon probation.
(3) Suspending his or her right to practice for a period not exceeding one year.
(4) Revoking his or her license.
(5) Taking any other action in relation to disciplining him or her as the board in its
discretion may deem proper.

26 ...

27 7. Section 4300.1 of the Code states:
28 The expiration, cancellation, forfeiture, or suspension of a board-issued license by operation
of law or by order or 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 licensee shall not deprive the board of jurisdiction to commence or proceed with any investigation of, or action or disciplinary proceeding against, the licensee or to render a decision suspending or revoking the license.

8. Section 118, subdivision (b), of the Code provides that the suspension/expiration/surrender/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.

STATUTORY PROVISIONS

9. Section 4037, subdivision (a), of the Code states:

“Pharmacy” means an area, place, or premises licensed by the board in which the includes, but is not limited to, any area, place, or premises described in a license issued by the board wherein controlled substances, dangerous drugs, or dangerous devices are stored, possessed, prepared, manufactured, derived, compounded, or repackaged, and from which the controlled substances, dangerous drugs, or dangerous devices are furnished, sold, or dispensed at retail.

10. Section 4081 of the Code states:

(a) All records of manufacture and of sale, acquisition, or disposition of dangerous drugs or dangerous devices shall be at all times during business hours open to inspection by authorized officers of the law, and shall be preserved for at least three years from the date of making. A current inventory shall be kept by every manufacturer, wholesaler, pharmacy, veterinary food-animal drug retailer, physician, dentist, podiatrist, veterinarian, laboratory, clinic, hospital, institution, or establishment holding a currently valid and unrevoked certificate, license, permit, registration, or exemption under Division 2 (commencing with Section 1200) of the Health and Safety Code or under Part 4 (commencing with Section 16000) of Division 9 of the Welfare and Institutions Code who maintains a stock of dangerous drugs or dangerous devices.

(b) The owner, officer, and partner of any pharmacy, wholesaler, or veterinary food-animal drug retailer shall be jointly responsible, with the pharmacist-in-charge or representative-in-charge, for maintaining the records and inventory described in this section.

(c) The pharmacist-in-charge or representative-in-charge shall not be criminally responsible for acts of the owner, officer, partner, or employee that violate this section and of which the pharmacist-in-charge or representative-in-charge had no knowledge, or in which he or she did not knowingly participate.

11. Section 4105 of the Code states:

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

(b) The licensee may remove the original records or documentation from the licensed premises on a temporary basis for license-related purposes. However, a duplicate set of those records or other documentation shall be retained on the licensed premises.

(c) The records required by this section shall be retained on the licensed premises for a period of three years from the date of making.

(d) Any records that are maintained electronically shall be maintained so that the pharmacist-in-charge, the pharmacist on duty if the pharmacist-in-charge is not on duty, or, in the case of a veterinary food-animal drug retailer or wholesaler, the designated representative on

duty, shall, at all times during which the licensed premises are open for business, be able to produce a hard copy and electronic copy of all records of acquisition or disposition or other drug or dispensing-related records maintained electronically.

(e)(1) Notwithstanding subdivisions (a), (b), and (c), the board, may upon written request, grant to a licensee a waiver of the requirements that the records described in subdivisions (a), (b), and (c) be kept on the licensed premises.

(2) A waiver granted pursuant to this subdivision shall not affect the board's authority under this section or any other provision of this chapter.

12. Section 4113, subdivision (c), states that the pharmacist-in-charge shall be responsible for a pharmacy's compliance with all state and federal laws and regulations pertaining to the practice of pharmacy.

13. Section 4160.5 of the Code states:

Within 30 days of the effective date of the act adding this section, a manufacturer of a nonprescription diabetes test device shall make the names of its authorized distributors available on its Internet Web site and shall provide the board with the names of its authorized distributors. Within 30 days of receiving that information from a manufacturer of a nonprescription diabetes test device, the board shall post the names of authorized distributors of nonprescription diabetes test devices on the board's Internet Web site. A manufacturer of a nonprescription diabetes test device shall, within 30 days of making changes to its authorized distributors, update its Internet receiving notice of any change from a manufacturer of a nonprescription diabetes test device, the site.

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

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

(a) Procurement of a license by fraud or misrepresentation.

...

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

(g) Knowingly making or signing any certificate or other document that falsely represents the existence or nonexistence of a state of facts.

...

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

...

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

(t) The acquisition of a nonprescription diabetes test device from a person that the licensee knew or should have known was not the nonprescription diabetes test device's manufacturer or the manufacturer's authorized distributor as identified in Section 4160.5.

(u) The submission of a reimbursement claim for a nonprescription diabetes test device to a pharmaceutical benefit manager, health insurer, government agency, or other third-party payor when the licensee knew or reasonably should have known that the diabetes test device was not purchased either directly from the manufacturer or from the nonprescription diabetes test device manufacturer's authorized distributors as identified in Section 4160.5.

15. Section 4307 of the Code states:

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

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

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

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

(c) The provisions of subdivision (a) may be alleged in any pleading filed pursuant to Chapter 5 (commencing with *Section 11500*) of *Part 1 of Division 3 of the Government Code*. However, no order may be issued in that case except as to a person who is named in the caption, as to whom the pleading alleges the applicability of this section, and where the person has been given notice of the proceeding as required by Chapter 5 (commencing with *Section 11500*) of *Part 1 of Division 3 of the Government Code*. The authority to proceed as provided by this subdivision shall be in addition to the board's authority to proceed under _____ or any other provision of law.

REGULATORY PROVISIONS

16. California Code of Regulations, title 16, section 1707.4, states:

(a) A pharmacy licensed by the board may process a request for refill of a prescription received by a pharmacy within this state, provided:

(1) The pharmacy that is to refill the prescription either has a contract with the pharmacy which received the prescription or has the same owner as the other pharmacy.

(2) The prescription container:

(A) is clearly labeled with all information required by Section 4076 of the Business and Professions Code; and

(B) clearly shows the name and address of the pharmacy refilling the prescription and/or the name and address of the pharmacy which receives the refilled prescription for dispensing to the patient.

(3) The patient is provided with written information, either on the prescription label or with the prescription container, that describes which pharmacy to contact if the patient has any

questions about the prescription or medication.

(4) Both pharmacies maintain complete and accurate records of the refill, including:

(A) the name of the pharmacist who refilled the prescription;

(B) the name of the pharmacy refilling the prescription; and

(C) the name of the pharmacy that received the refill request.

(5) The pharmacy which refills the prescription and the pharmacy to which the refilled prescription is provided for dispensing to the patient shall each be responsible for ensuring the order has been properly filled.

(6) The originating pharmacy is responsible for compliance with the requirements set forth in Section 1707.1, 1707.2 and 1707.3 of the California Code of Regulations.

(b) Nothing in this section shall be construed as barring a pharmacy from also filling new prescriptions presented by a patient or a patient's agent or transmitted to it by a prescriber.

17. California Code of Regulations, title 16, section 1709 states:

(a) Each permit to operate a pharmacy shall show the name and address of the pharmacy, the form of ownership (individual, partnership or corporation) and the pharmacist-in-charge. Each pharmacy shall, in its initial application on the annual renewal form, report the name of the pharmacist-in-charge, the names of all owners and the names of the corporate officers (if a corporation). Any changes in the pharmacist-in-charge, or the owners, or corporate officers shall be reported to the Board within 30 days.

(b) Any transfer, in a single transaction or in a series of transactions, of 10 percent or more of the beneficial interest in a business entity licensed by the board to a person or entity who did not hold a beneficial interest at the time the original permit was issued, shall require written notification to the board within 30 days.

(c) The following shall constitute a transfer of permit and require application for a change of ownership: any transfer of a beneficial interest in a business entity licensed by the board, in a single transaction or in a series of transactions, to any person or entity, which transfer results in the transferee's holding 50% or more of the beneficial interest in that license.

18. California Code of Regulations, title 16, section 1717.1, states:

(a) For dangerous drugs other than controlled substances: Two or more pharmacies may establish and use a common electronic file to maintain required dispensing information. Pharmacies using such a common file are not required to transfer prescriptions or information for dispensing purposes between or among pharmacies participating in the same common prescription file.

(b) For controlled substances: To the extent permitted by Federal law, two or more pharmacies may establish and use a common electronic file of prescriptions and dispensing information.

(c) All common electronic files must contain complete and accurate records of each prescription and refill dispensed.

(d) Common electronic files as authorized by this section shall not permit disclosure of confidential medical information except as authorized by the Confidentiality of Medical Information Act (Civil Code 56 et seq.).

(e) Pharmacies maintaining a common electronic file authorized by this section shall develop and implement written policies and procedures designed to prevent the unauthorized disclosure of confidential medical information.

19. California Code of Regulations, title 16, section 1793.3, states, in pertinent part:

(a) In addition to employing a pharmacy technician to perform the tasks specified in section 1793.2, a pharmacy may employ a non-licensed person to type a prescription label or otherwise enter prescription information into a computer record system, but the responsibility for the accuracy of the prescription information and the prescription as dispensed lies with the registered pharmacist who initials the prescription or prescription record. At the direction of the registered pharmacist, a non-licensed person may also request and receive refill authorization.

(b) A pharmacist may supervise the number of non-licensed personnel performing the duties specified in subdivision (a) that the pharmacist determines, in the exercise of his or her

professional judgment, does not interfere with the effective performance of the pharmacist's responsibilities under the Pharmacy Law.

(c) A pharmacist who, exercising his or her professional judgment pursuant to subdivision (b), refuses to supervise the number of non-licensed personnel scheduled by the pharmacy, shall notify the pharmacist-in-charge in writing of his or her determination, specifying the circumstances of concern with respect to the pharmacy or the non-licensed personnel that have led to the determination, within a reasonable period, but not to exceed 24 hours, after the posting of the relevant schedule.

...

20. California Code of Regulations, title 16, section 1776, states:

Pharmacies, hospitals/clinics with onsite pharmacies, distributors and reverse distributors licensed by the board may offer, under the requirements in this article, specified prescription drug take-back services through collection receptacles and/or mail back envelopes or packages to provide options for the public to discard unwanted, unused or outdated prescription drugs. Each entity must comply with regulations of the federal Drug Enforcement Administration (DEA) and this article.

Only California-licensed pharmacies, hospitals/clinics with onsite pharmacies, and drug distributors (licensed wholesalers and third-party logistics providers) who are registered with the DEA as collectors and licensed in good standing with the board may host a pharmaceutical take-back receptacle as authorized under this article.

COST RECOVERY

21. Section 125.3 of the Code states, 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.

FACTUAL ALLEGATIONS

22. The Board issued Pharmacy Permit 54225 on or about December 11, 2015 pursuant to Calix's initial application, which listed Manigbas as a seventy percent (70%) owner and Pacifico Alonson Digman Jr (Digman) as a corporate officer and thirty percent (30%) owner. On or about December 29, 2017, Digman disassociated as a corporate officer and surrendered his shares in Calix. Manigbas then purportedly became the one hundred percent (100%) owner of Calix and Calix's Chief Executive Officer. Calix did not report the aforementioned changes to the Board within thirty days.

23. At one time, Michael Ortenau (Ortenau) associated as corporate officer of Calix. In or around 2019, Ortenau disassociated as a corporate officer of Calix. Calix did not report Ortenau's association or disassociation to the Board within thirty days.

24. Chiu has been the Pharmacist-in-Charge of Calix since on or about May 6, 2017.

1 25. Board inspectors conducted an investigation into Calix. On or about December 18,
2 2019, Board inspectors visited the premises of Calix to conduct an inspection. Chiu, Manigbas,
3 and Pharmacy Technician Josua Montoya (Montoya) were present.

4 26. During the inspection, Board Inspectors Brodsky and Kaur observed boxes of
5 prescription medications that had been returned to Calix. Chiu admitted that Calix took
6 prescription medications and diabetic supplies back from patients but that Calix was not
7 registered with the Drug Enforcement Administration (DEA) as a collector to take back
8 medications.

9 27. Upon questioning, Chiu stated that Calix used a prescription template form with
10 check-off boxes to request prescriptions for diabetic supplies from prescribers. Chiu and
11 Montoya stated that patients of Calix would complete a survey to see if the patients were
12 interested in receiving diabetic supplies. Chiu stated that she did not know which websites had
13 the surveys. Chiu stated that “enrollment specialists” located in a room next to the pharmacy
14 would contact patients to obtain patient information, insurance details, and doctor information.

15 28. According to Chiu “patient advocates” based in Florida would send prescription
16 requests to doctors’ offices. The prescription request form bore the fax number of a location in
17 Florida. Upon receiving authorization, the patient advocates would purportedly contact the
18 patient to confirm the prescription. Chiu stated that confirmed prescriptions would be sent to the
19 pharmacy for processing and shipping. Chiu claimed that the patient advocates would also
20 contact the patients to confirm receipt of their packages and to inquire whether patients would
21 like to receive their other medications from Calix.

22 29. Chiu and Manigbas stated that Danny Porush (Porush) was Calix’s consultant, Joann
23 Leible (Leible) was Calix’s manager, and Jackie Brown (Brown) was one of the patient
24 advocates. Chiu and Manigbas stated that Porush, Leible, and Brown were located in Florida.
25 Chiu and Manigbas admitted that Brown was not a licensed pharmacy technician in California or
26 Florida and that she would type, process, and bill insurance for all new prescriptions for diabetic
27 supplies and/or prescription creams or ointments. The Board inspectors requested sample
28 prescriptions and labels for prescriptions typed and processed by Brown. They reviewed multiple

1 prescriptions in Calix's Digital Rx system that showed the initials "JLB" and the login name of
2 "JACKIE".

3 30. Chiu stated that employees located in Florida performed multiple job functions,
4 including entering and/or billing diabetic testing supplies and topical creams, acting as patient
5 advocates, receiving refill authorizations from doctors, and packaging and shipping packages.

6 31. Chiu stated that Pharmacy Technician Kalan Manning, TCH 175255, (Manning) had
7 moved to Florida and was working for Calix from one of the offices in Florida. Chiu stated that
8 Manning acted as a patient advocate. According to Chiu, Manning would call patients after
9 delivery of diabetic supplies to confirm receipt and to ask whether the patient would like to
10 receive other medications from the pharmacy. If so, Manning would send a prescription request
11 to the doctor's office. Manning would also call doctors' offices for refill authorization.

12 32. When asked about his job functions, Manigbas stated that he would process returns
13 which had been received due to an incorrect address and would handle daily orders of
14 prescription refills. When asked if he were the owner of Calix, Manigbas stated that he was the
15 owner "on paper." Manigbas stated that he had hired managing consultants who were located in
16 Florida to help manage the pharmacy. Manigbas stated that he did not make any financial
17 decisions and was not in charge of ordering medication or products. Manigbas stated that he
18 received a paycheck. Manigbas stated that Porush helped manage the pharmacy, managed the
19 patient advocates, hired and fired individuals, and made ordering decisions. Manigbas stated that
20 Leibel was an off-site manager whom he had hired.

21 33. Brown provided a statement to the Board investigators. Within that statement, Brown
22 admitted that she had access to Calix's Digital Rx software. Brown stated that, when a patient
23 called to ask if he/she was covered for a certain medication or supply, Brown used Digital Rx as a
24 reference to look up patients with similar insurance coverage. Brown also stated that she would
25 update patients' insurance information in Calix's Digital Rx system. Brown would also put notes
26 in Digital Rx for the pharmacist.

27 34. On or about March 18, 2021, the Board inspectors conducted another inspection of
28 Calix. During that inspection, the Board inspectors also visited the premises of RHL Enterprises,

1 Inc., which were across the street from Calix. Montoya stated that she believed Porush owned
2 RHL Enterprises, Inc., and another individual present at that location concurred. The persons
3 working at the RHL Enterprises location identified themselves as enrollment specialists for Calix.

4 35. During the inspection of Calix, Chiu and/or Montoya stated that Brown and another
5 individual named Adam would type, process, and bill prescriptions for diabetic supplies and
6 prescriptions for creams and ointments from Florida.

7 36. The Board inspectors asked Chiu who had been Calix's wholesalers for the last three
8 years for Freestyle Lite Test Strips. Chiu stated that Calix had previously used several
9 wholesalers, including Surplus Diabetics, Inc. (Surplus Diabetics). At the time that Calix
10 acquired Freestyle Lite Test Strips from Surplus Diabetics, that entity was neither the
11 manufacturer nor an authorized distributor of the Freestyle Lite Test Strips.

12 37. Per Manigbas, Porush and an accountant named Irving Marcus (Marcus) made
13 financial decisions for Calix. Marcus was also located in Florida. Manigbas stated that he did not
14 know who approved Calix's invoices for payment but that his signature would be used on the
15 checks. When asked who had access to the business account, Manigbas stated that Porush,
16 Marcus, and Montoya did and that it had been a long time since Manibas had logged into the
17 account.

18 38. The Board inspectors spoke with Porush during the inspection. Porush stated that he
19 owned the "call center" across the street. Porush stated that Leible, Brown, and Adam had access
20 to patient information from the location in Florida. Porush admitted that he did marketing and
21 drug buying for Calix. Porush stated that the individuals across the street were employees of
22 Calix and were paid by Calix.

23 39. The Board inspectors spoke with Porush again on or about April 30, 2021. Porush
24 stated that a pharmacy technician licensed in California but physically located in Florida had been
25 calling from there for refill authorizations. Porush claimed that he did not know why Brown's
26 initials appeared on one or more prescriptions.

27 40. When questioned about prescriptions that showed Brown's initials, Chiu stated that
28 Brown used the IP address of Calix but had been physically typing and billing from Florida using

1 the Digital Rx computer software. Chiu stated that she (Chiu) was only an employee and was not
2 actually the person in charge of Calix.

3 41. The Board inspectors conducted an audit for Freestyle Lite Test Strips based on the
4 records provided by Calix, the records provided by wholesalers, and the stock on hand counted
5 during the first inspection. The audit revealed a significant shortage of Freestyle Lite Test Strips.

6 **FIRST CAUSE FOR DISCIPLINE**

7 (Unprofessional Conduct—Violation of Laws Governing Pharmacies)

8 42. Calix is subject to disciplinary action under Code section 4301, subdivision (o), in
9 conjunction with Code section 4307, subdivision (a), and California Code of Regulations, title 16,
10 sections 1707.4, subdivision (a), 1717.1, subdivision (a), and 1793.3, subdivision (a), in that Calix
11 allowed individuals not located in a pharmacy licensed by the Board to process prescriptions
12 and/or refills, including accessing Calix's Digital Rx computer software and requesting refill
13 authorizations. Complainant incorporates paragraphs 22 through 41 as though fully set forth
14 herein.

15 **SECOND CAUSE FOR DISCIPLINE**

16 (Unprofessional Conduct—Records of Acquisition and Disposition)

17 43. Calix is subject to disciplinary action under Code section 4301, subdivisions (j) and
18 (o), in conjunction with Code section 4081, subdivision (d), for failure to retain records of
19 acquisition and sale of diabetes test devices dispensed on prescription for at least three years from
20 the date of making. Calix's records could not account for a significant inventory shortage of
21 Freestyle Lite Test Strips. Complainant incorporates paragraphs 22 through 41 as though fully set
22 forth herein.

23 **THIRD CAUSE FOR DISCIPLINE**

24 (Unprofessional Conduct—Acquisition of Diabetic Testing Supplies from Unauthorized Source)

25 44. Calix is subject to disciplinary action under Code section 4301, subdivisions (t) and
26 (u), in that Calix acquired nonprescription diabetes test devices from Surplus Diabetics and
27 submitted claims for reimbursement for such devices when Calix knew or should have known
28 that Surplus Diabetics was not the manufacturer or an authorized distributor as identified in Code

1 section 4160.5. Complainant incorporates paragraphs 22 through 41 as though fully set forth
2 herein.

3 **FOURTH CAUSE FOR DISCIPLINE**

4 (Unprofessional Conduct—Failure to Report Changes in Ownership and Officers)

5 45. Calix is subject to disciplinary action under Code section 4301, subdivision (o), in
6 conjunction with California Code of Regulations, title 16, section 1709, subdivision (a), in that
7 Calix failed to timely report changes in its owners and corporate officers to the Board.
8 Complainant incorporates paragraphs 22 through 41 as though fully set forth herein.

9 **FIFTH CAUSE FOR DISCIPLINE**

10 (Unprofessional Conduct—Drug Take Back Services)

11 46. Calix is subject to disciplinary action under Code section 4301, subdivision (o), in
12 conjunction with California Code of Regulations, title 16, section 1776 in that Calix took back
13 prescription medications and/or supplies but failed to comply with regulatory requirements to
14 host a pharmaceutical take-back receptacle. Complainant incorporates paragraphs 22 through 41
15 as though fully set forth herein.

16 **SIXTH CAUSE FOR DISCIPLINE**

17 (Unprofessional Conduct—Violation of Laws Governing Pharmacies)

18 47. Chiu is subject to disciplinary action under Code section 4301, subdivision (o), in
19 conjunction with Code section 4307, subdivision (a), and California Code of Regulations, title 16,
20 sections 1707.4, subdivision (a), 1717.1, subdivision (a), and 1793.3, subdivision (a), in that,
21 while Chiu was the pharmacist-in-charge, Calix allowed individuals not located in a pharmacy
22 licensed by the Board to process prescriptions and/or refills, including accessing Calix's Digital
23 Rx computer software and requesting refill authorizations. Complainant incorporates paragraphs
24 22 through 41 as though fully set forth herein.

25 **SEVENTH CAUSE FOR DISCIPLINE**

26 (Unprofessional Conduct—Records of Acquisition and Disposition)

27 48. Chiu is subject to disciplinary action under Code section 4301, subdivisions (j) and
28 (o), in conjunction with Code section 4081, subdivision (d), in that, while Chiu was the

1 pharmacist-in-charge, Calix failed to retain records of acquisition and sale of diabetes test devices
2 dispensed on prescription for at least three years from the date of making. While Chiu was
3 pharmacist-in-charge, Calix's records could not account for a significant inventory shortage of
4 Freestyle Lite Test Strips. Complainant incorporates paragraphs 22 through 41 as though fully set
5 forth herein.

6 **EIGHTH CAUSE FOR DISCIPLINE**

7 (Unprofessional Conduct—Acquisition of Diabetic Testing Supplies from Unauthorized Source)

8 49. Chiu is subject to disciplinary action under Code section 4301, subdivisions (t) and
9 (u), in that, while Chiu was the pharmacist-in-charge, Calix acquired nonprescription diabetes test
10 devices from Surplus Diabetics and submitted claims for reimbursement for such devices when
11 Calix knew or should have known that Surplus Diabetics was not the manufacturer or an
12 authorized distributor as identified in Code section 4160.5. Complainant incorporates paragraphs
13 22 through 41 as though fully set forth herein.

14 **NINTH CAUSE FOR DISCIPLINE**

15 (Unprofessional Conduct—Failure to Report Changes in Ownership and Officers)

16 50. Chiu is subject to disciplinary action under Code section 4301, subdivision (o), in
17 conjunction with California Code of Regulations, title 16, section 1709, subdivision (a), in that,
18 while Chiu was the pharmacist-in-charge, Calix failed to timely report changes in its owners and
19 corporate officers to the Board. Complainant incorporates paragraphs 22 through 41 as though
20 fully set forth herein.

21 **TENTH CAUSE FOR DISCIPLINE**

22 (Unprofessional Conduct—Drug Take Back Services)

23 51. Chiu is subject to disciplinary action under Code section 4301, subdivision (o), in
24 conjunction with California Code of Regulations, title 16, section 1776 in that, while Chiu was
25 the pharmacist-in-charge, Calix took back prescription medications and/or supplies but failed to
26 comply with regulatory requirements to host a pharmaceutical take-back receptacle. Complainant
27 incorporates paragraphs 22 through 41 as though fully set forth herein.

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1 **ELEVENTH CAUSE FOR DISCIPLINE**

2 (Unprofessional Conduct—Violation of Laws Governing Pharmacies)

3 52. Manigbas is subject to disciplinary action under Code section 4301, subdivision (o),
4 in conjunction with Code section 4307, subdivision (a), and California Code of Regulations, title
5 16, sections 1707.4, subdivision (a), 1717.1, subdivision (a), and 1793.3, subdivision (a), in that
6 Calix allowed individuals not located in a pharmacy licensed by the Board to process
7 prescriptions and/or refills, including accessing Calix's Digital Rx computer software and
8 requesting refill authorizations. Complainant incorporates paragraphs 22 through 41 as though
9 fully set forth herein.

10 **TWELFTH CAUSE FOR DISCIPLINE**

11 (Unprofessional Conduct—Records of Acquisition and Disposition)

12 53. Manigbas is subject to disciplinary action under Code section 4301, subdivisions (j)
13 and (o), in conjunction with Code section 4081, subdivision (d), in that Calix failed to retain
14 records of acquisition and sale of diabetes test devices dispensed on prescription for at least three
15 years from the date of making. Calix's records could not account for a significant inventory
16 shortage of Freestyle Lite Test Strips. Complainant incorporates paragraphs 22 through 41 as
17 though fully set forth herein.

18 **THIRTEENTH CAUSE FOR DISCIPLINE**

19 (Unprofessional Conduct—Acquisition of Diabetic Testing Supplies from Unauthorized Source)

20 54. Manigbas is subject to disciplinary action under Code section 4301, subdivisions (t)
21 and (u), in that, while Chiu was the pharmacist-in-charge, Calix acquired nonprescription diabetes
22 test devices from Surplus Diabetics and submitted claims for reimbursement for such devices
23 when Calix knew or should have known that Surplus Diabetics was not the manufacturer or an
24 authorized distributor as identified in Code section 4160.5. Complainant incorporates paragraphs
25 22 through 41 as though fully set forth herein.

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1 **FOURTEENTH CAUSE FOR DISCIPLINE**

2 (Unprofessional Conduct—Failure to Report Changes in Ownership and Officers)

3 55. Manigbas is subject to disciplinary action under Code section 4301, subdivision (o),
4 in conjunction with California Code of Regulations, title 16, section 1709, subdivision (a), in that
5 Calix failed to timely report changes in its owners and corporate officers to the Board.
6 Complainant incorporates paragraphs 22 through 41 as though fully set forth herein.

7 **FIFTEENTH CAUSE FOR DISCIPLINE**

8 (Unprofessional Conduct—Drug Take Back Services)

9 56. Manigbas is subject to disciplinary action under Code section 4301, subdivision (o),
10 in conjunction with California Code of Regulations, title 16, section 1776 in that Calix took back
11 prescription medications and/or supplies but failed to comply with regulatory requirements to
12 host a pharmaceutical take-back receptacle. Complainant incorporates paragraphs 22 through 41
13 as though fully set forth herein.

14 **OTHER MATTERS**

15 57. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number
16 PHY 54225 issued to Calix for conduct that occurred while Chiu was a manager, administrator,
17 owner, member, officer, director, associate, partner or other person with management or control
18 of Calix and had knowledge of or knowingly participated in any conduct for which the license
19 was disciplined, Chiu shall be prohibited from serving as manager, administrator, owner,
20 members, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit
21 Number PHY 54225 is placed on probation or until Pharmacy Permit Number PHY 54225 is
22 reinstated if it is revoked.

23 58. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number
24 PHY 54225 issued to Calix for conduct that occurred while Manigbas was a manager,
25 administrator, owner, member, officer, director, associate, partner or other person with
26 management or control of Calix and had knowledge of or knowingly participated in any conduct
27 for which the license was disciplined, Manigbas shall be prohibited from serving as manager,
28 administrator, owner, members, officer, director, associate, or partner of a licensee for five years

1 if Pharmacy Permit Number PHY 54225 is placed on probation or until Pharmacy Permit Number
2 PHY 54225 is reinstated if it is revoked.

3 59. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number
4 PHY 54225 issued to Calix for conduct that occurred while Porush was a manager, administrator,
5 owner, member, officer, director, associate, partner or other person with management or control
6 of Calix and had knowledge of or knowingly participated in any conduct for which the license
7 was disciplined, Porush shall be prohibited from serving as manager, administrator, owner,
8 members, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit
9 Number PHY 54225 is placed on probation or until Pharmacy Permit Number PHY 54225 is
10 reinstated if it is revoked.

11 **PRAYER**

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

14 1. Revoking or suspending Pharmacy Permit Number PHY 54225, issued to Calix
15 Drugs Pharmacy, Inc., Czar Ivan V. Manigbas, Owner;

16 2. Revoking or suspending Pharmacy Technician License Number TCH 135586, issued
17 to Czar Ivan V. Manigbas;

18 3. Revoking or suspending Registered Pharmacist License Number RPH 49855, issued
19 to Meng-Hui Chiu;

20 4. Prohibiting Czar Ivan V. Manigbas from serving as a manager, administrator, owner,
21 member, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit
22 Number PHY 54225 is placed on probation or until Pharmacy Permit Number PHY 54225 is
23 reinstated if Pharmacy Permit Number PHY 54225 is revoked;

24 5. Prohibiting Meng-Hui Chiu from serving as a manager, administrator, owner,
25 member, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit
26 Number PHY 54225 is placed on probation or until Pharmacy Permit Number PHY 54225 is
27 reinstated if Pharmacy Permit Number PHY 54225 is revoked;

1 6. Prohibiting Danny Porush from serving as a manager, administrator, owner, member,
2 officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number
3 PHY 54225 is placed on probation or until Pharmacy Permit Number PHY 54225 is reinstated if
4 Pharmacy Permit Number PHY 54225 is revoked;

5 7. Ordering Calix Drugs Pharmacy, Inc., Czar Ivan V. Manigbas, and Meng-Hui Chiu to
6 pay the Board of Pharmacy the reasonable costs of the investigation and enforcement of this case,
7 pursuant to Business and Professions Code section 125.3; and,

8 8. Taking such other and further action as deemed necessary and proper.
9
10

11 DATED: 10/23/2021
12

Signature on File

13 ANNE SODERGREN
14 Executive Officer
15 Board of Pharmacy
16 Department of Consumer Affairs
17 State of California
18 *Complainant*
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