

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

**In the Matter of the Accusation Against:**

**EMPIRE PHARMACY, INC.,  
KAHLID HASAN ALI, OWNER,  
Pharmacy Permit No. PHY 51594;**

**and**

**KAHLID HASAN ALI,  
Pharmacist License No. RPH 61560,**

**Respondents.**

**Agency Case No. 7192**

**OAH No. 2022020375**

## DECISION AND ORDER

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

This Decision shall become effective at 5:00 p.m. on December 14, 2022.

It is so ORDERED on November 14, 2022.

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

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

13 In the Matter of the Accusation Against:  
14 **EMPIRE PHARMACY, INC.; KAHLID**  
15 **HASAN ALI, OWNER and OFFICER**  
16 **1340 Massachusetts Avenue**  
17 **Riverside, CA 92507**  
18 **Pharmacy Permit No. PHY 51594,**  
19 **and**  
20 **KAHLID HASAN ALI**  
21 **8005 Halbrook Terrace**  
22 **Riverside, CA 92509**  
23 **Pharmacist License No. RPH 61560**  
24 Respondents.

Case No. 7192

OAH No. 2022020375

**STIPULATED SETTLEMENT AND  
DISCIPLINARY ORDER**

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

27 **PARTIES**

28 1. Anne Sodergren (Complainant) is the Executive Officer of the Board of Pharmacy  
(Board). She brought this action solely in her official capacity and is represented in this matter by

1 Rob Bonta, Attorney General of the State of California, by Desiree I. Kellogg, Deputy Attorney  
2 General.

3 2. Empire Pharmacy, Inc. and Kahlid Hasan Ali (collectively Respondents) are  
4 represented in this proceeding by attorney Herbert L. Weinberg of the Fenton Law Group LLP,  
5 whose address is: 1990 South Bundy Drive, Suite 777, Los Angeles, CA 90025.

6 3. On or about September 13, 2013, the Board issued Pharmacy Permit No. PHY 51594  
7 to Empire Pharmacy, Inc. The Pharmacy Permit was in full force and effect at all times relevant  
8 to the charges brought in Accusation No. 7192, and will expire on September 1, 2023, unless  
9 renewed.

10 4. On or about September 5, 2008, the Board issued Pharmacist License Number RPH  
11 61560 to Kahlid Hasan Ali. The Pharmacist License was in full force and effect at all times  
12 relevant to the charges brought in Accusation No. 7192, and will expire on April 30, 2024.

### 13 **JURISDICTION**

14 5. Accusation No. 7192 was filed before the Board, and is currently pending against  
15 Respondents. The Accusation and all other statutorily required documents were properly served  
16 on Respondents on December 9, 2021. Respondents timely filed their Notice of Defense  
17 contesting the Accusation.

18 6. A copy of Accusation No. 7192 is attached as Exhibit A and incorporated herein by  
19 reference.

### 20 **ADVISEMENT AND WAIVERS**

21 7. Respondents have carefully read, fully discussed with counsel, and understand the  
22 charges and allegations in Accusation No. 7192. Respondents have also carefully read, fully  
23 discussed with counsel, and understand the effects of this Stipulated Settlement and Disciplinary  
24 Order.

25 8. Respondents are fully aware of their legal rights in this matter, including the right to a  
26 hearing on the charges and allegations in the Accusation; the right to confront and cross-examine  
27 the witnesses against them; the right to present evidence and to testify on its own behalf; the right  
28 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.

9. Respondents voluntarily, knowingly, and intelligently waive and give up each and every right set forth above.

### **CULPABILITY**

10. Respondents admit the truth of each and every charge and allegation in Accusation No. 7192.

11. Respondents agree that their respective Pharmacy Permit and Pharmacist License are subject to discipline and they agree to be bound by the Board's probationary terms as set forth in the Disciplinary Order below.

### **CONTINGENCY**

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

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

14. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions, negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary

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

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

**DISCIPLINARY ORDERS**

**IT IS HEREBY ORDERED** that Pharmacy Permit No. PHY 51594, issued to Empire Pharmacy, Inc. is surrendered and accepted by the Board. However, the surrender shall be stayed for a period of 120 days from the effective date as to Empire Pharmacy, Inc. only, by which time the pharmacy shall be sold or closed. In addition, upon signature of the stipulated settlement, Respondent Empire Pharmacy, Inc. shall designate a new Pharmacist-in-Charge within fourteen days.

16. In the event that the pharmacy is not sold within the 120-day stay of the surrender set forth herein, Respondent Empire Pharmacy, Inc. shall, within 10 days of the expired stay period, arrange for the destruction of, the transfer to, sale of or storage in a facility licensed and approved by the Board of all controlled substances and dangerous drugs and/or dangerous devices. Respondent Empire Pharmacy, Inc. shall further arrange for the transfer of all records of acquisition and disposition of dangerous drugs to premises licensed and approved by the Board. Respondent Empire Pharmacy, Inc. shall further provide written proof of such disposition and submit a completed Discontinuance of Business form according to Board guidelines.

17. In the event that the pharmacy has not identified a potential buyer within the first 100 days of the 120-day stay of surrender set forth herein, Respondent Empire Pharmacy, Inc. shall immediately begin to arrange for the continuation of care for ongoing patients of the pharmacy by, at minimum, providing a written notice to ongoing patients that specifies the anticipated closing date of the pharmacy and that identifies one or more area pharmacies capable of taking up the patients' care, and by cooperating as may be necessary in the transfer of records or prescriptions for ongoing patients. Within five days of its provision to the pharmacy's ongoing patients, Respondent Empire Pharmacy, Inc. shall provide a copy of the written notice to the

1 Board. For the purposes of this provision, "ongoing patients" means those patients for whom the  
2 pharmacy has on file a prescription with one or more refills outstanding, or for whom the  
3 pharmacy has filled a prescription within the preceding ninety (90) days.

4 18. The surrender of Respondent Empire Pharmacy, Inc.'s Pharmacy Permit and the  
5 acceptance of the surrendered license by the Board shall constitute the imposition of discipline  
6 against Respondent Empire Pharmacy, Inc. This stipulation constitutes a record of the discipline  
7 and shall become a part of Respondent Empire Pharmacy, Inc.'s license history with the Board of  
8 Pharmacy. Respondent Empire Pharmacy, Inc. understands and acknowledges that, for purposes  
9 of Business and Professions Code section 4307, this stipulated surrender is the same as a  
10 revocation.

11 19. Respondent Empire Pharmacy, Inc. shall lose all rights and privileges as a pharmacy  
12 in California at the end of the 120-day stay of surrender set forth herein.

13 20. Respondent Empire Pharmacy, Inc. understands and agrees that if it ever files an  
14 application for licensure or a licensed premises or a petition for reinstatement in the State of  
15 California, the Board shall treat it as a new application for licensure.

16 21. Respondent Empire Pharmacy, Inc. may not reapply for any license from the Board  
17 for three (3) years from the effective date of this decision. Respondent Empire Pharmacy, Inc.  
18 stipulates that should it apply for any license from the Board on or after the effective date of this  
19 decision, all allegations set forth in Accusation No. 7192 shall be deemed to be true, correct and  
20 admitted by Respondent Empire Pharmacy, Inc. when the Board determines whether to grant or  
21 deny the application. Respondent Empire Pharmacy, Inc. shall satisfy all requirements applicable  
22 to that license as of the date the application is submitted to the Board, including, but not limited  
23 to, taking and passing licensing examination(s) as well as fulfilling any education or experience  
24 requirements prior to the issuance of a new license.

25 22. Respondent Empire Pharmacy, Inc. shall relinquish its pharmacy permit, including  
26 any indicia of licensure issued by the Board, within ten (10) days of the expiration of the 120-day  
27 stay of surrender provided for herein. Respondent Empire Pharmacy, Inc. shall relinquish the  
28

1 premises wall license and renewal license to the Board within ten (10) days of the expiration of  
2 the 120-day stay of surrender provided for herein.

3 23. Respondent Empire Pharmacy, Inc. and Kahlid Hasan Ali shall be jointly and  
4 severally liable to pay \$18,320.00 to the Board for its costs associated with the investigation and  
5 enforcement of this matter pursuant to Business and Professions Code Section 125.3. The  
6 obligation to pay cost recovery shall be paid in full within 120 days of the effective date of the  
7 Decision and Order. The Board may enforce this order for payment of its costs in any appropriate  
8 court and by any appropriate means.

9 **IT IS HEREBY FURTHER ORDERED** that Pharmacist License No. RPH 61560 issued  
10 to Respondent Kahlid Hasan Ali is revoked. However, the revocation is stayed and Respondent is  
11 placed on probation for five (5) years on the following terms and conditions:

12 1. **Obey All Laws**

13 Respondent Kahlid Hasan Ali shall obey all state and federal laws and regulations.

14 Respondent Kahlid Hasan Ali shall report any of the following occurrences to the board, in  
15 writing, within seventy- two (72) hours of such occurrence:

- 16 • an arrest or issuance of a criminal complaint for violation of any provision of the  
17 Pharmacy Law, state and federal food and drug laws, or state and federal controlled  
18 substances laws
- 19 • a plea of guilty, or nolo contendere, no contest, or similar, in any state or federal  
20 criminal proceeding to any criminal complaint, information or indictment
- 21 • a conviction of any crime
- 22 • the filing of a disciplinary pleading, issuance of a citation, or initiation of another  
23 administrative action filed by any state or federal agency which involves  
24 Respondent Kahlid Hasan Ali's license or which is related to the practice of  
25 pharmacy or the manufacturing, obtaining, handling, distributing, billing, or  
26 charging for any drug, device or controlled substance.

27 Failure to timely report such occurrence shall be considered a violation of probation.

28 2. **Report to the Board**



Respondent Kahlid Hasan Ali shall report to the board quarterly, on a schedule as directed by the board or its designee. The report shall be made either in person or in writing, as directed. Among other requirements, Respondent Kahlid Hasan Ali shall state in each report under penalty of perjury whether there has been compliance with all the terms and conditions of probation.

Failure to submit timely reports in a form as directed shall be considered a violation of probation. Any period(s) of delinquency in submission of reports as directed may be added to the total period of probation. Moreover, if the final probation report is not made as directed, probation shall be automatically extended until such time as the final report is made and accepted by the board.

### **3. Interview with the Board**

Upon receipt of reasonable prior notice, Respondent Kahlid Hasan Ali shall appear in person for interviews with the board or its designee, at such intervals and locations as are determined by the board or its designee. Failure to appear for any scheduled interview without prior notification to board staff, or failure to appear for two (2) or more scheduled interviews with the board or its designee during the period of probation, shall be considered a violation of probation.

### **4. Cooperate with Board Staff**

Respondent Kahlid Hasan Ali shall timely cooperate with the board's inspection program and with the board's monitoring and investigation of Respondent Kahlid Hasan Ali's compliance with the terms and conditions of his probation, including but not limited to: timely responses to requests for information by board staff; timely compliance with directives from board staff regarding requirements of any term or condition of probation; and timely completion of documentation pertaining to a term or condition of probation. Failure to timely cooperate shall be considered a violation of probation.

### **5. Continuing Education**

Respondent Kahlid Hasan Ali shall provide evidence of efforts to maintain skill and knowledge as a pharmacist as directed by the board or its designee.

### **6. Reporting of Employment and Notice to Employers**

1 During the period of probation, Respondent Kahlid Hasan Ali shall notify all present and  
2 prospective employers of the decision in case number 7192 and the terms, conditions and  
3 restrictions imposed on Respondent Kahlid Hasan Ali by the decision, as follows:  
4 Within thirty (30) days of the effective date of this decision, and within ten (10) days of  
5 undertaking any new employment, Respondent Kahlid Hasan Ali shall report to the board in  
6 writing the name, physical address, and mailing address of each of his employer(s), and the  
7 name(s) and telephone number(s) of all of his direct supervisor(s), as well as any pharmacist(s)-  
8 in- charge, designated representative(s)-in-charge, responsible manager, or other compliance  
9 supervisor(s) and the work schedule, if known. Respondent Kahlid Hasan Ali shall also include  
10 the reason(s) for leaving the prior employment. Respondent Kahlid Hasan Ali shall sign and  
11 return to the board a written consent authorizing the board or its designee to communicate with all  
12 of Respondent Kahlid Hasan Ali's employer(s) and supervisor(s), and authorizing those  
13 employer(s) or supervisor(s) to communicate with the board or its designee, concerning  
14 Respondent Kahlid Hasan Ali's work status, performance, and monitoring. Failure to comply  
15 with the requirements or deadlines of this condition shall be considered a violation of probation.

16 Within thirty (30) days of the effective date of this decision, and within fifteen (15) days of  
17 Respondent Kahlid Hasan Ali undertaking any new employment, Respondent Kahlid Hasan Ali  
18 shall cause (a) his direct supervisor, (b) his pharmacist-in-charge, designated representative-in-  
19 charge, responsible manager, or other compliance supervisor, and (c) the owner or owner  
20 representative of his employer, to report to the board in writing acknowledging that the listed  
21 individual(s) has/have read the decision in case number 7192, and terms and conditions imposed  
22 thereby. If one person serves in more than one role described in (a), (b), or (c), the  
23 acknowledgment shall so state. It shall be Respondent Kahlid Hasan Ali's responsibility to ensure  
24 that these acknowledgment(s) are timely submitted to the board. In the event of a change in the  
25 person(s) serving the role(s) described in (a), (b), or (c) during the term of probation, Respondent  
26 Kahlid Hasan Ali shall cause the person(s) taking over the role(s) to report to the board in writing  
27 within fifteen (15) days of the change acknowledging that he or she has read the decision in case  
28 number 7192, and the terms and conditions imposed thereby.

1 If Respondent Kahlid Hasan Ali works for or is employed by or through an employment  
2 service, Respondent Kahlid Hasan Ali must notify the person(s) described in (a), (b), and (c)  
3 above at every entity licensed by the board of the decision in case number 7192, and the terms  
4 and conditions imposed thereby in advance of Respondent Kahlid Hasan Ali commencing work at  
5 such licensed entity. A record of this notification must be provided to the board upon request.

6 Furthermore, within thirty (30) days of the effective date of this decision, and within fifteen  
7 (15) days of Respondent Kahlid Hasan Ali undertaking any new employment by or through an  
8 employment service, Respondent Kahlid Hasan Ali shall cause the person(s) described in (a), (b),  
9 and (c) above at the employment service to report to the board in writing acknowledging that he  
10 or she has read the decision in case number, and the terms and conditions imposed thereby. It  
11 shall be Respondent Kahlid Hasan Ali 's responsibility to ensure that these acknowledgment(s)  
12 are timely submitted to the board.

13 Failure to timely notify present or prospective employer(s) or failure to cause the identified  
14 person(s) with that/those employer(s) to submit timely written acknowledgments to the board  
15 shall be considered a violation of probation.

16 "Employment" within the meaning of this provision includes any full-time, part-time,  
17 temporary, relief, or employment/management service position as a pharmacist, or any position  
18 for which a pharmacist is a requirement or criterion for employment, whether Respondent Kahlid  
19 Hasan Ali is an employee, independent contractor or volunteer.

20 **7. Notification of Change(s) in Name, Address(es), or Phone Number(s)**

21 Respondent Kahlid Hasan Ali shall further notify the board in writing within ten (10) days  
22 of any change in name, residence address, mailing address, e-mail address or phone number.

23 Failure to timely notify the board of any change in employer, name, address, or phone  
24 number shall be considered a violation of probation.

25 **8. Restrictions on Supervision and Oversight of Licensed Facilities**

26 During the period of probation, Respondent Kahlid Hasan Ali shall not supervise any intern  
27 pharmacist, be the pharmacist-in-charge, designated representative-in-charge, responsible  
28 manager or other compliance supervisor of any entity licensed by the board, nor serve as a

consultant. Assumption of any such unauthorized supervision responsibilities shall be considered a violation of probation.

**9. Reimbursement of Board Costs**

As a condition precedent to successful completion of probation, Respondent Kahlid Hasan Ali shall pay to the board its costs of investigation and prosecution in the amount of \$18,320.00 and shall be jointly and severally liable for these costs with Respondent Empire Pharmacy, Inc. Respondent Kahlid Hasan Ali shall make full payment of costs within 120 days of the effective date of this decision.

**10. Probation Monitoring Costs**

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

**11. Status of License**

Respondent Kahlid Hasan Ali shall, at all times while on probation, maintain an active, current Pharmacist License with the board, including any period during which suspension or probation is tolled. Failure to maintain an active, current Pharmacist License shall be considered a violation of probation.

If Respondent Kahlid Hasan Ali 's Pharmacist License expires or is cancelled by operation of law or otherwise at any time during the period of probation, including any extensions thereof due to tolling or otherwise, upon renewal or reapplication Respondent Kahlid Hasan Ali's license shall be subject to all terms and conditions of this probation not previously satisfied.

**12. License Surrender While on Probation/Suspension**

Following the effective date of this decision, should Respondent Kahlid Hasan Ali cease practice due to retirement or health, or be otherwise unable to satisfy the terms and conditions of probation, Respondent Kahlid Hasan Ali may relinquish his pharmacist license, including any indicia of licensure issued by the board, along with a request to surrender the license. The board or its designee shall have the discretion whether to accept the surrender or take any other action it

1 deems appropriate and reasonable. Upon formal acceptance of the surrender of the license,  
2 Respondent Kahlid Hasan Ali will no longer be subject to the terms and conditions of probation.  
3 This surrender constitutes a record of discipline and shall become a part of Respondent Kahlid  
4 Hasan Ali's license history with the board.

5 Upon acceptance of the surrender, Respondent Kahlid Hasan Ali shall relinquish his pocket  
6 and/or wall license, including any indicia of licensure not previously provided to the board within  
7 ten (10) days of notification by the board that the surrender is accepted if not already provided.  
8 Respondent Kahlid Hasan Ali may not reapply for any license from the board for three (3) years  
9 from the effective date of the surrender. Respondent Kahlid Hasan Ali shall meet all requirements  
10 applicable to the license sought as of the date the application for that license is submitted to the  
11 board, including any outstanding costs.

### 12 13. Practice Requirement – Extension of Probation

13 Except during periods of suspension, Respondent Kahlid Hasan Ali shall, at all times while  
14 on probation, be employed as a pharmacist in California for a minimum of 100 hours per calendar  
15 month. Any month during which this minimum is not met shall extend the period of probation by  
16 one month. During any such period of insufficient employment, respondent must nonetheless  
17 comply with all terms and conditions of probation, unless Respondent Kahlid Hasan Ali receives  
18 a waiver in writing from the board or its designee.

19 If Respondent Kahlid Hasan Ali does not practice as a pharmacist in California for the  
20 minimum number of hours in any calendar month, for any reason (including vacation),  
21 Respondent Kahlid Hasan Ali shall notify the board in writing within ten (10) days of the  
22 conclusion of that calendar month. This notification shall include at least: the date(s), location(s),  
23 and hours of last practice; the reason(s) for the interruption or reduction in practice; and the  
24 anticipated date(s) on which Respondent Kahlid Hasan Ali will resume practice at the required  
25 level. Respondent Kahlid Hasan Ali shall further notify the board in writing within ten (10) days  
26 following the next calendar month during which Respondent Kahlid Hasan Ali practices as a  
27 pharmacist in California for the minimum of hours. Any failure to timely provide such  
28 notification(s) shall be considered a violation of probation.

1 It is a violation of probation for Respondent Kahlid Hasan Ali 's probation to be extended  
2 pursuant to the provisions of this condition for a total period, counting consecutive and non-  
3 consecutive months, exceeding thirty-six (36) months. The board or its designee may post a  
4 notice of the extended probation period on its website.

5 **14. Violation of Probation**

6 If Respondent Kahlid Hasan Ali has not complied with any term or condition of probation,  
7 the board shall have continuing jurisdiction over Respondent Kahlid Hasan Ali, and the board  
8 shall provide notice to Respondent Kahlid Hasan Ali that probation shall automatically be  
9 extended, until all terms and conditions have been satisfied or the board has taken other action as  
10 deemed appropriate to treat the failure to comply as a violation of probation, to terminate  
11 probation, and to impose the penalty that was stayed. The board or its designee may post a notice  
12 of the extended probation period on its website.

13 If Respondent Kahlid Hasan Ali violates probation in any respect, the board, after giving  
14 Respondent Kahlid Hasan Ali notice and an opportunity to be heard, may revoke probation and  
15 carry out the disciplinary order that was stayed. If a petition to revoke probation or an accusation  
16 is filed against Respondent Kahlid Hasan Ali during probation, or the preparation of an  
17 accusation or petition to revoke probation is requested from the Office of the Attorney General,  
18 the board shall have continuing jurisdiction and the period of probation shall be automatically  
19 extended until the petition to revoke probation or accusation is heard and decided.

20 **15. Completion of Probation**

21 Upon written notice by the board or its designee indicating successful completion of  
22 probation, Respondent Kahlid Hasan Ali's license will be fully restored.

23 **16. Remedial Education**

24 Within sixty days of the effective date of this decision, Respondent Kahlid Hasan Ali shall  
25 submit to the board or its designee, for prior approval, an appropriate program of remedial  
26 education related to the drug supply chain requirements and track and trace. The program of  
27 remedial education shall consist of at least six hours per year of probation at Respondent Kahlid  
28 Hasan Ali's own expense and shall be fifty percent live webinar or in-person. All remedial

1 education shall be in addition to, and shall not be credited toward, continuing education (CE)  
2 courses used for license renewal purposes for pharmacists.

3 Failure to timely submit for approval or complete the approved remedial education shall be  
4 considered a violation of probation. The period of probation will be automatically extended until  
5 such remedial education is successfully completed and written proof, in a form acceptable to the  
6 board, is provided to the board or its designee.

7 Following the completion of each course, the board or its designee may require the  
8 Respondent Kahlid Hasan Ali, at his own expense, to take an approved examination to test the  
9 Respondent Kahlid Hasan Ali's knowledge of the course. If Respondent Kahlid Hasan Ali does  
10 not achieve a passing score on the examination that course shall not count towards satisfaction of  
11 this term. Respondent Kahlid Hasan Ali shall take another course approved by the board in the  
12 same subject area.

#### 13 17. **Ethics Course**

14 Within sixty (60) calendar days of the effective date of this decision, Respondent Kahlid  
15 Hasan Ali shall enroll in a course in ethics, at Respondent Kahlid Hasan Ali's expense, approved  
16 in advance by the board or its designee that complies with Title 16 California Code of  
17 Regulations section 1773.5. Respondent Kahlid Hasan Ali shall provide proof of enrollment upon  
18 request. Within five (5) days of completion, Respondent Kahlid Hasan Ali shall submit a copy of  
19 the certificate of completion to the board or its designee. Failure to timely enroll in an approved  
20 ethics course, to initiate the course during the first year of probation, to successfully complete it  
21 before the end of the second year of probation, or to timely submit proof of completion to the  
22 board or its designee, shall be considered a violation of probation.

#### 23 18. **Supervised Practice**

24 Within thirty (30) days of the effective date of this decision, Respondent Kahlid Hasan Ali  
25 shall submit to the board or its designee, for prior approval, the name of a pharmacist by and not  
26 on probation with the board, to serve as Respondent Kahlid Hasan Ali's practice supervisor. As  
27 part of the documentation submitted, Respondent Kahlid Hasan Ali shall cause the proposed  
28 practice supervisor to report to the board in writing acknowledging that he or she has read the

1 decision in case number 7192, and is familiar with the terms and conditions imposed thereby,  
2 including the level of supervision required by the board or its designee. This level will be  
3 determined by the board or its designee, will be communicated to Respondent Kahlid Hasan Ali  
4 on or before the effective date of this decision and shall be one of the following:

5 Continuous – At least 75% of a work week

6 Substantial - At least 50% of a work week

7 Partial - At least 25% of a work week

8 Daily Review - Supervisor's review of probationer's daily activities within 24 hours

9 Respondent Kahlid Hasan Ali may practice only under the required level of supervision by  
10 an approved practice supervisor. If, for any reason, including change of employment, respondent  
11 is no longer supervised at the required level by an approved practice supervisor, within ten (10)  
12 days of this change in supervision Respondent Kahlid Hasan Ali shall submit to the board or its  
13 designee, for prior approval, the name of a pharmacist by and not on probation with the board, to  
14 serve as Respondent Kahlid Hasan Ali's replacement practice supervisor. As part of the  
15 documentation submitted, Respondent Kahlid Hasan Ali shall cause the proposed replacement  
16 practice supervisor to report to the board in writing acknowledging that he or she has read the  
17 decision in case number 7192, and is familiar with the terms and conditions imposed thereby,  
18 including the level of supervision required.

19 Respondent Kahlid Hasan Ali shall not work independently in Empire Pharmacy, Inc.  
20 during the 120 day period the Decision is stayed as to Empire Pharmacy, Inc.

21 Any of the following shall result in the automatic suspension of practice by Respondent  
22 Kahlid Hasan Ali and shall be considered a violation of probation:

23 Failure to nominate an initial practice supervisor, and to have that practice supervisor report  
24 to the board in writing acknowledging the decision, terms and conditions, and supervision level,  
25 within thirty (30) days;

26 Failure to nominate a replacement practice supervisor, and to have that practice supervisor  
27 report to the board in writing acknowledging the decision, terms and conditions, and supervision  
28 level, within ten (10) days;



1 Practicing in the absence of an approved practice supervisor beyond the initial or  
2 replacement nomination period; or

3 Any failure to adhere to the required level of supervision.

4 Respondent Kahlid Hasan Alishall not resume practice until notified in writing by the board  
5 or its designee.

6 During any suspension, Respondent Kahlid Hasan Ali shall not enter any pharmacy area or  
7 any portion of the licensed premises of a wholesaler, third-party logistics provider, veterinary  
8 food-animal drug retailer or any other distributor of drugs which is licensed by the board, or any  
9 manufacturer, or any area where dangerous drugs and/or dangerous devices or controlled  
10 substances are maintained. Respondent Kahlid Hasan Ali shall not practice pharmacy nor do any  
11 act involving drug selection, selection of stock, manufacturing, compounding, dispensing or  
12 patient consultation; nor shall Respondent Kahlid Hasan Ali manage, administer, or be a  
13 consultant to any licensee of the board, or have access to or control the ordering, distributing,  
14 manufacturing or dispensing of dangerous drugs and/or dangerous devices or controlled  
15 substances.

16 During any suspension, Respondent Kahlid Hasan Ali shall not engage in any activity that  
17 requires the professional judgment and/or licensure as a pharmacist. Respondent Kahlid Hasan  
18 Ali shall not direct or control any aspect of the practice of pharmacy or of the manufacture,  
19 distribution, wholesaling, or retailing of dangerous drugs and/or dangerous devices or controlled  
20 substances.

21 Failure to comply with any suspension shall be considered a violation of probation.

22 **19. No Ownership or Management of Licensed Premises**

23 Respondent Kahlid Hasan Ali shall not own, have any legal or beneficial interest in, nor  
24 serve as a manager, administrator, member, officer, director, trustee, associate, or partner of any  
25 business, firm, partnership, or corporation currently or hereinafter licensed by the board.

26 Respondent Kahlid Hasan Ali shall sell or transfer any legal or beneficial interest in any entity  
27 licensed by the board within ninety (90) days following the effective date of this decision and  
28 shall immediately thereafter provide written proof thereof to the board. Failure to timely divest

any legal or beneficial interest(s) or provide documentation thereof shall be considered a violation of probation.

**ACCEPTANCE**

I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Herbert L. Weinberg. I understand the stipulation and the effect it will have on my Pharmacist License RPH 61560 and Pharmacy Permit No. PHY 51594. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board of Pharmacy.

DATED: \_\_\_\_\_

KAHLID HASAN ALI, individually and on behalf of  
EMPIRE PHARMACY, INC.  
*Respondents*

I have read and fully discussed with Kahlid Hasan Ali the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: \_\_\_\_\_

HERBERT L. WEINBERG  
*Attorney for Respondents*

**ENDORSEMENT**

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Board of Pharmacy.

DATED: \_\_\_\_\_

Respectfully submitted,

ROB BONTA  
Attorney General of California  
GREGORY J. SALUTE  
Supervising Deputy Attorney General


DESIREE I. KELLOGG  
Deputy Attorney General  
*Attorneys for Complainant*

any legal or beneficial interest(s) or provide documentation thereof shall be considered a violation of probation.

**ACCEPTANCE**

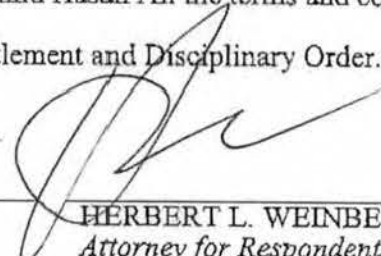
I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Herbert L. Weinberg. I understand the stipulation and the effect it will have on my Pharmacist License RPH 61560 and Pharmacy Permit No. PHY 51594. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board of Pharmacy.

DATED: 9.26.2022

  
KAHLID HASAN ALI, individually and on behalf of  
EMPIRE PHARMACY, INC.  
*Respondents*

I have read and fully discussed with Kahlid Hasan Ali the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: 9/26/2022

  
HERBERT L. WEINBERG  
*Attorney for Respondents*

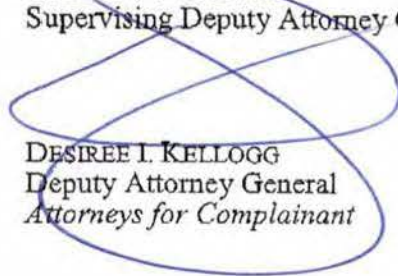
**ENDORSEMENT**

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Board of Pharmacy.

DATED: 9/26/22

Respectfully submitted,

ROB BONTA  
Attorney General of California  
GREGORY J. SALUTE  
Supervising Deputy Attorney General

  
DESIREE I. KELLOGG  
Deputy Attorney General  
*Attorneys for Complainant*

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**Exhibit A**

**Accusation No. 7192**

1 ROB BONTA  
Attorney General of California  
2 GREGORY J. SALUTE  
Supervising Deputy Attorney General  
3 DESIREE I. KELLOGG  
Deputy Attorney General  
4 State Bar No. 126461  
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5 San Diego, CA 92101  
P.O. Box 85266  
6 San Diego, CA 92186-5266  
Telephone: (619) 738-9429  
7 Facsimile: (619) 645-2061  
*Attorneys for Complainant*

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

13 In the Matter of the Accusation Against:

Case No. 7192

14 **EMPIRE PHARMACY, INC.**  
15 **KAHLID HASAN ALI, OWNER and**  
16 **OFFICER**  
1340 Massachusetts Avenue  
Riverside, CA 92507

**ACCUSATION**

17 **Pharmacy Permit No. PHY 51594,**  
18 **and**

19 **KAHLID HASAN ALI**  
20 **8005 Halbrook Terrace**  
**Riverside, CA 92509**

21 **Pharmacist License No. RPH 61560**

22 Respondents.

23  
24 **PARTIES**

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

27 ///

28 ///

2. On or about September 13, 2013, the Board of Pharmacy issued Pharmacy Permit Number PHY 51594 to Empire Pharmacy, Inc. with Kahlid Hasan Ali identified as the sole owner, sole officer and pharmacist-in-charge of Empire Pharmacy, Inc. (Empire Pharmacy). The Pharmacy Permit was in full force and effect at all times relevant to the charges brought herein and expired on September 1, 2022.

3. On or about September 5, 2008, the Board of Pharmacy issued Pharmacist License Number RPH 61560 to Kahlid Hasan Ali (Kahlid Ali). The Pharmacist License was in full force and effect at all times relevant to the charges brought herein and will expire on April 30, 2022.

### **JURISDICTION**

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

5. Code section 4011 provides that the Board shall administer and enforce both the Pharmacy Law [Bus. & Prof. Code, § 4000 *et seq.*] and the Uniform Controlled Substances Act [Health & Safety Code, § 11000 *et seq.*].

6. Code section 4300, subdivision (a) provides that every license issued by the Board may be suspended or revoked.

7. Code section 4300.1 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.

### **STATUTORY PROVISIONS**

8. Section 4081, subdivisions (a) and (b) of the Code states:

(a) All records of manufacture and of sale, acquisition, or disposition of dangerous drugs or dangerous devices shall be at all times during business hours open to inspection by authorized officers of the law, and shall be preserved for at least three years from the date of making. A current inventory shall be kept by every manufacturer, wholesaler, pharmacy, veterinary food animal drug retailer, physician, dentist, podiatrist, veterinarian, laboratory, clinic, hospital, institution, or establishment holding a currently valid and unrevoked certificate, license, permit,

1 registration, or exemption under Division 2 (commencing with Section 1200) of the  
2 Health and Safety Code or under Part 4 (commencing with Section 16000) of  
3 Division 9 of the Welfare and Institutions Code who maintains a stock of dangerous  
4 drugs or dangerous devices.

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

9 9. Section 4105, subdivisions (a), (c) and (f) of the Code state:

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

13 ...

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

16 ...

17 (f) When requested by an authorized officer of the law or by an authorized  
18 representative of the board, the owner, corporate officer, or manager of an entity  
19 licensed by the board shall provide the board with the requested records within three  
20 business days of the time the request was made. The entity may request in writing an  
21 extension of this timeframe for a period not to exceed 14 calendar days from the date  
22 the records were requested. A request for an extension of time is subject to the  
23 approval of the board. An extension shall be deemed approved if the board fails to  
24 deny the extension request within two business days of the time the extension request  
25 was made directly to the board.

26 10. Code section 4113, subdivision (c) states:

27 The pharmacist-in-charge shall be responsible for a pharmacy's compliance  
28 with all state and federal laws and regulations pertaining to the practice of pharmacy.

11 11. Code section 4169, subdivisions (a)(1), (a)(2) and (a)(5) state:

12 (a) A person or entity shall not do any of the following:

13 (1) Purchase, trade, sell, warehouse, distribute, or transfer dangerous drugs or  
14 dangerous devices at wholesale with a person or entity that is not licensed with the  
15 board as a wholesaler, third-party logistics provider, or pharmacy.

16 (2) Purchase, trade, sell, or transfer dangerous drugs or dangerous devices that  
17 the person knew or reasonably should have known were adulterated, as set forth in  
18 Article 2 (commencing with Section 111250) of Chapter 6 of Part 5 of Division 104  
19 of the Health and Safety Code.

20 ...

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

...

12. Code section 4301 states in pertinent part:

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

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

...

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

13. Code section 4307, subdivision (a) states that:

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, or partner of any partnership, corporation, 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 manger, administrator, owner, member, officer, director, associate, or partner had knowledge 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 manger, administrator, owner, member, officer, director, associate, or partner 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.

14. Health and Safety Code section 111255 states:

Any drug or device is adulterated if it has been produced, prepared, packed, or held under conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health.

15. Health and Safety Code section 111295 states:

It is unlawful for any person to manufacture, sell, deliver, hold or offer for sale any drug or device that is adulterated.

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1 **REGULATORY PROVISIONS**

2 16. Title 16 of the California Code of Regulations (CCR) section 1714, subdivision (b)  
3 states:

4 Each pharmacy licensed by the board shall maintain its facilities, space,  
5 fixtures, and equipment so that drugs are safely and properly prepared, maintained,  
6 secured and distributed. The pharmacy shall be of sufficient size and unobstructed  
7 area to accommodate the safe practice of pharmacy.

8 17. CCR section 1718 states:

9 “Current Inventory” as used in Section 4081 and 4332 of the Business and  
10 Professions Code shall be considered to include complete accountability for all  
11 dangerous drugs handled by every licensee enumerated in Section 4081 and 4332.

12 The controlled substances inventories required by Title 21, CFR, Section 1304  
13 shall be available for inspection upon request for at least three years.

14 **COST RECOVERY**

15 18. Code section 125.3 provides that the Board may request the administrative law judge  
16 to direct a licensee found to have committed a violation or violations of the licensing act to pay a  
17 sum not to exceed the reasonable costs of the investigation and enforcement of the case.

18 **DRUGS**

19 19. Descovy is a dangerous drug as defined by Business and Professions Code section  
20 4022 and is used to treat the Human Immunodeficiency Virus (HIV).

21 20. Juluca is a dangerous drug as defined by Business and Professions Code section 4022  
22 and is used to treat HIV.

23 21. Prezcobix is a dangerous drug as defined by Business and Professions Code section  
24 4022 and is used to treat HIV.

25 22. Truvada is a dangerous drug as defined by Business and Professions Code section  
26 4022 and is used to treat HIV.

27 **FACTUAL ALLEGATIONS**

28 23. At all relevant times herein, Empire Pharmacy was a community pharmacy located in  
Riverside, California. Kahlid Ali was the sole owner, sole officer and pharmacist-in-charge.  
Respondents purchased and dispensed expensive, high value HIV drugs.

24. Empire Pharmacy held expired HIV drugs in its active drug inventory, along with manufacturer stock bottles containing tablets of HIV drugs with the labels partially removed and remnants of prescription labels on them.

25. Respondents purchased HIV drugs, Descovy, Juluca, Prezcobix and Truvada at a discount from a person, Carlos P. who was not licensed as a wholesaler with the Board. Respondents did not maintain the records of acquisition for drugs purchased from Carlos P.

26. There were overages in Empire Pharmacy's inventory of Truvada, Descovy, Juluca and Prezcobix or in other words, Empire Pharmacy dispensed more of those drugs than it purchased. From August 9, 2019 to November 9, 2020, there was a 1,110 overage in tablets of Truvada, a 2,820 overage in tablets of Descovy, a 540 overage in tablets of Juluca, and a 3,410 overage in tablets of Prezcobix.

**FIRST CAUSE FOR DISCIPLINE**

**(Held or Offered for Sale Adulterated Drugs)**

27. Respondents are subject to disciplinary action under Code section 4301, subdivisions (j) and (o), for violating Health and Safety Code section 111295 and Code section 4169, subdivision (a)(2), in that they held or offered for sale dangerous drugs that were adulterated (i.e., the expired drugs in the active drug stock and the drugs purchased from an unlicensed person) within the meaning of Health and Safety Code section 111255, as set forth in paragraphs 23 through 26, which are incorporated herein by reference.

## SECOND CAUSE FOR DISCIPLINE

**(Purchased Dangerous Drugs from Unlicensed Person)**

28. Respondents are subject to disciplinary action under Code section 4301, subdivisions (j) and (o), for violating Business and Professions Code section 4169, subdivision (a)(1), because they purchased drugs from an individual unlicensed with the Board as a wholesaler, as described above in paragraphs 23 through 26 which are incorporated herein by reference.

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**THIRD CAUSE FOR DISCIPLINE**

**(Failure to Maintain Records of Acquisition and Disposition of Dangerous Drugs)**

29. Respondents are subject to disciplinary action under Code section 4301, subdivisions (j) and (o) and section 4081, subdivision (b), for violating Code section 4081, subdivision (a), 4169, subdivision (a)(5) and 4105, subdivisions (a) and (c), in that they did not maintain records of acquisition and disposition for their current inventory of dangerous drugs as defined by title 16, California Code of Regulations, section 1718, and did not maintain records open for inspection or retained on the premises in a readily retrievable form, as set forth above in paragraphs 23 through 26, which are incorporated herein by reference.

**FOURTH CAUSE FOR DISCIPLINE**

**(Failure to Maintain Security of Drugs)**

30. Respondents are subject to disciplinary action under Code section 4301, subdivisions (j) and (o), for violating title 16, California Code of Regulations, section 1714, subdivision (b), in that from August 9, 2019 through November 9, 2020, there were overages of 1,110 tablets of Truvada, 2,820 tablets of Descovy, 540 tablets of Juluca and 3,410 tablets of Prezcoibx in their inventory, as set forth in paragraphs 23 through 26 above, which are incorporated herein by reference.

**FIFTH CAUSE FOR DISCIPLINE**

**(Unprofessional Conduct)**

31. Respondents are subject to disciplinary action under Code section 4301 for unprofessional conduct because they engaged in the activities described above in paragraphs 23 through 26.

**OTHER MATTERS**

32. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit No. PHY PHY 51594 issued to Empire Pharmacy, Inc., it shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if the Pharmacy Permit is placed on probation or until the Pharmacy Permit is reinstated if it is revoked.

33. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit No. PHY PHY 51594 issued to Empire Pharmacy, Inc. while Kahlid Hasan Ali has been a manager or owner and had knowledge of or knowingly participated in any conduct for which the licensees were disciplined, he shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if the Pharmacy Permit is placed on probation or until the Pharmacy Permit is reinstated, if it is revoked.

34. Pursuant to Code section 4307, if discipline is imposed on Pharmacist License No. RPH 61560 issued to Kahlid Hasan Ali, he shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if the Pharmacist License is placed on probation or until the Pharmacist License 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 51594, issued to Empire Pharmacy, Inc.;

2. Revoking or suspending Pharmacist License Number RPH 61560, issued to Kahlid Hasan Ali;

3. Prohibiting Empire Pharmacy, Inc. from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number PHY 51594 is placed on probation or until the Pharmacy Permit is reinstated, if it is revoked;

4. Prohibiting Kahid Hasan Ali from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacy Permit Number PHY 51594 is placed on probation or until the Pharmacy Permit is reinstated, if it is revoked;

5. Prohibiting Kahid Hasan Ali from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Pharmacist License

1 Number RPH 61560 is placed on probation or until the Pharmacist License is reinstated, if it is  
2 revoked;

3 6. Ordering Empire Pharmacy, Inc. and Kahlid Hasan Ali to pay the Board of Pharmacy  
4 the reasonable costs of the investigation and enforcement of this case, pursuant to Business and  
5 Professions Code section 125.3; and,

6 7. Taking such other and further action as deemed necessary and proper.  
7

8 DATED: 12/7/2021

Signature on File

9 ANNE SODERGREN  
10 Executive Officer  
11 Board of Pharmacy  
12 Department of Consumer Affairs  
13 State of California  
14 *Complainant*

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