

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

In the Matter of the Accusation Against:

**B3 HOLDINGS INC., DBA PORTER RANCH PHARMACY,
PHILIP WILLIAM BANKS
Pharmacy Permit No. PHY 48684,**

**MOJDEH ROUHANI
Pharmacist License No. RPH 46639,**

**PHILIP WILLIAM BANKS
Pharmacist License No. RPH 47038,**

and

**WHOLERX INC., DBA PORTER RANCH PHARMACY,
MOJDEH ROUHANI
Pharmacy Permit No. PHY 58025**

Respondents.

Agency Case No. 7163

OAH No. 2022050603

DECISION AND ORDER

The attached Stipulated Surrender of License and 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 February 8, 2023.

It is so ORDERED on January 9, 2023.

BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

By

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.

Seung W. Oh, Pharm.D.
Board President

1 ROB BONTA
Attorney General of California
2 ARMANDO ZAMBRANO
Supervising Deputy Attorney General
3 MARISSA N. HAMILTON
Deputy Attorney General
4 State Bar No. 322489
300 So. Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 269-6701
6 Facsimile: (916) 731-2126
E-mail: Marissa.Hamilton@doj.ca.gov
7 *Attorneys for Complainant*

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

12 In the Matter of the Accusation Against:

13 **B3 HOLDINGS INC., DBA PORTER**
RANCH PHARMACY, PHILIP WILLIAM
14 **BANKS**
15 **19950 Rinaldi Street, Suite 102**
Porter Ranch, CA 91326

16 **Pharmacy Permit No. PHY 48684,**

17 **MOJDEH ROUHANI**
18 **19300 Rinaldi Street #7512**
Northridge, CA 91327

19 **Pharmacist License No. RPH 46639,**

20 **PHILIP WILLIAM BANKS**
21 **19300 Rinaldi St., #7512**
Northridge, CA 91327

22 **Pharmacist License No. RPH 47038,**

23 **and**

24 **WHOLERX INC., DBA PORTER RANCH**
PHARMACY, MOJDEH ROUHANI
25 **19950 Rinaldi St., Ste. 102**
Porter Ranch, CA 91326

26 **Pharmacy Permit No. PHY 58025**

27 Respondents.
28

Case No. 7163

OAH No. 2022050603

STIPULATED SURRENDER OF
LICENSE AND ORDER AS TO
RESPONDENT B3 HOLDINGS INC.,
DBA PORTER RANCH PHARMACY,
PHARMACY PERMIT NO. PHY 48684
ONLY

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

3 **PARTIES**

4 1. Anne Sodergren (Complainant) is the Executive Officer of the Board of Pharmacy
5 (Board). She brought this action solely in her official capacity and is represented in this matter by
6 Rob Bonta, Attorney General of the State of California, by Marissa N. Hamilton, Deputy
7 Attorney General.

8 2. B3 Holdings Inc., dba Porter Ranch Pharmacy, Philip William Banks is represented
9 in this proceeding by attorney Armond Marcarian, whose address is 21650 Oxnard Street, Suite
10 1980, Woodland Hills, CA 91367.

11 3. On or about August 1, 2007, the Board issued Pharmacy Permit No. PHY 48684 to
12 B3 Holdings Inc., dba Porter Ranch Pharmacy (Respondent Porter Ranch Pharmacy 1). Philip
13 William Banks was the 100% shareholder, President, Secretary, and Treasurer/Chief Financial
14 Officer from February 23, 2017 to February 22, 2021, and the Pharmacist-In-Charge from August
15 1, 2007 to February 22, 2021. The Pharmacy Permit was cancelled and expired on February 22,
16 2021, pursuant to a change in ownership, and has not been renewed.

17 **JURISDICTION**

18 4. First Amended Accusation No. 7163 was filed before the Board, and is currently
19 pending against Respondent Porter Ranch Pharmacy 1. The First Amended Accusation and all
20 other statutorily required documents were properly served on Respondent Porter Ranch Pharmacy
21 1 on October 4, 2022. Respondent Porter Ranch Pharmacy 1 timely filed its Notice of Defense
22 contesting the Accusation. A copy of First Amended Accusation No. 7163 is attached as Exhibit
23 A and incorporated by reference.

24 **ADVISEMENT AND WAIVERS**

25 5. Respondent Porter Ranch Pharmacy 1 has carefully read, fully discussed with
26 counsel, and understands the charges and allegations in First Amended Accusation No. 7163.
27 Respondent Porter Ranch Pharmacy 1 also has carefully read, fully discussed with counsel, and
28 understands the effects of this Stipulated Surrender of License and Order.

6. Respondent Porter Ranch Pharmacy 1 is fully aware of its legal rights in this matter, including the right to a hearing on the charges and allegations in the First Amended Accusation; the right to confront and cross-examine the witnesses against them; the right to present evidence and to testify on its own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.

7. Respondent Porter Ranch Pharmacy 1 voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

CULPABILITY

8. Respondent Porter Ranch Pharmacy 1 understands that the charges and allegations in First Amended Accusation No. 7163, if proven at a hearing, constitute cause for imposing discipline upon its Pharmacy Permit.

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 First Amended 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 it enables the Board to issue an order accepting the surrender of their Pharmacy Permit without further process.

CONTINGENCY

11. This stipulation shall be subject to approval by the Board. Respondent Porter Ranch Pharmacy 1 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 Porter Ranch Pharmacy 1 or its counsel. By signing the stipulation, Respondent Porter Ranch Pharmacy 1 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

1 Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible
2 in any legal action between the parties, and the Board shall not be disqualified from further action
3 by having considered this matter.

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

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

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

15 **ORDER**

16 IT IS HEREBY ORDERED that Pharmacy Permit No. PHY 48684, issued to Respondent
17 B3 Holdings Inc., dba Porter Ranch Pharmacy, Philip William Banks (Respondent Porter Ranch
18 Pharmacy 1), is surrendered and accepted by the Board.

19 1. The surrender of Respondent Porter Ranch Pharmacy 1's Pharmacy Permit and the
20 acceptance of the surrendered license by the Board shall constitute the imposition of discipline
21 against Respondent Porter Ranch Pharmacy 1. This stipulation constitutes a record of the
22 discipline and shall become a part of Respondent Porter Ranch Pharmacy 1's license history with
23 the Board. Respondent Porter Ranch Pharmacy 1 understands and acknowledges that for
24 purposes of Business and Professions Code section 4307, this stipulated surrender is the same as a
25 revocation.

26 2. Respondent Porter Ranch Pharmacy 1 shall lose all rights and privileges as a
27 Pharmacy in California as of the effective date of the Board's Decision and Order.

28 ///

1 3. Respondent Porter Ranch Pharmacy 1 shall cause to be delivered to the Board its
2 pocket license and, if one was issued, its wall certificate on or before the effective date of the
3 Decision and Order.

4 4. If Respondent Porter Ranch Pharmacy 1 ever applies for licensure or petitions for
5 reinstatement in the State of California, the Board shall treat it as a new application for licensure.
6 Respondent Porter Ranch Pharmacy 1 must comply with all the laws, regulations and procedures
7 for licensure in effect at the time the application or petition is filed, and all of the charges and
8 allegations contained in First Amended Accusation No. 7163 shall be deemed to be true, correct
9 and admitted by Respondent Porter Ranch Pharmacy 1 when the Board determines whether to
10 grant or deny the application or petition.

11 5. If Respondent Porter Ranch Pharmacy 1 should ever apply or reapply for a new
12 license or certification, or petition for reinstatement of a license, by any other health care
13 licensing agency in the State of California, all of the charges and allegations contained in First
14 Amended Accusation, No. 7163 shall be deemed to be true, correct, and admitted by Respondent
15 Porter Ranch Pharmacy 1 for the purpose of any Statement of Issues or any other proceeding
16 seeking to deny or restrict licensure.

17 ///

18 ///

19 ///

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

ACCEPTANCE

I have carefully read the above Stipulated Surrender of License and Order and have fully discussed it with my attorney, Armond Marcarian. I understand the stipulation and the effect it will have on my Pharmacy Permit. I enter into this Stipulated Surrender of License and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board of Pharmacy.

DATED: _____

B3 HOLDINGS INC., DBA PORTER
RANCH PHARMACY, PHILIP WILLIAM
BANKS
Respondent

I have read and fully discussed with Respondent B3 Holdings Inc., dba Porter Ranch Pharmacy, Philip William Banks the terms and conditions and other matters contained in this Stipulated Surrender of License and Order. I approve its form and content.

DATED: _____

ARMOND MARCARIAN
Attorney for Respondent

///

///

///

///

///

///

///

///

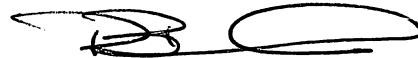
///

///

ACCEPTANCE

I have carefully read the above Stipulated Surrender of License and Order and have fully discussed it with my attorney, Armond Marcarian. I understand the stipulation and the effect it will have on my Pharmacy Permit. I enter into this Stipulated Surrender of License and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board of Pharmacy.

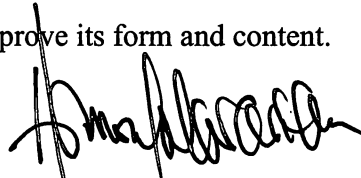
DATED: 11/1/2022



B3 HOLDINGS INC., DBA PORTER
RANCH PHARMACY, PHILIP WILLIAM
BANKS
Respondent

I have read and fully discussed with Respondent B3 Holdings Inc., dba Porter Ranch Pharmacy, Philip William Banks the terms and conditions and other matters contained in this Stipulated Surrender of License and Order. I approve its form and content.

DATED: November 1, 2022



ARMOND MARCARIAN
Attorney for Respondent

///

///

///

///

///

///

///

///

///

///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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: _____

Respectfully submitted,

ROB BONTA
Attorney General of California
ARMANDO ZAMBRANO
Supervising Deputy Attorney General

MARISSA N. HAMILTON
Deputy Attorney General
Attorneys for Complainant

LA2021602727
65532688.docx

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: 11/1/2022

Respectfully submitted,

ROB BONTA
Attorney General of California
ARMANDO ZAMBRANO
Supervising Deputy Attorney General

Marissa N. Hamilton

MARISSA N. HAMILTON
Deputy Attorney General
Attorneys for Complainant

LA2021602727
65532688.docx

Exhibit A

First Amended Accusation No. 7163

1 ROB BONTA
Attorney General of California
2 ARMANDO ZAMBRANO
Supervising Deputy Attorney General
3 MARISSA N. HAMILTON
Deputy Attorney General
4 State Bar No. 322489
300 So. Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 269-6701
6 Facsimile: (916) 731-2126
E-mail: Marissa.Hamilton@doj.ca.gov
7 *Attorneys for Complainant*

8
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. 7163

13 **B3 HOLDINGS INC., DBA PORTER**
RANCH PHARMACY, PHILIP WILLIAM
14 **BANKS**
15 **19950 Rinaldi Street, Suite 102**
Porter Ranch, CA 91326

FIRST AMENDED ACCUSATION

16 **Pharmacy Permit No. PHY 48684,**

17 **MOJDEH ROUHANI**
18 **19300 Rinaldi Street #7512**
Northridge, CA 91327

19 **Pharmacist License No. RPH 46639,**

20 **PHILIP WILLIAM BANKS**
21 **19300 Rinaldi St., #7512**
Northridge, CA 91327

22 **Pharmacist License No. RPH 47038,**

23 **and**

24 **WHOLERX INC., DBA PORTER RANCH**
PHARMACY, MOJDEH ROUHANI
25 **19950 Rinaldi St., Ste. 102**
Porter Ranch, CA 91326

26 **Pharmacy Permit No. PHY 58025**

27 Respondents.
28

PARTIES

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

5 2. On or about August 1, 2007, the Board of Pharmacy issued Pharmacy Permit Number
6 PHY 48684 to B3 Holdings Inc., dba Porter Ranch Pharmacy (Respondent Porter Ranch
7 Pharmacy 1). Philip William Banks was the 100% shareholder, President, Secretary, and
8 Treasurer/Chief Financial Officer from February 23, 2017 to February 22, 2021. In addition,
9 Philip William Banks was the Pharmacist-in-Charge from August 1, 2007 to February 22, 2021.
10 The Pharmacy Permit was cancelled and expired on February 22, 2021 pursuant to a change in
11 ownership, and has not been renewed.

12 3. On or about August 23, 1993, the Board of Pharmacy issued Pharmacist License
13 Number RPH 46639 to Mojdeh Rouhani (Respondent Rouhani). The Pharmacist License was in
14 full force and effect at all times relevant to the charges brought herein and will expire on
15 November 30, 2024, unless renewed.

16 4. On or about March 21, 1994, the Board of Pharmacy issued Pharmacist License
17 Number RPH 47038 to Philip William Banks (Respondent Banks). The Pharmacist License was
18 in full force and effect at all times relevant to the charges brought herein and will expire on
19 November 30, 2023, unless renewed.

20 5. On or about February 22, 2021, the Board of Pharmacy issued Pharmacy Permit
21 Number PHY 58025 to WholeRx Inc., dba Porter Ranch Pharmacy (Respondent Porter Ranch
22 Pharmacy 2). Mojdeh Rouhani is and has been the Chief Executive Officer, Chairman, President,
23 Director, Secretary, Treasurer/Chief Financial Officer, and Pharmacist-in-Charge since February
24 22, 2021. The Pharmacy Permit was in full force and effect at all times relevant to the charges
25 brought herein and will expire on February 1, 2023, unless renewed.

26 ///

27 ///

28 ///

JURISDICTION

6. This First Amended 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.

7. Section 4011 of the Code provides that the Board shall administer and enforce both the Pharmacy Law [Code sections 4000 et seq.] and the Uniform Controlled Substances Act [Health & Safety Code sections 11000 et seq].

8. Section 4300 of the Code states, in pertinent part, that “[e]very license issued may be suspended or revoked.”

9. Section 4300.1 of the Code states:

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.

10. Section 4302 of the Code states:

The board may deny, suspend, or revoke any license of a corporation where conditions exist in relation to any person holding 10 percent or more of the corporate stock of the corporation, or where conditions exist in relation to any officer or director of the corporation that would constitute grounds for disciplinary action against a licensee.

STATUTORY PROVISIONS

11. Section 4036.5 of the Code states:

“Pharmacist-in-charge” means a pharmacist proposed by a pharmacy and approved by the board as the supervisor or manager responsible for ensuring the pharmacy's compliance with all state and federal laws and regulations pertaining to the practice of pharmacy.

12. Section 4059, subdivision (a), of the Code states:

(a) A person may not furnish any dangerous drug, except upon the prescription of a physician, dentist, podiatrist, optometrist, veterinarian, or naturopathic doctor pursuant to Section 3640.7. A person may not furnish any dangerous device, except upon the prescription of a physician, dentist, podiatrist, optometrist, veterinarian, or naturopathic doctor pursuant to Section 3640.7.

///

///

13. Section 4081, subdivision (a) of the Code states:

(a) All records of manufacture and of sale, acquisition, receipt, shipment, 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, third-party logistics provider, pharmacy, veterinary food-animal drug retailer, outsourcing facility, physician, dentist, podiatrist, veterinarian, laboratory, licensed correctional clinic, as defined in Section 4187, 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.

14. Section 4110, subdivision (a) of the Code states:

(a) No person shall conduct a pharmacy in the State of California unless they have obtained a license from the board. A license shall be required for each pharmacy owned or operated by a specific person. A separate license shall be required for each of the premises of any person operating a pharmacy in more than one location. The license shall be renewed annually. The license shall not be renewed unless the applicant includes necessary matters identified by the board in the renewal application, including, but not limited to, notification to the board regarding compounding practices, including compounded human drug preparations distributed outside of the state. The board may, by regulation, determine the circumstances under which a license may be transferred.

15. Section 4113, subdivision (c), of the Code states, in pertinent part, [t]he 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."

16. 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 includes, but is not limited to, any of the following:

...

(d) The clearly excessive furnishing of controlled substances in violation of subdivision (a) of Section 11153 of the Health and Safety Code.

...

(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.

...

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

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
17. Section 4306.5 of the Code states:

Unprofessional conduct for a pharmacist may include any of the following:

(a) Acts or omissions that involve, in whole or in part, the inappropriate exercise of his or her education, training, or experience as a pharmacist, whether or not the act or omission arises in the course of the practice of pharmacy or the ownership, management, administration, or operation of a pharmacy or other entity licensed by the board.

(b) Acts or omissions that involve, in whole or in part, the failure to exercise or implement his or her best professional judgment or corresponding responsibility with regard to the dispensing or furnishing of controlled substances, dangerous drugs, or dangerous devices, or with regard to the provision of services.

(c) Acts or omissions that involve, in whole or in part, the failure to consult appropriate patient, prescription, and other records pertaining to the performance of any pharmacy function.

(d) Acts or omissions that involve, in whole or in part, the failure to fully maintain and retain appropriate patient-specific information pertaining to the performance of any pharmacy function.

18. 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 Section 4339 or any other provision of law.

19. Health and Safety Code Section 11153 states, in pertinent part:

(a) A prescription for a controlled substance shall only be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his or her professional practice. The responsibility for the proper prescribing and dispensing of controlled substances is upon the prescribing practitioner, but a corresponding responsibility rests with the pharmacist who fills the prescription. Except as authorized by this division, the following are not legal prescriptions:

(1) an order purporting to be a prescription which is issued not in the usual course of professional treatment or in legitimate and authorized research; or

(2) an order for an addict or habitual user of controlled substances, which is issued not in the course of professional treatment or as part of an authorized narcotic treatment program, for the purpose of providing the user with controlled substances, sufficient to keep him or her comfortable by maintaining customary use.

...

20. Health and Safety Code section 11162.1 states, in pertinent part:

(a) The prescription forms for controlled substances shall be printed with the following features:

(1) A latent, repetitive "void" pattern shall be printed across the entire front of the prescription blank; if a prescription is scanned or photocopied, the word "void" shall appear in a pattern across the entire front of the prescription.

(2) A watermark shall be printed on the backside of the prescription blank; the watermark shall consist of the words "California Security Prescription."

(3) A chemical void protection that prevents alteration by chemical washing.

(4) A feature printed in thermochromic ink.

(5) An area of opaque writing so that the writing disappears if the prescription is lightened.

(6) A description of the security features included on each prescription form.

...

///

1 21. Health and Safety Code section 11164 states, in pertinent part:

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

5 (a) Each prescription for a controlled substance classified in Schedule II, III, IV, or V,
6 except as authorized by subdivision (b), shall be made on a controlled substance
7 prescription form as specified in Section 11162.1 . . .

8 22. Health and Safety Code section 11165 states, in pertinent part:

9 (a) To assist health care practitioners in their efforts to ensure appropriate
10 prescribing, ordering, administering, furnishing, and dispensing of controlled
11 substances, law enforcement and regulatory agencies in their efforts to control the
12 diversion and resultant abuse of Schedule II, Schedule III, Schedule IV, and Schedule
13 V controlled substances, and for statistical analysis, education, and research, the
14 Department of Justice shall, contingent upon the availability of adequate funds in the
15 CURES Fund, maintain the Controlled Substance Utilization Review and Evaluation
16 System (CURES) for the electronic monitoring of, and internet access to information
17 regarding, the prescribing and dispensing of Schedule II, Schedule III, Schedule IV,
18 and Schedule V controlled substances by all practitioners authorized to prescribe,
19 order, administer, furnish, or dispense these controlled substances.

20 . . .

21 (d) For each prescription for a Schedule II, Schedule III, Schedule IV, or
22 Schedule V controlled substance, as defined in the controlled substances schedules in
23 federal law and regulations, specifically Sections 1308.12, 1308.13, 1308.14, and
24 1308.15, respectively, of Title 21 of the Code of Federal Regulations, the dispensing
25 pharmacy, clinic, or other dispenser shall report the following information to the
26 department or contracted prescription data processing vendor as soon as reasonably
27 possible, but not more than one working day after the date a controlled substance is
28 released to the patient or patient's representative, in a format specified by the
department:

(1) Full name, address, and, if available, telephone number of the ultimate user
or research subject, or contact information as determined by the Secretary of the
United States Department of Health and Human Services, and the gender and date of
birth of the ultimate user.

(2) The prescriber's category of licensure, license number, national provider
identifier (NPI) number, if applicable, the federal controlled substance registration
number, and the state medical license number of a prescriber using the federal
controlled substance registration number of a government-exempt facility.

(3) Pharmacy prescription number, license number, NPI number, and federal
controlled substance registration number.

(4) National Drug Code (NDC) number of the controlled substance dispensed.

(5) Quantity of the controlled substance dispensed.

///

(6) The International Statistical Classification of Diseases (ICD) Code contained in the most current ICD revision, or any revision deemed sufficient by the State Board of Pharmacy, if available.

(7) Number of refills ordered.

(8) Whether the drug was dispensed as a refill of a prescription or as a first-time request.

(9) Prescribing date of the prescription.

(10) Date of dispensing of the prescription.

(11) The serial number for the corresponding prescription form, if applicable.

REGULATORY PROVISIONS

23. California Code of Regulations, title 16, section 1761 states:

(a) No 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.

(b) Even after conferring with the prescriber, a pharmacist shall not compound or dispense a controlled substance prescription where the pharmacist knows or has objective reason to know that said prescription was not issued for a legitimate medical purpose.

24. California Code of Regulations, title 16, section 1735.2, subdivision (k), states:

(k) Prior to allowing any drug product preparation to be compounded in a pharmacy, the pharmacist-in-charge shall complete a self-assessment for compounding pharmacies developed by the board (Incorporated by reference is "Community Pharmacy & Hospital Outpatient Pharmacy Compounding Self-Assessment" Form 17M-39 Rev. 02/12.) as required by Section 1715 of Title 16, Division 17, of the California Code of Regulations. That form contains a first section applicable to all compounding, and a second section applicable to sterile injectable compounding. The first section must be completed by the pharmacist-in-charge before any compounding is performed in the pharmacy. The second section must be completed by the pharmacist-in-charge before any sterile compounding is performed in the pharmacy. The applicable sections of the self-assessment shall subsequently be completed before July 1 of each odd-numbered year, within 30 days of the start date of a new pharmacist-in-charge or change of location, and within 30 days of the issuance of a new pharmacy license. The primary purpose of the self-assessment is to promote compliance through self-examination and education.

25. Federal Code of Regulations, title 21, section 1306.04 states, in pertinent part:

(a) A prescription for a controlled substance to be effective must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice. The responsibility for the proper prescribing and dispensing of controlled substances is upon the prescribing practitioner, but a corresponding responsibility rests with the pharmacist who fills the prescription. An order purporting to be a prescription issued not in the usual course of professional treatment or in legitimate and authorized research is not a prescription within the

meaning and intent of section 309 of the Act (21 U.S.C. 829) and the person knowingly filling such a purported prescription, as well as the person issuing it, shall be subject to the penalties provided for violations of the provisions of law relating to controlled substances.

...

DANGEROUS DRUGS / CONTROLLED SUBSTANCES

26. Section 4021 of the Code states, in pertinent part:

Controlled substances: means any substance listed in Chapter 2 (commencing with Section 11053) of Division 10 of the Health and Safety Code.

27. Section 4022 states:

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

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

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

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

28. Drug classifications are as follows:

Generic Name	Brand Name	Dangerous Drug Per Code Section 4022	Controlled Substance Per Health & Safety Code (HSC)	Indications for Use
Alprazolam	Xanax	Yes	Yes – Schedule IV per HSC 11057(d)(1)	Anxiety
Apremilast	Otezla	Yes	No	Psoriasis/ Psoriatic Arthritis
Clonazepam	Klonopin	Yes	Yes – Schedule IV per HSC 11057(d)(7)	Anxiety
Dextroamphetamine/ Amphetamine	Adderall	Yes	Yes – Schedule II per HSC 11055(d)(1)	ADHD
Eszopiclone	Lunesta	Yes	Yes – Schedule IV per 21 CFR 1308.14(c)(58)	Insomnia

Fentanyl	Duragesic	Yes	Yes – Schedule II per HSC 11055(c)(8)	Pain
Gabapentin Encarbil	Horizant	Yes	No	Nerve Pain
Hydrocodone/ Acetaminophen	Norco	Yes	Yes – Schedule II per HSC 11055(b)(1)(I)(ii)	Pain
Hydrocodone/Ibuprofen	Vicoprofen	Yes	Yes – Schedule II per HSC 11055(b)(1)(I)(ii)	Pain
Hydromorphone	Dilaudid	Yes	Yes – Schedule II per HSC 11055(b)(1)(J)	Pain
Ketamine	N/A	Yes	Yes – Schedule III per HSC 11056(g)	Sedative/Pain
Lorazepam	Ativan	Yes	Yes – Schedule IV per HSC 11057(d)(16)	Anxiety
Oxycodone	Roxicodone	Yes	Yes – Schedule III per HSC 11055(b)(1)(M)	Pain
Suvorexant	Belsomra	Yes	Yes – Schedule IV per 21 CFR 1308.14(c)(52)	Insomnia
Temazepam	Restoril	Yes	Yes – Schedule IV per HSC 11057(d)(29)	Insomnia
Testosterone Gel	Androgel Gel	Yes	Yes – Schedule III per HSC 11056(f)(30)	Testosterone deficiency
Tramadol	Ultram	Yes	Yes – Schedule IV per 21 CFR 1308.14(b)(3)	Pain
Zolpidem	Ambien	Yes	Yes – Schedule IV per HSC 11057(d)(32)	Insomnia

COST RECOVERY

29. 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.

FACTUAL ALLEGATIONS

Change of Ownership

30. Porter Ranch Pharmacy had a change of ownership on or about February 22, 2021. Accordingly, all prescriptions dispensed prior to February 22, 2021 are associated with Respondent Porter Ranch Pharmacy 1, and all prescriptions dispensed after February 22, 2021 are associated with Respondent Porter Ranch Pharmacy 2. Respondent Banks served as the Pharmacist-in-Charge at Respondent Porter Ranch Pharmacy 1 from August 1, 2007 until the change of ownership on February 22, 2021. Respondent Rouhani is and has been the Pharmacist-in-Charge at Respondent Porter Ranch Pharmacy 2 since the change of ownership on February 22, 2021.

BOARD INVESTIGATION NO. 1

31. On or about March 16, 2021, a Board Inspector requested the following documents from Porter Ranch Pharmacy: electronic dispensing records from March 1, 2018 through March 16, 2021; original prescription documents; and all notes pertaining to the requested prescriptions and/or associated patients. On or about April 7, 2021, the Pharmacy provided the Board Inspector with the requested documentation.

General dispensing trends

32. Based on a review of the Pharmacy's dispensing records, the Board Inspector noted the following general dispensing trends for the time period of March 1, 2018 through March 16, 2021:

a. The Pharmacy dispensed a total of 172,830 prescriptions, of which 26,041 (approximately 15%) were controlled substance medications.

b. Approximately 16% of the controlled substance medications dispensed by the Pharmacy were paid for with cash.

c. One of the Pharmacy's most commonly dispensed controlled substances was Oxycodone 30mg. The Pharmacy dispensed at least 1053 prescriptions of Oxycodone 30mg

1 during the query period. Oxycodone is a commonly abused controlled substance. The 30mg
2 tablet is the highest dosage available. The 30mg tablets were dispensed by the Pharmacy
3 approximately 5 times more often than lower dosages (i.e., 5mg, 10mg, 15mg, 20mg).

4 d. The Pharmacy dispensed at least 544 early fills of controlled substances to 19 patients.

5 **Irregularities in prescriptions and prescribing patterns**

6 33. Based on review of the Pharmacy dispensing records and original prescription
7 documents, the Board Inspector determined that during the time period of March 1, 2018 through
8 March 16, 2021, Respondents Porter Ranch Pharmacy 1 and Porter Ranch Pharmacy 2 had
9 dispensed multiple prescriptions for controlled substances that exhibited objective factors of
10 irregularity—or red flags—for potential abuse without adequately ensuring the prescriptions were
11 issued for a legitimate medical purpose in the usual course of professional practice. Factors of
12 irregularity were evident in the prescription documents and prescribing patterns including but not
13 limited to the following:

14 34. **Prescriptions Dispensed Related to Dr. John Korzelius:**

15 a. Respondent Porter Ranch Pharmacy 1 filled approximately 329 prescriptions under
16 the prescribing authority of Dr. John Korzelius between March 19, 2018 and July 29, 2020.

17 b. Approximately 187, or 57%, of the prescriptions written by Dr. Korzelius and
18 dispensed by Respondent Porter Ranch Pharmacy 1 were for a controlled substance, which is not
19 consistent with the pattern of dispensing for the Pharmacy overall, which is approximately 15%
20 controlled substances.

21 c. Approximately 40% of the prescriptions written by Dr. Korzelius and dispensed by
22 Respondent Porter Ranch Pharmacy 1 were paid for with cash. Patients paid up to \$483.21 for 90
23 tablets of Oxycodone 30mg. This is not consistent with the amount of cash payments made for
24 controlled substances for the Pharmacy overall, which is approximately 16% cash payments for
25 controlled substances.

26 d. Oxycodone 30mg was Dr. Korzelius' most commonly prescribed medication,
27 accounting for approximately 43% of his total prescribing. Dr. Korzelius' frequent prescribing of
28 oxycodone 30 mg is incongruent with what would be expected for a physician practicing within

the scope of Dr. Korzelius' self-reported practice (i.e., general practice).

e. Pain was treated by Dr. Korzelius almost exclusively with 3 medications: Oxycodone 30mg, Ibuprofen 600mg, and Hydrocodone/Acetaminophen 10/325mg. It is irregular for a prescriber to treat their patients' pain with only 3 medications, as medications with differing mechanisms of action are typically prescribed due the variety of types of pain and presentation of symptoms.

f. Dr. Korzelius prescribed the highest strength Oxycodone 30mg to 88% of the patients he treated. Almost all of these patients were directed to take the medication three times daily for a total of 90mg a day, a high dosage which increased the risk for serious harm, overdose, and death. Given the great variability between patients' ages, weight, allergies, medical histories, and tolerance to narcotic medications, it would not be typical for all patients to receive identical prescription dosages.

g. Dr. Korzelius had addresses listed on the prescription documents in six different cities, some of which were located a far distance from the Pharmacy, including Encino, CA (approximately 16 miles away), Granada Hills, CA (approximately 5 miles away), Inglewood, CA (approximately 32 miles away), and Tarzana, CA (approximately 18 miles away), resulting in patients traveling unusual distances from Dr. Korzelius' offices to Porter Ranch Pharmacy to obtain prescriptions.

h. Despite the irregularities discussed above, the prescription documents collected did not contain documentation indicating that the Pharmacy contacted Dr. Korzelius to specifically address these irregularities prior to filling the prescriptions. The below table shows the pharmacist detail related to the controlled substance prescriptions written by Dr. Korzelius and dispensed by the Pharmacy during the query period:

Pharmacist	No. of Controlled Substance Prescriptions Dispensed	No. of Tablets Dispensed
Respondent Banks	120	11,155
Respondent Rouhani	66	6,165
Other Pharmacist	1	90
TOTAL	187	17,410

1 **35. Early Fills of Controlled Substances**

2 Early dispensing of controlled substances may contribute to prescription drug abuse as it
3 provides patients with excessive drugs. A controlled substance is considered “early” if it is filled
4 before a previously dispensed supply is exhausted; however, it is customary for pharmacies to
5 allow a 2-3 day grace period for a patients’ convenience and business hour limitations. Based on
6 a review of the prescription documents provided for the time period of March 1, 2018 through
7 March 16, 2021, the Board Inspector determined that Respondents Porter Ranch Pharmacy 1 and
8 Porter Ranch Pharmacy 2 dispensed early fills of controlled substances to patients (beyond the 2-
9 3 day grace period) with no inquiry or verification made with the various prescribers as to the
10 necessity for an early fill, including but not limited to the following:

11 a. **Patient A.R.**

- 12 • Patient A.R. received a total of 41 early fills of Hydrocodone/Ibuprofen
13 7.5mg/200mg tablets from to March 22, 2018 to March 3, 2021. Patient A.R.
14 received 21 consecutive early fills of Hydrocodone/Ibuprofen 7.5mg/200mg from
15 March 22, 2018 to April 4, 2019, and 18 consecutive early fills of
16 Hydrocodone/Ibuprofen 7.5mg/200mg from July 10, 2019 to June 9, 2020. This
17 means that nearly a 42-month (1,250 days) supply of Hydrocodone/Ibuprofen
18 7.5mg/200mg was dispensed to Patient A.R. over an 837 day period from March 22,
19 2018 to July 6, 2020, resulting in nearly a 14-month (413 days) supply surplus of
20 Hydrocodone/Ibuprofen 7.5mg/200mg dispensed to Patient A.R. In addition, 31 out
21 of the 52 total prescriptions of Hydrocodone/Ibuprofen 7.5mg/200mg dispensed to
22 Patient A.R. were paid for with cash.
- 23 • Patient A.R. also received 22 early fills of Lorazepam 1mg tablets from May 9, 2018
24 to September 3, 2020. Patient A.R. received 13 nearly consecutive early fills of
25 Lorazepam 1mg from May 9, 2018 to January 24, 2019. This means that a 14-month
26 (420 days) supply of Loraepam 1mg was dispensed to Patient A.R. over a 302 day
27 period from May 9, 2018 to March 7, 2019, resulting in nearly a 4-month (118 days)
28 supply surplus of Lorazepam 1mg dispensed to Patient A.R. In addition, 15 out of the

47 total prescriptions of Hydrocodone/Ibuprofen 7.5mg/200mg dispensed to Patient A.R. were paid for with cash.

b. **Patient B.W.**

- Patient B.W. received a total of 11 early fills of Alprazolam 0.5mg tablets from December 14, 2019 to February 14, 2021. Patient B.W. received nearly 9 consecutive early fills of Alprazolam 0.5mg from December 14, 2019 to October 7, 2020. This means that a 13-month (390 days) supply of Alprazolam 0.5mg was dispensed to Patient A.R. over a 323 day period from December 14, 2019 to November 1, 2020, resulting in nearly a 2-month (67 days) supply surplus of Alprazolam 0.5mg dispensed to Patient B.W.
- Patient B.W. also received 29 early fills of Zolpidem 10mg tablets from April 6, 2018 to February 24, 2021. Patient B.W. received 19 nearly consecutive early fills of Zolpidem 10mg from April 6, 2018 to October 28, 2019. This means that a 26-month (780 days) supply of Zolpidem 10mg was dispensed to Patient B.W. over a 595 day period from April 6, 2018 to November 22, 2019, resulting in nearly a 6-month (185 days) supply surplus of Zolpidem 10mg dispensed to Patient B.W. In addition, 19 out of the 47 total prescriptions of Zolpidem 10mg dispensed to Patient B.W. were paid for with cash.

c. **Patient D.C.**

- Patient D.C. received a total of 15 nearly consecutive early fills of Dextroamphetamine/Amphetamine 20mg tablets from May 30, 2019 to May 11, 2020. This means that a 17-month (510 days) supply of Dextroamphetamine/Amphetamine 20mg was dispensed to Patient D.C. over a 377 day period from May 30, 2019 to June 10, 2020, resulting in a 4-month (133 days) supply surplus of Dextroamphetamine/Amphetamine 20mg dispensed to Patient D.C.
- Patient D.C. also received a total of 24 early fills of Lorazepam 2mg tablets from June 30, 2018 to June 23, 2020. Patient D.C. received 19 nearly consecutive early fills of Lorazepam 2mg from June 19, 2019 to June 23, 2020. This means that a 19-

1 month (570 days) supply of Lorazepam 2mg was dispensed to Patient D.C. over a
2 400 day period from June 19, 2019 to July 26, 2020, resulting in a 5-month (170
3 days) supply surplus of Lorazepam 2mg dispensed to Patient D.C. In addition, 11 out
4 of the 33 total prescriptions of Lorazepam 2mg dispensed to Patient D.C. were paid
5 for with cash.

- 6 • Patient D.C. also received a total of 16 early fills of Zolpidem 5mg tablets from
7 August 24, 2018 to June 13, 2020. Patient D.C. received 14 nearly consecutive early
8 fills of Zolpidem 5mg from August 14, 2019 to June 13, 2020. This means that an
9 18-month (540 days) supply of Zolpidem 5mg was dispensed to Patient D.C. over a
10 330 day period from August 14, 2019 to July 9, 2020, resulting in a 7-month (210
11 days) supply surplus of Zolpidem 5mg dispensed to Patient D.C. In addition, 33 out
12 of the 37 total prescriptions of Zolpidem 5mg dispensed to Patient D.C. were paid for
13 with cash.

14 d. **Patient K.B.**

- 15 • Patient K.B. received a total of 17 nearly consecutive early fills of Fentanyl 100
16 mcg/hr patches from March 30, 2019 to March 28, 2020. This means that a 20-
17 month (605 days) supply of Fentanyl 100 mcg/hr was dispensed to Patient K.B. over
18 a 395 day period from March 30, 2019 to April 28, 2020, resulting in a 7-month (210
19 days) supply surplus of Fentanyl 100 mcg/hr dispensed to Patient K.B.
- 20 • Patient K.B. also received a total of 14 nearly consecutive early fills of Fentanyl 25
21 mcg/hr patches from March 30, 2019 to March 26, 2020. This means that an 18-
22 month (540 days) supply of Fentanyl 25 mcg/hr was dispensed to Patient K.B. over a
23 395 day period from March 30, 2019 to April 28, 2020, resulting in a nearly 5-month
24 (145 days) supply surplus of Fentanyl 25 mcg/hr dispensed to Patient K.B.
- 25 • Patient K.B. also received a total of 14 nearly consecutive early fills of
26 Hydromorphone 2mg from March 30, 2019 to May 26, 2020. This means that an 18-
27 month (540 days) supply of Hydromorphone 2mg was dispensed to Patient K.B. over
28 a 452 day period from March 30, 2019 to June 24, 2020, resulting in a nearly 3-

month (88 days) supply surplus of Hydromorphone 2mg dispensed to Patient K.B.

- Patient K.B. also received a total of 12 early fills of Hydromorphone 4mg from March 30, 2019 to February 27, 2021, several of which were consecutive.

e. **Patient R.H.**

- Patient R.H. received a total of 17 nearly consecutive early fills of Alprazolam 1mg tablets from December 18, 2019 to March 7, 2021. This means that a 19-month (570 days) supply of Alprazolam 1mg was dispensed to Patient R.H. over a 475 day period from December 18, 2019 to April 6, 2021, resulting in a 3-month (95 days) supply surplus of Alprazolam 1mg dispensed to Patient R.H.

f. **Patient M.B.**

- Patient M.B. received a total of 23 early fills of Androgel 1.62% from November 16, 2018 to November 13, 2020. This means that a 30-month (900 days) supply of Androgel 1.62% was dispensed to Patient M.B. over a 758 day period from November 16, 2018 to December 13, 2020, resulting in a nearly 5-month (142 days) supply surplus of Androgel 1.62% dispensed to Patient M.B.

g. **Patient B.W.**

- Patient B.W. received a total of 20 early fills of Dextroamphetamine/Amphetamine 30mg tablets from March 21, 2018 to April 5, 2020. Patient B.W. received 12 nearly consecutive early fills of Dextroamphetamine/Amphetamine 30mg from March 21, 2018 to December 4, 2018. This means that a nearly 14-month (412 days) supply of Dextroamphetamine/Amphetamine 30mg was dispensed to Patient B.W. over a 309 day period from March 21, 2018 to January 24, 2019, resulting in a nearly 4-month (103 days) supply surplus of Dextroamphetamine/Amphetamine 30mg dispensed to Patient B.W. Moreover, Patient B.W. received 8 nearly consecutive early fills of Dextroamphetamine/Amphetamine 30mg from November 7, 2019 to April 5, 2020. This means that a nearly 9-month (270 days) supply of Dextroamphetamine/Amphetamine 30mg was dispensed to Patient B.W. over a 175 day period from November 7, 2019 to April 30, 2020, resulting in a nearly 3-month (95 days) supply

surplus of Dextroamphetamine/Amphetamine 30mg dispensed to Patient B.W. In addition, 37 out of the 38 total prescriptions of Dextroamphetamine/Amphetamine 30mg dispensed to Patient B.W. were paid for with cash.

h. **Patient R.F.**

- Patient R.F. received a total of 15 early fills of Clonazepam 1mg tablets from September 16, 2018 to January 27, 2021. Patient R.F. received 12 nearly consecutive early fills of Clonazepam 1mg from September 16, 2018 to August 26, 2019. This means that a nearly 16-month (480 days) supply of Clonazepam 1mg was dispensed to Patient R.F. over a 369 day period from September 16, 2018 to September 20, 2019, resulting in a nearly 4-month (111 days) supply surplus of Clonazepam 1mg dispensed to Patient R.F.

i. **Patient K.H.**

- Patient K.H. received a total of 30 early fills of Alprazolam 0.5mg tablets from September 19, 2018 to March 12, 2021. Patient K.F. received 12 nearly consecutive early fills of Alprazolam 0.5mg from March 8, 2019 to October 16, 2019. This means that a 13-month (390 days) supply of Alprazolam 0.5mg was dispensed to Patient K.H. over a 250 day period from March 8, 2019 to November 13, 2019, resulting in a nearly 5-month (140 days) supply surplus of Alprazolam 0.5mg dispensed to Patient K.H. Moreover, Patient K.H. received 17 nearly consecutive early fills of Alprazolam 0.5mg from January 25, 2020 to March 12, 2021. This means that a 20-month (600 days) supply of Alprazolam 0.5mg was dispensed to Patient K.H. over a 442 day period from January 25, 2020 to April 11, 2021, resulting in a 5-month (158 days) supply surplus of Alprazolam 0.5mg dispensed to Patient K.H.

j. **Patient R.R.**

- Patient R.R. received a total of 34 nearly consecutive early fills of Tramadol 50mg tablets from April 12, 2018 to January 29, 2021. This means that a 41-month (1,241 days) supply of Tramadol 50mg was dispensed to Patient R.R. over a 1,048 day

period from April 12, 2018 to February 23, 2021, resulting in a 6-month (193 days) supply surplus of Tramadol 50mg dispensed to Patient R.R.

k. **Patient B.L.**

- Patient B.L. received a total of 15 early fills of Belsomra 20mg tablets from October 3, 2018 to April 21, 2020. Patient B.L. received 13 nearly consecutive early fills of Belsomra 20mg from October 3, 2018 to September 27, 2019. This means that a 16-month (480 days) supply of Belsomra 20mg was dispensed to Patient B.L. over a 386 day period from October 3, 2018 to October 24, 2019, resulting in a nearly 3-month (94 days) supply surplus of Belsomra 20mg dispensed to Patient B.L.
- Patient B.L. also received a total of 18 early fills of Librax 5mg/2.5mg capsules from August 31, 2018 to May 1, 2020. Patient B.L. received 14 nearly consecutive early fills of Librax 5mg/2.5mg from August 31, 2018 to August 23, 2019. This means that a 17-month (510 days) supply of Librax 5mg/2.5mg was dispensed to Patient B.L. over a 391 day period from August 31, 2018 to September 26, 2019, resulting in a nearly 4-month (119 days) supply surplus of Librax 5mg/2.5mg dispensed to Patient B.L.

l. **Patient R.H.**

- Patient R.H. received a total of 19 early fills of Oxycodone 20mg tablets from July 19, 2018 to February 5, 2021. Patient R.H. received 11 nearly consecutive early fills of Oxycodone 20mg from July 19, 2018 to May 8, 2019. This means that a 13-month (395 days) supply of Oxycodone 20mg was dispensed to Patient R.H. over a 314 day period from July 19, 2018 to May 29, 2019, resulting in a nearly 3-month (81 days) supply surplus of Oxycodone 20mg dispensed to Patient R.H.

m. **Patient A.B.**

- Patient A.B. received a total of 30 nearly consecutive early fills of Temazepam 15mg capsules from June 27, 2018 to January 4, 2021. This means that a 40-month (1,206 days) supply of Temazepam 15mg was dispensed to Patient A.B. over a 939 day period from June 27, 2018 to January 21, 2021, resulting in a nearly 9-month (267 days) supply surplus of Temazepam 15mg dispensed to Patient A.B.

1 n. **Patient W.M.**

- 2 • Patient W.M. received a total of 24 nearly consecutive early fills of Lunesta 2mg
3 tablets from September 27, 2018 to December 7, 2020. This means that a 33-month
4 (990 days) supply of Lunesta 2mg was dispensed to Patient W.M. over a 846 day
5 period from September 27, 2018 to January 20, 2021, resulting in a nearly 5-month
6 (144 days) supply surplus of Lunesta 2mg dispensed to Patient W.M.

7 o. **Patient G.T.**

- 8 • Patient G.T. received a total of 14 early fills of Tramadol 50mg tablets from
9 September 6, 2018 to October 12, 2020. Patient G.T. received 8 nearly consecutive
10 early fills of Tramadol 50mg from September 6, 2018 to March 12, 2019. This
11 means that a 9-month (270 days) supply of Tramadol 50mg was dispensed to Patient
12 G.T. over a 217 day period from September 16, 2018 to April 11, 2019, resulting in a
13 nearly 2-month (53 days) supply surplus of Tramadol 50mg dispensed to Patient G.T.

14 p. **Patient A.M.**

- 15 • Patient A.M. received a total of 17 early fills of Zolpidem 10mg tablets from June 10,
16 2018 to February 10, 2021, many of which were consecutive.

17 q. **Patient D.Z.**

- 18 • Patient D.Z. received a total of 18 early fills of Zolpidem 10mg tablets from August
19 1, 2018 to January 7, 2021, many of which were consecutive. Patient D.Z. received
20 10 early fills of Zolpidem 10mg from August 15, 2019 to August 26, 2020. This
21 means that a 17-month (510 days) supply of Zolpidem 10mg was dispensed to Patient
22 D.Z. over a 415 day period from August 15, 2020 to September 23, 2020, resulting in
23 a nearly 3-month (95 days) supply surplus of Zolpidem 10mg dispensed to Patient
24 D.Z.

25 r. **Patient C.R.**

- 26 • Patient C.R. received a total of 18 early fills of Tramadol 50mg tablets from July 12,
27 2019 to March 11, 2021. Patient C.R. received 12 early fills of Tramadol 50mg from
28 May 13, 2020 to March 11, 2021. This means that a 14-month (420 days) supply of

Tramadol 50mg was dispensed to Patient C.R. over a 332 day period from May 13, 2020 to April 10, 2021, resulting in a nearly 3-month (88 days) supply surplus of Tramadol 50mg dispensed to Patient C.R.

s. **Patient R.L.**

- Patient R.L. received a total of 17 early fills of Clonazepam 2mg tablets from August 17, 2018 to January 27, 2021. Patient R.L. received 13 nearly consecutive early fills of Clonazepam 2mg from August 17, 2018 to June 14, 2019. This means that a 14-month (420 days) supply of Clonazepam 2mg was dispensed to Patient R.L. over a 333 day period from August 17, 2018 to July 16, 2019, resulting in a nearly 3-month (87 days) supply surplus of Clonazepam 2mg dispensed to Patient R.L.

t. A total of 544 early fills were dispensed by the Pharmacy during the query period of March 1, 2018 to March 16, 2021, of which 538 of the early fills were dispensed by Respondent Porter Ranch Pharmacy 1, and 6 of the early fills were dispensed by Respondent Porter Ranch Pharmacy 2. The below table shows the pharmacist detail related to the early fills dispensed by the Pharmacy during the query period:

Patient	Prescription	No. of Early Fills Dispensed by Respondent Banks	No. of Early Fills Dispensed by Respondent Rouhani
A.R.	Hydrocodone/Ibuprofen 7.5mg/200mg TAB	35	6
A.R.	Lorazepam 1mg TAB	12	10
B.W.	Alprazolam 0.5mg TAB	6	5
B.W.	Zolpidem 10mg TAB	18	11
D.C.	Dextroamphetamine/Amphetamine 20mg TAB	4	11
D.C.	Lorazepam 2mg TAB	14	10
D.C.	Zolpidem 5mg TAB	8	8
K.B.	Fentanyl 100 Mcg/Hr PAT	12	5
K.B.	Fentanyl 25 Mcg/Hr PAT	8	6
K.B.	Hydromorphone 2mg TAB	11	3
K.B.	Hydromorphone 4mg TAB	8	4
R.H.	Alprazolam 1mg TAB	7	10
M.B.	Androgel 1.62% GEL	23	0
B.W.	Dextroamphetamine/Amphetamine 30mg TAB	13	7
R.F.	Clonazepam 1mg tab	8	7

K.H.	Alprazolam 0.5mg TAB	17	13
R.R.	Tramadol 50mg TAB	27	7
B.L.	Belsomra 20mg TAB	9	6
B.L.	Librax 5mg/2.5mg CAP	15	3
R.H.	Oxycodone 20mg TAB	13	6
A.B.	Temazepam 15mg CAP	23	7
W.M.	Lunesta 2mg TAB	18	6
G.T.	Tramadol 50mg TAB	7	7
A.M.	Zolpidem 10mg TAB	14	3
D.Z.	Zolpidem 10mg TAB	12	6
C.R.	Tramadol 50mg TAB	15	3
R.L.	Clonazepam 2mg TAB	13	4
TOTAL		370	174

36. Non-Compliant Prescription Documents

a. Based on review of the Pharmacy original prescription documents, the Board Inspector determined that 3 controlled substance prescriptions written by Dr. Joseph Dinglasan and dispensed by Respondent Porter Ranch Pharmacy 1 did not conform to the requirements of Health and Safety Code section 11162.1 in that they lacked the "California Security Prescription" watermark. This omitted security feature alone invalidated the prescriptions and visibly indicated that the prescriptions were not written legitimately. Respondent Rouhani was noted in the Pharmacy dispensing records as the dispensing pharmacist for all 3 of these non-compliant prescription documents from Dr. Dinglasan. The prescription documents collected did not contain documentation indicating that the Pharmacy contacted Dr. Dinglasan to specifically address the deficiencies prior to filling the prescriptions. The below table shows the dispensing detail related to non-compliant prescription documents from Dr. Dinglasan dispensed by the Pharmacy during the query period:

Patient	Prescription	Written Date	Dispensed Date	Payment Method	Pharmacist
L.R.	Oxycodone 30mg	1/27/2020	1/29/2020	Cash	Respondent Rouhani
L.R.	Oxycodone 30mg	2/21/2020	2/24/2020	Cash	Respondent Rouhani
L.R.	Oxycodone 30mg	3/25/2020	3/30/2020	Cash	Respondent Rouhani

///

///

1 *As to Respondent B3 Holdings Inc., dba Porter Ranch Pharmacy (Porter Ranch Pharmacy 1)*

2 **FIRST CAUSE FOR DISCIPLINE**

3 **(Failure to Exercise or Implement Corresponding Responsibility)**

4 37. Respondent Porter Ranch Pharmacy 1 is subject to disciplinary action under Code
5 sections 4301, subdivisions (d), (j) and (o), and 4306.5, subdivisions (a) and (b), in conjunction
6 with Health and Safety Code section 11153, subdivision (a), California Code of Regulations, title
7 16, section 1761, and Federal Code of Regulations, title 21, section 1306.04, subdivision (a), in
8 that Respondent Porter Ranch Pharmacy 1 failed to exercise or implement their best professional
9 judgment or corresponding responsibility with regard to the dispensing or furnishing of controlled
10 substances or dangerous drugs, or with regard to the provision of services, as follows:

11 a. Respondent Porter Ranch Pharmacy 1 dispensed at least 187 controlled substance
12 prescriptions (17,410 tablets) written by Dr. Korzelius in the presence of multiple factors of
13 irregularity or red flags suggesting that they were not written for legitimate medical purposes.

14 b. Respondent Porter Ranch Pharmacy 1 dispensed at least 538 early fills of controlled
15 substances to 19 patients.

16 Complainant refers to, and by this reference incorporates, the allegations set forth above in
17 paragraphs 30-36, as though set forth in full herein.

18 **SECOND CAUSE FOR DISCIPLINE**

19 **(Filling or Dispensing Improper or Erroneous or Uncertain Prescriptions**
20 **for Controlled Substances)**

21 38. Respondent Porter Ranch Pharmacy 1 is subject to disciplinary action under Code
22 sections 4301, subdivisions (j), and (o), and 4306.5, subdivisions (a) and (b), in conjunction with
23 Health and Safety Code sections 11162.1, subdivision (a)(2), and 11164, California Code of
24 Regulations, title 16, section 1761, and Federal Code of Regulations, title 21, section 1306.04,
25 subdivision (a), in that Respondent Porter Ranch Pharmacy 1 filled or dispensed controlled
26 substance prescriptions that did not comply with the form requirements of Health and Safety
27 Code section 11162.1, in that the prescriptions lacked the "California Security Prescription"
28 watermark printed on the backside of the document, and/or contained any significant error,

omission, irregularity, uncertainty, ambiguity or alteration. Complainant refers to, and by this reference incorporates, the allegations set forth in above paragraphs 30-36, as though set forth in full herein.

As to Respondent Mojdeh Rouhani

THIRD CAUSE FOR DISCIPLINE

(Failure to Exercise or Implement Corresponding Responsibility)

39. Respondent Rouhani is subject to disciplinary action under Code sections 4301, subdivisions (d), (j) and (o), 4306.5, subdivisions (a) and (b), and 4113, subdivision (c), in conjunction with Health and Safety Code section 11153, subdivision (a), California Code of Regulations, title 16, section 1761, and Federal Code of Regulations, title 21, section 1306.04, subdivision (a), in that Respondent Rouhani failed to exercise or implement their best professional judgment or corresponding responsibility with regard to the dispensing or furnishing of controlled substances or dangerous drugs, or with regard to the provision of services, as follows:

a. Respondent Rouhani was the dispensing pharmacist on at least 66 controlled substance prescriptions (6,165 tablets) written by Dr. Korzelius that had multiple factors of irregularity or red flags suggesting that they were not written for legitimate medical purposes.

b. Respondent Rouhani was the dispensing pharmacist on at least 174 early fills of controlled substances to 18 patients.

c. After the change of ownership on February 22, 2021, where Respondent Rouhani served as the Pharmacist-in-Charge during the relevant period, the Porter Ranch Pharmacy dispensed 6 early fills of controlled substances to patients.

Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 30-36, as though set forth in full herein.

///

///

///

///

1 **FOURTH CAUSE FOR DISCIPLINE**

2 **(Filling or Dispensing Improper or Erroneous or Uncertain Prescriptions**
3 **for Controlled Substances)**

4 40. Respondent Rouhani is subject to disciplinary action under Code sections 4301,
5 subdivisions (j), and (o), and 4306.5, subdivisions (a) and (b), in conjunction with Health and
6 Safety Code sections 11162.1, subdivision (a)(2), and 11164, California Code of Regulations, title
7 16, section 1761, and Federal Code of Regulations, title 21, section 1306.04, subdivision (a), in
8 that Respondent Rouhani filled or dispensed controlled substance prescriptions that did not
9 comply with the form requirements of Health and Safety Code section 11162.1, in that the
10 prescriptions lacked the "California Security Prescription" watermark printed on the backside of
11 the document, and/or contained any significant error, omission, irregularity, uncertainty,
12 ambiguity or alteration. Complainant refers to, and by this reference incorporates, the allegations
13 set forth in above paragraphs 30-36, as though set forth in full herein.

14 *As to Respondent Philip William Banks*

15 **FIFTH CAUSE FOR DISCIPLINE**

16 **(Failure to Exercise or Implement Corresponding Responsibility)**

17 41. Respondent Banks is subject to disciplinary action under Code sections 4301,
18 subdivisions (d), (j) and (o), 4306.5, subdivisions (a) and (b), and 4113, subdivision (c), in
19 conjunction with Health and Safety Code section 11153, subdivision (a), California Code of
20 Regulations, title 16, section 1761, and Federal Code of Regulations, title 21, section 1306.04,
21 subdivision (a), in that Respondent Banks failed to exercise or implement their best professional
22 judgment or corresponding responsibility with regard to the dispensing or furnishing of controlled
23 substances or dangerous drugs, or with regard to the provision of services, as follows:

24 a. Prior to the change of ownership on February 22, 2021, where Respondent Banks
25 served as the Pharmacist-in-Charge during the relevant period, the Porter Ranch Pharmacy
26 dispensed at least 187 controlled substance prescriptions (17,410 tablets) written by Dr. Korzelius
27 in the presence of multiple factors of irregularity or red flags suggesting that they were not
28 written for legitimate medical purposes. Of which, Respondent Banks was the dispensing

1 pharmacist on at least 120 of the controlled substance prescriptions (11,155 tablets) written by Dr.
2 Korzelius.

3 b. Prior to the change of ownership on February 22, 2021, where Respondent Banks
4 served as the Pharmacist-in-Charge during the relevant period, the Pharmacy dispensed at least
5 538 early fills of controlled substances to 19 patients. Of which, Respondent Banks was the
6 dispensing pharmacist on at least 370 early fills of controlled substances to 19 patients.

7 Complainant refers to, and by this reference incorporates, the allegations set forth above in
8 paragraphs 30-36, as though set forth in full herein.

9 **SIXTH CAUSE FOR DISCIPLINE**

10 **(Filling or Dispensing Improper or Erroneous or Uncertain Prescriptions**
11 **for Controlled Substances)**

12 42. Respondent Banks is subject to disciplinary action under Code sections 4301,
13 subdivisions (j), and (o), 4306.5, subdivisions (a) and (b), and 4113, subdivision (c), in
14 conjunction with Health and Safety Code sections 11162.1, subdivision (a)(2), and 11164,
15 California Code of Regulations, title 16, section 1761, and Federal Code of Regulations, title 21,
16 section 1306.04, subdivision (a), in that, while Respondent Banks served as the Pharmacist-in-
17 Charge during the relevant period, the Pharmacy filled or dispensed controlled substance
18 prescriptions that did not comply with the form requirements of Health and Safety Code section
19 11162.1, in that the prescriptions lacked the “California Security Prescription” watermark printed
20 on the backside of the document, and/or contained any significant error, omission, irregularity,
21 uncertainty, ambiguity or alteration. Complainant refers to, and by this reference incorporates,
22 the allegations set forth in above paragraphs 30-36, as though set forth in full herein.

23 *As to Respondent WholerRx Inc., dba Porter Ranch Pharmacy (Porter Ranch Pharmacy 2)*

24 **SEVENTH CAUSE FOR DISCIPLINE**

25 **(Failure to Exercise or Implement Corresponding Responsibility / Filling or Dispensing**
26 **Improper or Erroneous or Uncertain Prescriptions for Controlled Substances)**

27 43. Respondent Porter Ranch Pharmacy 2 is subject to disciplinary action under Code
28 sections 4301, subdivisions (d), (j) and (o), and 4306.5, subdivisions (a) and (b), in conjunction

with Health and Safety Code section 11153, subdivision (a), California Code of Regulations, title 16, section 1761, and Federal Code of Regulations, title 21, section 1306.04, subdivision (a), in that Respondent Porter Ranch Pharmacy 2 failed to exercise or implement their best professional judgment or corresponding responsibility with regard to the dispensing or furnishing of controlled substances or dangerous drugs, or with regard to the provision of services, and/or filled or dispensed controlled substance prescriptions that contained any significant error, omission, irregularity, uncertainty, ambiguity or alteration when they filled or dispensed at least 6 early fills of controlled substances to patients. Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 30-36, as though set forth in full herein.

BOARD INVESTIGATION NO. 2

Drug Audit Review

44. In or around November 2021, a Board Inspector requested the following documents from Porter Ranch Pharmacy: a list of wholesalers used from June 1, 2019 through June 30, 2020, and the acquisition and disposition records for specific drugs including but not limited to Horizant ER and Otezla. Porter Ranch Pharmacy confirmed that their only wholesalers during the relevant period were Cardinal Health and Anda. The Board Inspector obtained the records of Porter Ranch Pharmacy's drug purchase records from Cardinal Health and Anda.

45. Based on a review of the documentation, the Board Inspector's audit determined that, during the period of June 1, 2019 and June 30, 2020, Respondent Porter Ranch Pharmacy 1 had an inventory shortage, as summarized in the table below:

Drug	Initial Inventory	Purchases	Total Inventory	Amount Dispensed	Amount Returned	Discrepancy Amount
Horizant ER 300mg	0	0	0	240 tabs	0	-240 tabs (8 bottles)
Otezla 30mg	0	0	0	1080 tabs	0	-1080 tabs (18 bottles)

46. The audit revealed a shortage of 240 tablets (8 bottles) of Horizant ER 300mg and a shortage of 1,080 tablets (18 bottles) of Otezla 30mg. Of note, there is no generic substitution available for Horizant ER (gabapentin encarbil) tablets. The acquisition cost of Horizant ER is

approximately \$370 per bottle of 30 tablets, which amounts to approximately \$12.33 per tablet. It is possible that a higher insurance reimbursement for a pharmacy may result in dispensing Horizant ER, or a coupon program could result in a higher reimbursement for a pharmacy, as opposed to dispensing and billing a generic product.

Compounding Review

47. On or about April, 20, 2022, a Board Inspector conducted an on-site inspection at Porter Ranch Pharmacy. Respondent Banks and Respondent Rouhani were present and assisted the Board Inspector during the inspection. Respondent Banks stated that the only compounding that had been performed at the Pharmacy was Stanford Mouthwash,¹ and stated there had been no compounding performed since the change of ownership on February 22, 2021.

48. However, the Board Inspector's review of CURES data and Pharmacy records determined that Respondent Porter Ranch Pharmacy 2 had compounded products using ketamine HCL after the change of ownership, during the period of February 22, 2021 until at least November 24, 2021, including but not limited to the following:

Patient	RX No.	Drug	Quantity	Date Dispensed
JW	629705	Ketamine 20mg Capsule	240	2/24/2021
	644848	Ketamine 20mg Capsule	240	4/2/2021
	646082	Ketamine 20mg Capsule	240	5/10/2021
	646082 (Refill 1)	Ketamine 20mg Capsule	240	6/28/2021
	652417	Ketamine 20mg Capsule	240	7/27/2021
	652417 (Refill 1)	Ketamine 20mg Capsule	240	10/18/2021
	651188	Ketamine 20mg Capsule	240	8/17/2021
	651188 (Refill 1)	Ketamine 20mg Capsule	240	9/20/2021
	661467	Ketamine 20mg Capsule	240	11/24/2021
NH	624105	Ketamine 2% Cream	30	2/24/2021
	647080	Ketamine 2% Cream	30	5/5/2021
	647080 (Refill 1)	Ketamine 2% Cream		6/2/2021
DA	640919	Ketamine/Pent/Clon/DMSO Cream	60	2/9/2021
	641181	Ketamine/Pent/Clon/DMSO Cream	60	3/10/2021

¹ A common version of the compounded Stanford Mouthwash includes tetracycline, nystatin, hydrocortisone, and chlorpheniramine (antibiotic, antifungal, steroid, and antihistamine).

1	641181 (Refill 1)	Ketamine/Pent/Clon/DMSO Cream		4/20/2021
2	641181 (Refill 2)	Ketamine/Pent/Clon/DMSO Cream		6/3/2021

3 49. The pharmacist-in-charge of a pharmacy that compounds drug preparations is
4 required to complete the Board's Compounding Self-Assessment. The Board Inspector requested
5 a copy of Respondent Porter Ranch Pharmacy 2's Compounding Self-Assessment; however, one
6 was not provided.

7 **Review of Pharmacy Purchases of Dangerous Drugs from Wholesalers**

8 50. As indicated above, the Porter Ranch Pharmacy's wholesalers include Cardinal
9 Health and Anda. The Pharmacy orders medications, both non-controlled and controlled
10 substances, from its wholesalers through an account number associated with their license number.

11 51. Respondent Porter Ranch Pharmacy 1 had account number 76675 with Cardinal
12 Health, associated with its pharmacy permit number 48684. Based on a review of documentation,
13 the Board Inspector determined that, after the change of ownership, Respondent Porter Ranch
14 Pharmacy 2 was given a new Cardinal Health account number 79897, associated with its new
15 pharmacy permit number 58025, on or about March 11, 2021, with the first purchase using the
16 new account on or about March 13, 2021. However, the next purchase using the new account
17 was not made until April 28, 2021. Accordingly, the Board Inspector determined that, from the
18 change of ownership on February 22, 2021 through April 27, 2021, Respondent Porter Ranch
19 Pharmacy 2 purchased dangerous drugs and devices from Cardinal Health using Respondent
20 Porter Ranch Pharmacy 1's cancelled pharmacy permit.² Purchases using the cancelled permit
21 were made on 53 days.

22 52. Respondent Porter Ranch Pharmacy 1 had account number 363873 with Anda,
23 associated with its pharmacy permit number 48684. Based on a review of documentation, the
24 Board Inspector determined that from the change in ownership on February 22, 2021 through
25

26 ² On or around the change of ownership on February 22, 2021, Respondents executed a
27 power of attorney and submitted it to their wholesalers, such that Respondent Porter Ranch
28 Pharmacy 2 was able to continue ordering Schedule II controlled substances under the cancelled
pharmacy permit for a limited period of time. However, Respondent Porter Ranch Pharmacy
purchased Schedule III-V controlled substances and non-controlled dangerous drugs and devices
during the relevant time period using the cancelled pharmacy permit.

June 11, 2021, Respondent Porter Ranch Pharmacy 2 purchased dangerous drugs and devices from Anda using Respondent Porter Ranch Pharmacy 1's cancelled pharmacy permit. Anda closed account number 363873 associated with the cancelled permit on or about June 24, 2021. Respondent Porter Ranch Pharmacy 2 was given a new Anda account number 519569, associated with its pharmacy permit number 58025, on or about July 9, 2021, with the first purchase on the new account on July 12, 2021.

Review of CURES Reporting

53. The Controlled Substance Utilization Review and Evaluation System (CURES)³ is California's Prescription Drug Monitoring Program (PDMP). Pharmacies in California are required to report all filled prescriptions for Schedule II, III, IV, and V controlled substances to the database every week (and within one working day, effective January 1, 2021). When reporting controlled substance prescriptions filled by a pharmacy to CURES, the pharmacy is required to include, inter alia, the pharmacy's license number and federal controlled substance registration number (i.e., DEA permit number).

54. Respondent Porter Ranch Pharmacy 1 was issued DEA permit number FP450697. Upon the change of ownership, Respondent Porter Ranch Pharmacy 2 was required to obtain a new DEA permit, and was issued DEA permit number FW0028604 on or about March 4, 2021.⁴ Based on a review of the CURES data, the Board Inspector determined that after the new DEA permit was issued to Respondent Porter Ranch Pharmacy 2 on March 4, 2021, Respondent Porter Ranch Pharmacy 2 submitted controlled substance prescription data to CURES using Respondent Porter Ranch Pharmacy 1's DEA permit number and cancelled pharmacy license.

///

³ The CURES data is collected statewide and can be used by licensed prescribers and pharmacists to evaluate and determine whether their patients are utilizing controlled substances correctly and whether a patient has used multiple prescribers and multiple pharmacies to fill controlled substance prescriptions. Law enforcement and regulatory agencies such as the Board have access to the CURES database for official oversight or investigatory purposes.

⁴ When there is a sale or transfer of ownership in a pharmacy, the new pharmacy is generally allowed a "grace period," wherein the new pharmacy is allowed to purchase controlled substance medications with the old pharmacy's DEA permit until the new pharmacy is issued a new permit. However, once the new DEA permit number is issued, use of the prior DEA permit is not permitted.

55. Notably, the Board Inspector's review determined that during the period of March 4, 2021 and May 27, 2021, Respondent Porter Ranch Pharmacy 2 submitted controlled substance prescription data to CURES simultaneously using both Porter Ranch Pharmacy 1's DEA permit number/cancelled pharmacy license as well as Porter Ranch Pharmacy 2's DEA permit number/pharmacy license. A summary of Respondent Porter Ranch Pharmacy 2's CURES reporting is provided in the table below:

DEA Permit No. / Pharmacy Permit No.	Total CURES Submissions 3/4/2021 to 5/27/2021
DEA No. FP450697 / PHY No. 48684 (Cancelled License)	1,821
DEA No. FW0028604 / PHY No. 58025 (New License)	607

As to Respondent B3 Holdings Inc., dba Porter Ranch Pharmacy (Porter Ranch Pharmacy 1)

EIGHTH CAUSE FOR DISCIPLINE

(Failure to Maintain Records of Dangerous Drugs; Current Inventory)

56. Respondent Porter Ranch Pharmacy 1 is subject to disciplinary action under Code section 4301, subdivision (o), in conjunction with Code section 4081, subdivision (a), in that Respondent Porter Ranch Pharmacy 1 failed to maintain all records of sale, acquisition, receipt, shipment, and/or disposition of dangerous drugs or devices. An audit revealed that from on or about June 1, 2019 to June 30, 2020, Respondent Porter Ranch Pharmacy 1 had a negative discrepancy of 240 tablets of Horizant ER 300mg and 1080 tablets of Otezla 30mg. Complainant refers to, and by this reference incorporates, the allegations set forth above in paragraphs 30 and 44-55, as though set forth in full herein.

As to Respondent Mojdeh Rouhani

NINTH CAUSE FOR DISCIPLINE

(Purchase Dangerous Drugs with Cancelled Permit)

57. Respondent Rouhani is subject to disciplinary action under Code sections 4301, subdivision (o), and 4113, subdivision (c), in conjunction with Code section 4110, subdivision (a), in that while Respondent Rouhani served as the as the Pharmacist-in-Charge, during the

1 period of February 22, 2021 to June 11, 2021, Respondent Porter Ranch Pharmacy 2 used the
2 cancelled Pharmacy Permit No. PHY 48684 issued to Porter Ranch Pharmacy 1 to purchase
3 dangerous drugs or devices from its wholesalers. Complainant refers to, and by this reference
4 incorporates, the allegations set forth above in paragraphs 30 and 44-55, as though set forth in full
5 herein.

6 **TENTH CAUSE FOR DISCIPLINE**

7 **(Violation Regarding Reporting of CURES Data)**

8 58. Respondent Rouhani is subject to disciplinary action under Code sections 4301,
9 subdivision (o), and 4113, subdivision (c), in conjunction with Health and Safety Code section
10 11165, subdivision (d)(3), in that while Respondent Rouhani served as the as the Pharmacist-in-
11 Charge, during the period of March 4, 2021 to May 27, 2021, Respondent Porter Ranch Pharmacy
12 2 transmitted CURES data using the cancelled Pharmacy Permit No. PHY 48684 issued to Porter
13 Ranch Pharmacy 1. Complainant refers to, and by this reference incorporates, the allegations set
14 forth above in paragraphs 30 and 44-55, as though set forth in full herein.

15 **ELEVENTH CAUSE FOR DISCIPLINE**

16 **(Failure to Complete Compounding Self-Assessment)**

17 59. Respondent Rouhani is subject to disciplinary action under Code sections 4301,
18 subdivision (o), and 4113, subdivision (c), in conjunction with California Code of Regulations,
19 title 16, section 1735.2 subdivision (k), in that while Respondent Rouhani served as the as the
20 Pharmacist-in-Charge, during the period of February 22, 2021 to November 24, 2021,
21 Respondent Porter Ranch Pharmacy 2 compounded dangerous drugs or devices without
22 completing the required Compounding Self-Assessment. Complainant refers to, and by this
23 reference incorporates, the allegations set forth above in paragraphs 30 and 44-55, as though set
24 forth in full herein.

25 ///

26 ///

27 ///

28 ///

1 *As to Respondent Philip William Banks*

2 **TWELFTH CAUSE FOR DISCIPLINE**

3 **(Failure to Maintain Records of Dangerous Drugs; Current Inventory)**

4 60. Respondent Banks is subject to disciplinary action under Code sections 4301,
5 subdivision (o), and 4113, subdivision (c), in conjunction with Code section 4081, subdivision
6 (a), in that, while serving as the as the Pharmacist-in-Charge, Respondent Banks failed to
7 maintain all records of sale, acquisition, receipt, shipment, and/or disposition of dangerous drugs
8 or devices. An audit revealed that from on or about June 1, 2019 to June 30, 2020, Respondent
9 Porter Ranch Pharmacy 1 had a negative discrepancy of 240 tablets of Horizant ER 300mg and
10 1080 tablets of Otezla 30mg. Complainant refers to, and by this reference incorporates, the
11 allegations set forth above in paragraphs 30 and 44-55, as though set forth in full herein.

12 *As to Respondent WholerRx Inc., dba Porter Ranch Pharmacy (Porter Ranch Pharmacy 2)*

13 **THIRTEENTH CAUSE FOR DISCIPLINE**

14 **(Purchase Dangerous Drugs with Cancelled Permit)**

15 61. Respondent Porter Ranch Pharmacy 2 is subject to disciplinary action under Code
16 section 4301, subdivision (o), in conjunction with Code section 4110, subdivision (a), in that after
17 the change of ownership, during the period of February 22, 2021 to June 11, 2021, Respondent
18 Porter Ranch Pharmacy 2 used the cancelled Pharmacy Permit No. PHY 48684 issued to Porter
19 Ranch Pharmacy 1 to purchase dangerous drugs or devices from its wholesalers. Complainant
20 refers to, and by this reference incorporates, the allegations set forth above in paragraphs 30 and
21 44-55, as though set forth in full herein.

22 **FOURTEENTH CAUSE FOR DISCIPLINE**

23 **(Violation Regarding Reporting of CURES Data)**

24 62. Respondent Porter Ranch Pharmacy 2 is subject to disciplinary action under Code
25 section 4301, subdivision (o), in conjunction with Health and Safety Code section 11165,
26 subdivision (d)(3), in that after the change of ownership, during the period of March 4, 2021 to
27 May 27, 2021, Respondent Porter Ranch Pharmacy 2 transmitted CURES data using the
28 cancelled Pharmacy Permit No. PHY 48684 issued to Porter Ranch Pharmacy 1. Complainant

1 refers to, and by this reference incorporates, the allegations set forth above in paragraphs 30 and
2 44-55, as though set forth in full herein.

3 **FIFTEENTH CAUSE FOR DISCIPLINE**

4 **(Failure to Complete Compounding Self-Assessment)**

5 63. Respondent Porter Ranch Pharmacy 2 is subject to disciplinary action under Code
6 section 4301, subdivision (o), in conjunction with California Code of Regulations, title 16,
7 section 1735.2 subdivision (k), in that after the change of ownership, during the period of
8 February 22, 2021 to November 24, 2021, Respondent Porter Ranch Pharmacy 2 compounded
9 dangerous drugs or devices without completing the required Compounding Self-Assessment.
10 Complainant refers to, and by this reference incorporates, the allegations set forth above in
11 paragraphs 30 and 44-55, as though set forth in full herein.

12 **DISCIPLINE CONSIDERATIONS**

13 64. To determine the degree of discipline, if any, to be imposed on Respondent Porter
14 Ranch Pharmacy 1, Complainant alleges that on or about October 8, 2020, in a prior action, the
15 Board of Pharmacy issued Citation Number CI 2018 84373 to Respondent Porter Ranch 1. That
16 Citation is now final.

17 65. To determine the degree of discipline, if any, to be imposed on Respondent Porter
18 Ranch Pharmacy 1, Complainant alleges that on or about January 12, 2018, in a prior action, the
19 Board of Pharmacy issued Citation Number CI 2016 73874 to Respondent Porter Ranch
20 Pharmacy 1 and ordered Respondent Porter Ranch Pharmacy 1 to pay a fine in the amount of
21 \$3,000. That Citation is now final.

22 66. To determine the degree of discipline, if any, to be imposed on Respondent Porter
23 Ranch Pharmacy 1, Complainant alleges that on or about January 10, 2018, in a prior action, the
24 Board of Pharmacy issued Citation Number CI 2016 74118 to Respondent Porter Ranch
25 Pharmacy 1. That Citation is now final.

26 67. To determine the degree of discipline, if any, to be imposed on Respondent Porter
27 Ranch Pharmacy 1, Complainant alleges that on or about March 9, 2017, in a prior action, the
28

1 Board of Pharmacy issued Citation Number CI 2015 68875 to Respondent Porter Ranch
2 Pharmacy 1. That Citation is now final.

3 68. To determine the degree of discipline, if any, to be imposed on Respondent Banks,
4 Complainant alleges that on or about October 8, 2020, in a prior action, the Board of Pharmacy
5 issued Citation Number CI 2020 89289 to Respondent Banks and ordered Respondent Banks to
6 pay a fine in the amount of \$2,000. That Citation is now final.

7 69. To determine the degree of discipline, if any, to be imposed on Respondent Banks
8 Complainant alleges that on or about January 12, 2018, in a prior action, the Board of Pharmacy
9 issued Citation Number CI 2017 78081 to Respondent Banks and ordered Respondent Banks to
10 pay a fine in the amount of \$1,500. That Citation is now final.

11 70. To determine the degree of discipline, if any, to be imposed on Respondent Banks
12 Complainant alleges that on or about January 10, 2018, in a prior action, the Board of Pharmacy
13 issued Citation Number CI 2017 78074 to Respondent Banks and ordered Respondent Banks to
14 pay a fine in the amount of \$250. That Citation is now final.

15 **OTHER MATTERS**

16 71. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number
17 PHY 48684, issued to B3 Holdings Inc., dba Porter Ranch Pharmacy, Respondent Porter Ranch
18 Pharmacy 1 shall be prohibited from serving as a manager, administrator, owner, member,
19 officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number
20 PHY 48684 is placed on probation or until Pharmacy Permit Number PHY 48684 is reinstated if
21 it is revoked.

22 72. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number
23 PHY 48684, issued to B3 Holdings Inc., dba Porter Ranch Pharmacy, while Respondent Philip
24 William Banks has been an officer, director, and/or owner and had knowledge of or knowingly
25 participated in any conduct for which the licensee was disciplined, Respondent Banks shall be
26 prohibited from serving as a manager, administrator, owner, member, officer, director, associate,
27 or partner of a licensee for five years if Pharmacy Permit Number PHY 48684 is placed on
28 probation or until Pharmacy Permit Number PHY 48684 is reinstated if it is revoked.

73. Pursuant to Code section 4307, if discipline is imposed on Pharmacist License Number RPH 46639, issued to Mojdeh Rouhani, Respondent Rouhani shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacist License Number RPH 46639 is placed on probation or until Pharmacist License Number RPH 46639 is reinstated if it is revoked.

74. Pursuant to Code section 4307, if discipline is imposed on Pharmacist License Number RPH 47038, issued to Philip William Banks, Respondent Banks shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacist License Number RPH 47038 is placed on probation or until Pharmacist License Number RPH 47038 is reinstated if it is revoked.

75. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number PHY 58025, issued to WholeRx Inc., dba Porter Ranch Pharmacy, Respondent Porter Ranch Pharmacy 2 shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number PHY 58025 is placed on probation or until Pharmacy Permit Number PHY 58025 is reinstated if it is revoked.

76. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number PHY 58025, issued to WholeRx Inc., dba Porter Ranch Pharmacy, while Respondent Mojdeh Rouhani has been an officer, director, and/or owner and had knowledge of or knowingly participated in any conduct for which the licensee was disciplined, Respondent Rouhani shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number PHY 58025 is placed on probation or until Pharmacy Permit Number PHY 58025 is reinstated if it is revoked.

PRAYER

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

1. Revoking or suspending Pharmacy Permit Number PHY 48684, issued to B3 Holdings Inc., dba Porter Ranch Pharmacy, Philip William Banks;

2. Prohibiting B3 Holdings Inc., dba Porter Ranch Pharmacy and Philip William Banks from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number PHY 48684 is placed on probation or until Pharmacy Permit Number PHY 48684 is reinstated if Pharmacy Permit Number PHY 48684 is revoked;

3. Revoking or suspending Pharmacist License Number RPH 46639, issued to Mojdeh Rouhani;

4. Prohibiting Mojdeh Rouhani from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacist License Number RPH 46639 is placed on probation or until Pharmacist License Number RPH 46639 is reinstated if Pharmacist License Number RPH 46639 is revoked;

5. Revoking or suspending Pharmacist License Number RPH 47038, issued to Philip William Banks;

6. Prohibiting Philip William Banks from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacist License Number RPH 47038 is placed on probation or until Pharmacist License Number RPH 47038 is reinstated if Pharmacist License Number RPH 47038 is revoked;

7. Revoking or suspending Pharmacy Permit Number PHY 58025, issued to WholeRx Inc., dba Porter Ranch Pharmacy, Mojdeh Rouhani;

8. Prohibiting WholeRx Inc., dba Porter Ranch Pharmacy and Mojdeh Rouhani from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number PHY 58025 is placed on probation or until Pharmacy Permit Number PHY 58025 is reinstated if Pharmacy Permit Number PHY 58025 is revoked;

9. Ordering B3 Holdings Inc., dba Porter Ranch Pharmacy, Mojdeh Rouhani, Philip William Banks, and WholeRx Inc., dba Porter Ranch Pharmacy to pay the Board of Pharmacy the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3; and,

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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

DATED: 10/3/2022

Signature on File

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

LA2021602727
64500532_4.docx