

NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH _____)
Check box below for type of ownership and complete all required forms.

☐ Publicly Traded Corporation – Pages 1,2,3,7

☐ Partnership – Pages 1,2,5,7

☐ Non Publicly Traded Corporation – Pages 1,2,4,7

☒ Sole Owner – Pages 1,2,6,7

GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: LYNCHBURG DRUG STORE

Physical Address: 47 MECHANIC ST

Mailing Address: PO BOX 174

City: LYNCHBURG

State: TN

Zip Code: 37352

Telephone: 931-759-7329

Fax: 931-208-1159

Toll Free Number: 866-323-7966

(Required per NAC 639.708)

E-mail: LYNCHBURGDRUGS@GMAIL.COM

Website: _____

Managing Pharmacist: PATRICIA LEE STEELE

License Number: 9805

TYPE OF PHARMACY AND

SERVICES PROVIDED

Yes/No

☒ ☐ Retail

☐ ☒ Hospital (# beds _____)

☐ ☒ Internet

☐ ☒ Nuclear

☐ ☒ Ambulatory Surgery Center

☒ ☐ Community

☐ ☒ Other: _____

Yes/No

☐ ☒ Off-site Cognitive Services

☐ ☒ Parenteral **

☐ ☒ Parenteral (outpatient)

☐ ☒ Outpatient/Discharge

☒ ☐ Mail Service

☐ ☒ Long Term Care

☐ ☒ Sterile Compounding **

☐ ☒ Non Sterile Compounding

☐ ☒ Mail Service Sterile Compounding **

☐ ☒ Other Services: _____

All boxes must be checked

For the application to be complete

**If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

100217

APPLICATION FOR OUT-OF STATE PHARMACY LICENSE

This page must be submitted for all types of ownership.

Within the last five (5) years:

- 1) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been charged, or convicted of a felony or gross misdemeanor (including by way of a guilty plea or no contest plea)? Yes ☐ No ☒
- 2) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been denied a license, permit or certificate of registration? Yes ☐ No ☒
- 3) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been the subject of an administrative action, board citation, site fine or proceeding relating to the pharmaceutical industry? Yes ☐ No ☒
- 4) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been found guilty, pled guilty or entered a plea of nolo contendere to any offense federal or state, related to controlled substances? Yes ☐ No ☒
- 5) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever surrendered a license, permit or certificate of registration voluntarily or otherwise (other than upon voluntary close of a facility)? Yes ☐ No ☒

If the answer to question 1 through 5 is "yes", a signed statement of explanation must be attached. Copies of any documents that identify the circumstance or contain an order, agreement, or other disposition may be required.

I hereby certify that the answers given in this application and attached documentation are true and correct. I understand that any infraction of the laws of the State of Nevada regulating the operation of an authorized pharmacy may be grounds for the revocation of this permit.

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I hereby authorize the Nevada State Board of Pharmacy, its agents, servants and employees, to conduct any investigation(s) of the business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.


Original Signature of Person Authorized to Submit Application, no copies or stamps

LAURENCE WEISS

Print Name of Authorized Person

1/29/2015
Date

Page 2

Board Use Only

Date Processed: _____

Amount: \$500.00

APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

OWNERSHIP IS A SOLE OWNER. All information relates to the person listed as the owner.

Owner's Name: LAURENCE WEISS

Business Name: LYNCHBURG DRUG STORE

Current Business Address: 47 MECHANIC ST (PO BOX 174)

City: LYNCHBURG State: TN Zip Code: 37352

Telephone: 931-759-7329 Fax: 931-208-1159

List any physician shareholders and percentage of ownership.

Name: _____ %: _____

Name: _____ %: _____

Name: _____ %: _____

Name: _____ %: _____

Hours of Operation for the pharmacy:

Monday thru Friday 9 am 5 pm

Saturday _____ am _____ pm

Sunday _____ am _____ pm

24 Hours _____

A Nevada business license is not required, however if the pharmacy has a Nevada business license please provide the number: _____

STATEMENT OF RESPONSIBILITY
FOR PHARMACIES LOCATED OUTSIDE OF NEVADA

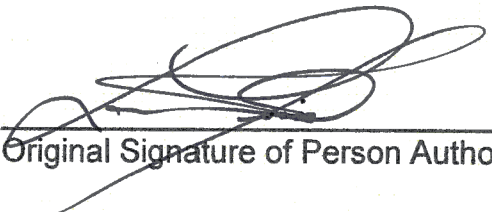
I, LAURENCE WEISS

Responsible Person of LYNCHBURG DRUG STORE

hereby acknowledge and understand that in addition to the corporation's, any owner(s), shareholder(s) or partner(s) responsibilities, may be responsible for any violations of pharmacy law that may occur in a pharmacy owned or operated by said corporation.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s) or partner(s) may be named in any action taken by the Nevada State Board of Pharmacy against a pharmacy owned by or operated by said corporation.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s) or partner(s) cannot require or permit the pharmacist(s) in said pharmacy to violate any provision of any local, state or federal laws or regulations pertaining to the practice of pharmacy.


Original Signature of Person Authorized to Submit Application, no copies or stamps

LAURENCE WEISS

Print Name of Authorized Person

1/29/2018
Date



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
DIVISION OF HEALTH LICENSURE AND REGULATION
OFFICE OF HEALTH RELATED BOARDS
665 Mainstream Drive, Second Floor
Nashville, TN 37243
<http://tn.gov/health>

Tennessee Board of Pharmacy
Pharmacy
1-800-778-4123 or

January 17, 2018

Lynchburg Drug Store
47 Mechanic Street
P.O. Box 174
Lynchburg, TN 37352-0174

TO WHOM IT MAY CONCERN:

This verification can be considered primary source. To expedite the verification process, this is the standard format used by the Tennessee Board of Pharmacy. We are pleased to furnish the following information from our files:

PROFESSION: Pharmacy
NAME: Lynchburg Drug Store
ADDRESS: 47 Mechanic Street
P.O. Box 174
Lynchburg, TN 37352-0174
LICENSE NUMBER: 633
ISSUE DATE: January 01, 1993
EXPIRATION DATE: January 31, 2018
CURRENT STATUS: Licensed
STATUS DATE: January 01, 1993
SPECIAL ENDORSEMENT: Controlled Substance Registration

COMMENTS: There is no derogatory information in our files concerning this facility.

Sincerely,

Donna Ivanson

Tennessee Board of Pharmacy

Division of Health Licensure and Regulation • Office of Health Related Boards
665 Mainstream Drive • Nashville, Tennessee 37243 • tn.gov/health



NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☐ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH _____)
Check box below for type of ownership and complete all required forms. (LLC)
☐ Publicly Traded Corporation – Pages 1,2,3,7 ☒ Partnership – Pages 1,2,5,7
☐ Non Publicly Traded Corporation – Pages 1,2,4,7 ☐ Sole Owner – Pages 1,2,6,7

GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: CARE RX LLC DBA PHARMACY CARE CONCEPTS

Physical Address: 7720 LORRAINE AVE #102/103, STOCKTON, CA 95210

Mailing Address: 7720 LORRAINE AVE #102/103

City: STOCKTON State: CA Zip Code: 95210

Telephone: (209) 957-8787 Fax: (844) 261-1294

Toll Free Number: (888) 836-8444 (Required per NAC 639.708)

E-mail: dtran@pharmacycareconcepts.com Website: N/A

Managing Pharmacist: VAN THI DUONG License Number: 72803

TYPE OF PHARMACY AND

SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail
☐ ☒ Hospital (# beds _____)
☐ ☒ Internet
☐ ☒ Nuclear
☐ ☒ Ambulatory Surgery Center
☐ ☒ Community
☒ ☐ Other: LONG TERM CARE PHARMACY

All boxes must be checked

For the application to be complete

Yes/No

- ☒ ☐ Off-site Cognitive Services
☐ ☒ Parenteral **
☐ ☒ Parenteral (outpatient)
☐ ☒ Outpatient/Discharge
☐ ☒ Mail Service
☒ ☐ Long Term Care
☐ ☒ Sterile Compounding ** NOT YET.

☒ ☐ Non Sterile Compounding SEE EXPLANATION

☐ ☒ Mail Service Sterile Compounding **

☐ ☐ Other Services: _____

**If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

100462



March 26th, 2018

VIA UPS

Nevada Board of Pharmacy
431 W Plumb Ln
Reno, NV 89509

Re: Out of State Pharmacy Application for Care RX LLC dba Pharmacy Care Concepts,
License No. 54574, 7720 Lorraine Avenue #102/103, Stockton, CA 95210

To Whom It May Concern:

Please see the enclosed the Nevada State Board of Pharmacy Out-of-State Pharmacy Application for Care RX LLC dba Pharmacy Care Concepts, located at 7720 Lorraine Avenue #102/103, Stockton, CA 95210. Enclosed with this Pharmacy License Application is a check in the amount of \$500.00 representing the applicable fee.

In this application, we have checked "cognitive service." We intend on providing the full array of Consultant Pharmacist duties in a skilled nursing facility: pharmacist consultation, chart review, and medication therapy management recommendations. Our Nevada-licensed pharmacist is Chris Pak (LIC 14077), whose status is "active."

Secondly, we would like to disclose our intention of providing sterile compounding to our patients in Nevada in the future. We are currently working on our California Sterile Compounding Pharmacy License and look forward to submission by summer 2018. We hope to be licensed by the end of 2018 or early part of 2019. When we obtain this licensure, we will notify the Nevada Board of Pharmacy and take appropriate & necessary steps to provide the service in Nevada.

We thank you for processing this application. Please contact me at your earliest convenience at 805-300-3584 or dtran@pharmacycareconcepts.com if any additional information or clarification is required. You may also reach Van Duong (PIC LIC 72803) at 209-957-8787.

Sincerely,

Davis Tran, Pharm.D.
LIC 64531
Director of Operations
Pharmacy Care Concepts
7720 Lorraine Avenue #102/103
Stockton, Ca 95210

APPLICATION FOR OUT-OF STATE PHARMACY LICENSE

This page must be submitted for all types of ownership.

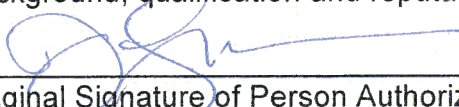
Within the last five (5) years:

- 1) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been charged, or convicted of a felony or gross misdemeanor (including by way of a guilty plea or no contest plea)? Yes ☐ No ☒
- 2) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been denied a license, permit or certificate of registration? Yes ☐ No ☒
- 3) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been the subject of an administrative action, board citation, site fine or proceeding relating to the pharmaceutical industry? Yes ☒ No ☐
- 4) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been found guilty, pled guilty or entered a plea of nolo contendere to any offense federal or state, related to controlled substances? Yes ☐ No ☒
- 5) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever surrendered a license, permit or certificate of registration voluntarily or otherwise (other than upon voluntary close of a facility)? Yes ☐ No ☒

If the answer to question 1 through 5 is "yes", a signed statement of explanation must be attached. Copies of any documents that identify the circumstance or contain an order, agreement, or other disposition may be required.

I hereby certify that the answers given in this application and attached documentation are true and correct. I understand that any infraction of the laws of the State of Nevada regulating the operation of an authorized pharmacy may be grounds for the revocation of this permit.

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I hereby authorize the Nevada State Board of Pharmacy, its agents, servants and employees, to conduct any investigation(s) of the business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.


Original Signature of Person Authorized to Submit Application, no copies or stamps

DAVIS TRAN
Print Name of Authorized Person

3/26/18
Date

Page 2

Board Use Only

Date Processed: _____

Amount: \$ 500.00

Exhibit A

Statement of Explanation

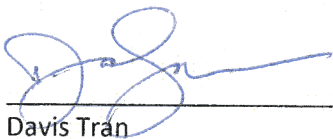
Response to question 3:

On March 14, 2001, Pharmacy Care Concepts was first licensed by the California Board of Pharmacy, under Permit Number PHY 45169 issued to Stephen L. Stange as PIC and President/Treasurer. Davis Thanh Tran was hired as an Intern Pharmacist in January 2008. Davis became a Staff Pharmacist in September 2010. Van Thi Duong was hired as an Intern Pharmacist in August 2012.

In 2013, PCC Ventures, LLC ("PCC") purchased Pharmacy Care Concepts from PIC Stange. PIC Stange remained on in his capacity as PIC only, not as an owner. On or about June 27, 2013, the Board issued a new license (PHY 51484) to PCC. In November 2013, PIC Stange reported to the Board that an individual unlicensed staff member had improperly obtained controlled substances between January and October 2013 - conduct that originated before PCC's purchase of the pharmacy and did not involve Davis or Van or any individuals under their supervision. This was also reported to the DEA and local police, and corrective actions were taken, including termination of employee involved. Following the discovery of the reported issues under PIC Stange, Robert Dacanay (RPH 64154) replaced Stange as the PIC for PCC in May of 2015. In September 2015, the Board commenced a disciplinary action based on this conduct against Stange, as well as against PCC and its owners Harold Delamarter, Gregory Vislocky, Rick Delamarter, MD, Scott Hancock, Tracy Zarling, and Paul Haffner. (Accusation, Case No. 5294.)

On February 19, 2016, the Board and PCC reached a settlement, and executed the Stipulated Settlement and Disciplinary Order. By this point, over two years had passed since the conduct was discovered and reported, and the pharmacy had demonstrated compliance during that period under PCC ownership. In March 2016, Van replaced Robert Dacanay as PIC. The Board reached a separate resolution with Stange, and his relationship with PCC terminated.

PCC was subsequently acquired by Care RX. PCC merged into Care RX, and all of its assets, including Pharmacy Care Concepts, became the assets of the Care RX. The owners/members of PCC became minority equity holders of Care RX. As part of the Board's issuance of a new permit to Pharmacy Care Concepts pursuant to the change of ownership, the Board required Care RX to agree to the Stipulation for ongoing jurisdiction, although Care RX had no involvement in the conduct at issue. A Temporary Pharmacy Permit was issued on September 30, 2016, and the full Pharmacy Permit (PHY 54574) was issued on February 15, 2017. Care RX has operated Pharmacy Care Concepts without incident and in compliance with all applicable statutes and regulations.



Davis Tran

3/26/18

Date

APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

OWNERSHIP IS A PARTNERSHIP

General _____

Limited ☒ LLC

Partnership Name: CARE RX LLC

Mailing Address: 18110 SE 34th STREET, BUILDING-2, SUITE 270

City: VANCOUVER State: WA Zip Code: 98683

Telephone Number: (503) 626-9436 Fax Number: (503) 372-1792

Contact Person: SCOTT HANCOCK

List each partner and identify whether (G)eneral or (L)imited partner and percentage of ownership
Use separate sheet if necessary

<u>Name</u>	<u>G or L</u>	<u>Percentage</u>
<u>See attached "EXHIBIT B" for LLC owners, managers, members</u>	<u>N/A</u>	<u>N/A</u>

List names of 4 largest partners and percentage of ownership:

Name: <u>PAYLESS DRUG PHARMACY GROUP LLC</u>	%: <u>65.86%</u>
Name: <u>DD AND F</u>	%: <u>21.89%</u>
Name: <u>HAROLD DELAMARTER</u>	%: <u>3.30%</u>
Name: <u>GREG VISLOCKY</u>	%: <u>3.30%</u>

List any physician shareholders and percentage of ownership.

Name: <u>RICK DELAMARTER</u>	%: <u>0.87%</u>
Name: _____	%: _____
Name: _____	%: _____

Hours of Operation for the pharmacy:

Monday thru Friday <u>8</u> am <u>9</u> pm	Saturday <u>9</u> am <u>7</u> pm
Sunday <u>9</u> am <u>7</u> pm	24 Hours <u>ON-CALL PHARMACIST</u> <u>24/7</u>

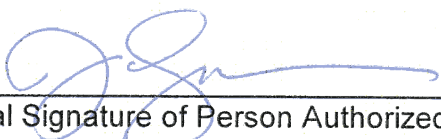
A Nevada business license is not required, however if the pharmacy has a Nevada business license please provide the number: _____

STATEMENT OF RESPONSIBILITY
FOR PHARMACIES LOCATED OUTSIDE OF NEVADA

I, DAVIS TRAN
Responsible Person of CARE RX LLC DBA PHARMACY CARE CONCEPTS
hereby acknowledge and understand that in addition to the corporation's, any owner(s),
shareholder(s) or partner(s) responsibilities, may be responsible for any violations of pharmacy law
that may occur in a pharmacy owned or operated by said corporation.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s)
or partner(s) may be named in any action taken by the Nevada State Board of Pharmacy against a
pharmacy owned by or operated by said corporation.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s)
or partner(s) cannot require or permit the pharmacist(s) in said pharmacy to violate any provision
of any local, state or federal laws or regulations pertaining to the practice of pharmacy.


Original Signature of Person Authorized to Submit Application, no copies or stamps

DAVIS TRAN
Print Name of Authorized Person

3/26/18
Date

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

Case No. 5294

In the Matter of the Accusation
Against:

**STIPULATION FOR
CONTINUING JURISDICTION**

PCC VENTURES LLC
dba Pharmacy Care Concepts
7720 Lorraine Ave, Suite 102/103
Stockton, CA 95210
Pharmacy Permit No. PHY 51484,

Respondent.

IT IS HEREBY STIPULATED AND AGREED by and between the undersigned parties
that the following is true:

1. The parties to this agreement are **Virginia Herold**, acting in her official capacity as the Executive Officer of the Board of Pharmacy (Board), Department of Consumer Affairs, and **John Mack**, President and Chief Executive Officer authorized representative of Care RX, LLC, 16100 SW 72nd Avenue, Portland, Oregon 97222.

2. On or about June 13, 2016, Care Rx, LLC, 16100 SW 72nd Avenue, Portland, Oregon 97222 (hereinafter "applicant") submitted an application to the Board for change of ownership of Pharmacy Care Concepts, 7720 Lorraine Avenue, Suite 102/103, Stockton, CA 95210 (Original Permit No. PHY 51484). The granting of the application would require the cancellation of Original Permit No. PHY 51484 issued to PCC Ventures, LLC, 7700 NE Parkway Drive, Suite 300, Vancouver, Washington 98662, and the issuance of a new original permit number to applicant pursuant to Business and Professions Code section 4201(f).

3. The existing permit (Original Permit No. PHY 51484) is currently the subject of a disciplinary order issued effective May 5, 2016, by the Board in the disciplinary matter entitled *In*

1 *The Matter of Accusation Against PCC Ventures, LLC, et al., Board of Pharmacy Case No. 5294.*

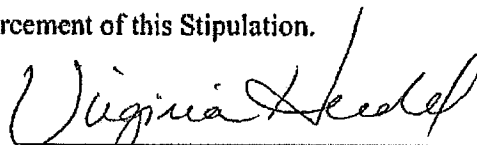
2 A true and correct copy of the decision and order in this matter is attached hereto as **Exhibit A**
3 and incorporated by this reference.

4 4. In exchange for expedited processing and issuance of the new permit pursuant to the
5 change in ownership, applicant understands and agrees that the Board shall have continuing
6 jurisdiction over the new permit issued to applicant such that the disciplinary order issued by the
7 Board in Case No. 5294, including any terms and conditions and remaining tenure of probation,
8 shall carry forward and be applicable to the new permit issued to applicant. The Board hereby
9 waives any right it may have had to deny issuance of the new permit.

10 5. A portable document format (PDF) or facsimile signature on this document shall be
11 binding as an original signature. Parties agree to use of PDF or facsimile signatures in lieu of
12 original signatures for all purposes relevant to enforcement of this Stipulation.

13
14 Dated:

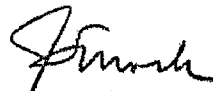
8/24/2016



VIRGINIA HEROLD
Executive Officer
California Board of Pharmacy

15
16
17
18 Dated:

8/24/2016



JOHN MACK
President and Chief Executive Officer
Authorized Representative
Care RX, LLC

Exhibit A

**Final Decision and Order
Pharmacy Board Disciplinary Case No. 5294**

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

In the Matter of the Accusation Against:

**PCC VENTURES LLC,
dba PHARMACY CARE CONCEPTS
STEPHEN L. STANGE, PIC
HAROLD G. DELAMARTER, MEMBER
GREGORY JOHN VISLOCKY, MEMBER
RICK B. DELAMARTER, MD, MEMBER
SCOTT BRADLEY HANCOCK,
MEMBER
TRACY WILLIAM ZARLING, MEMBER
PAUL ERNEST HAFFNER, MEMBER
7720 Lorraine Avenue, Suite 102/103
Stockton, CA 95210**

Original Pharmacy Permit No. PHY 51484

and

**STEPHEN L. STANGE
4230 Heron Lakes Drive
Stockton, CA 95219**

Pharmacist License No. RPH 28242

Respondents.

Case No. 5294

OAH No. 2015110440

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER AS TO PCC
VENTURES, LLC, ET AL, ONLY**

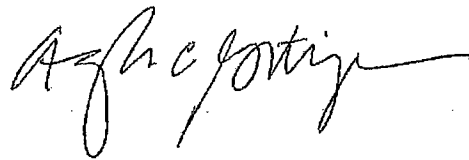
DECISION AND ORDER

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 June 6, 2016.

It is so ORDERED on May 5, 2016.

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



By

Amy Gutierrez, Pharm.D.
Board President

1 KAMALA D. HARRIS
Attorney General of California
2 JANICE K. LACHMAN
Supervising Deputy Attorney General
3 KRISTINA T. JARVIS
Deputy Attorney General
4 State Bar No. 258229
1300 I Street, Suite 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 324-5403
Facsimile: (916) 327-8643
7 Attorneys for Complainant

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

11 In the Matter of the Accusation Against:

Case No. 5294

12 **PCC VENTURES LLC,**
dba PHARMACY CARE CONCEPTS
13 **STEPHEN L. STANGE, PIC**
14 **HAROLD G. DELAMARTER, MEMBER**
15 **GREGORY JOHN VISLOCKY, MEMBER**
16 **RICK B. DELAMARTER, MD, MEMBER**
17 **SCOTT BRADLEY HANCOCK,**
MEMBER
18 **TRACY WILLIAM ZARLING, MEMBER**
19 **PAUL ERNEST HAFFNER, MEMBER**
20 **7720 Lorraine Avenue, Suite 102/103**
21 **Stockton, CA 95210**

OAH No. 2015110440

STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER AS TO PCC
VENTURES, LLC, ET AL, ONLY

22 **Original Pharmacy Permit No. PHY 51484**

23 and

24 **STEPHEN L. STANGE**
4230 Heron Lakes Drive
25 Stockton, CA 95219

26 **Pharmacist License No. RPH 28242**

27 Respondents.

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

///

1 PARTIES

2 1. Virginia Herold ("Complainant") is the Executive Officer of the Board of Pharmacy.
3 She brought this action solely in her official capacity and is represented in this matter by Kamala
4 D. Harris, Attorney General of the State of California, by Kristina T. Jarvis, Deputy Attorney
5 General.

6 2. On or about March 14, 2001, the Board issued Original Pharmacy Permit Number
7 PHY 45169 to Pharmacy Care Concepts, Inc., with Stephen L. Stange ("Respondent Stange") as
8 pharmacist-in-charge ("PIC") and president/treasurer. The pharmacy permit was canceled on
9 July 2, 2013, due to a change in ownership of the pharmacy, as set forth in paragraph 3 below.

10 3. On or about July 1, 2013, the Board issued Original Pharmacy Permit Number PHY
11 51484 to PCC Ventures LLC ("Respondent PCC" or "PCC"), doing business as Pharmacy Care
12 Concepts, with Respondent Stange as PIC and Harold G. Delamarter, Gregory John Vislocky,
13 Rick B. Delamarter, MD, Scott Bradley Hancock, Tracy William Zarling, and Paul Ernest
14 Haffner as members. The pharmacy permit was in full force and effect at all times relevant to the
15 charges brought herein and will expire on July 1, 2016, unless renewed.

16 4. On or about April 24, 1973, the Board issued Pharmacist License Number RPH
17 28242 Respondent Stange. The pharmacist license was in full force and effect at all times
18 relevant to the charges brought herein and will expire on August 31, 2017, unless renewed.

19 5. Respondent PCC is represented in this proceeding by attorney Ivan Petrzelka, whose
20 address is: 2855 Michelle Drive, Suite 180. Irvine, CA 92606.

21 6. Respondent Stange is represented in this proceeding by attorney Gregory P. Matzen,
22 whose address is: 2104 Big Sandy Court, Gold River, CA 95670.

23 JURISDICTION

24 7. Accusation No. 5294 was filed before the Board of Pharmacy (Board), Department of
25 Consumer Affairs, and is currently pending against Respondent. The Accusation and all other
26 statutorily required documents were properly served on Respondents on September 24, 2015.
27 Respondents timely filed their Notices of Defense contesting the Accusation.

28 ///

1 8. A copy of Accusation No. 5294 is attached as exhibit A and incorporated herein by
2 reference.

3 ADVISEMENT AND WAIVERS

4 9. Respondent PCC has carefully read, fully discussed with counsel, and understands the
5 charges and allegations in Accusation No. 5294. Respondent PCC has also carefully read, fully
6 discussed with counsel, and understands the effects of this Stipulated Settlement and Disciplinary
7 Order.

8 10. Respondent PCC is fully aware of its legal rights in this matter, including the right to
9 a hearing on the charges and allegations in the Accusation; the right to be represented by counsel
10 at its own expense; the right to confront and cross-examine the witnesses against them; the right
11 to present evidence and to testify on its own behalf; the right to the issuance of subpoenas to
12 compel the attendance of witnesses and the production of documents; the right to reconsideration
13 and court review of an adverse decision; and all other rights accorded by the California
14 Administrative Procedure Act and other applicable laws.

15 11. Respondent PCC voluntarily, knowingly, and intelligently waives and gives up each
16 and every right set forth above.

17 CULPABILITY

18 12. Respondent PCC understands that the charges and allegations in Accusation No.
19 5294, if proven at hearing constitute cause for imposing discipline upon the Pharmacy Permit.

20 13. For the purposes of resolving the Accusation without the expense and uncertainty of
21 further proceedings, Respondent PCC agrees that, at a hearing, Complainant could establish a
22 factual basis for the charges in the Accusation and that those charges constitute cause for
23 discipline. Respondent PCC hereby gives up their right to contest that cause for discipline exists
24 based on those charges and agrees to be bound by the Board's Decision and Order.

25 14. Respondent PCC understands that by signing this stipulation they enable the Board to
26 issue an order revoking its Pharmacy Permit and placing it on probation subject to the terms and
27 conditions set forth in the Disciplinary Order below.

28 ///

CONTINGENCY

15. This stipulation shall be subject to approval by the Board of Pharmacy. Respondent PCC understands and agrees 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 Respondent PCC or its counsel. By signing the stipulation, Respondent PCC 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 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.

16. 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.

17. 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.

~~18. The Board agrees that Respondent PCC Ventures and all of its owners and/or~~
managers are not prohibited from filing future or additional applications for ownership of other licensed premises.

19. The Board also agrees to expedite the processing of any application for transfer of ownership of Pharmacy Care Concepts if an application for a temporary permit is received by a new prospective owner of Respondent PCC. Any such change shall contain a stipulation for continued jurisdiction for probation by the Board for the new license should it be issued.

///

20. If there is any violation of probation for which a petition to revoke probation is filed by the Board, then all of the charges and allegations in Accusation No. 5294 shall be deemed to be true, correct, and admitted for the purpose of that proceeding.

21. If Respondent PCC or any owners or managers should ever apply for a new or additional license or permit by the Board or any other health care licensing agency in the State of California, all of the charges and allegations in Accusation No. 5294 shall be deemed to be true, correct, and admitted for the purpose of any Statement of Issues or any other proceeding seeking to deny the license.

22. 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 ORDER

IT IS HEREBY ORDERED that Pharmacy Permit No. PHY 51484 issued to Respondent PCC Ventures, LLC dba Pharmacy Care Concepts; et. al. is revoked. However, the revocation is stayed and Respondent is placed on probation for three (3) years on the following terms and conditions.

1. Obey All Laws

Respondent PCC shall obey all state and federal laws and regulations.

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

- ☐ an arrest of any owner or employee, or issuance of a criminal complaint against any owner or employee for violation of any provision of the Pharmacy Law, state and federal food and drug laws, or state and federal controlled substances laws
- ☐ a plea of guilty or nolo contendere by any owner or employee in any state or federal criminal proceeding to any criminal complaint, information or indictment
- ☐ a conviction of any crime for any owner or employee
- ☐ discipline, citation, or other administrative action filed by any state or federal agency which involves respondent's Pharmacy license or which is related to the practice of

pharmacy or the manufacturing, obtaining, handling or distributing, billing, or charging for any drug, device or controlled substance.

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

2. Report to the Board

Respondent PCC 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 PCC 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 PCC's owner(s) 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 PCC shall cooperate with the board's inspection program and with the board's monitoring and investigation of respondent's compliance with the terms and conditions of their probation. Failure to cooperate shall be considered a violation of probation.

5. Reimbursement of Board Costs

As a condition precedent to successful completion of probation, Respondent PCC shall pay to the board its costs of investigation and prosecution in the amount of \$5,368.25. Respondent's owners are all jointly and severally liable for this debt. Respondent shall be permitted to make said payments in a payment plan approved in writing by the Board or its designee. There shall be no deviation from this schedule absent prior written approval by the board or its designee. Failure

1 to pay costs by the deadline(s) as directed shall be considered a violation of probation.

2 The filing of bankruptcy by Respondent or any owners of Respondent shall not relieve
3 Respondent of their responsibility to reimburse the board its costs of investigation and
4 prosecution.

5 **6. Probation Monitoring Costs**

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

10 **7. Status of License**

11 Respondent PCC shall, at all times while on probation, maintain current licensure with the
12 board. If Respondent PCC submits an application to the board, and the application is approved,
13 for a change of location, change of permit or change of ownership, the board shall retain
14 continuing jurisdiction over the license, and the respondent shall remain on probation as
15 determined by the board. Failure to maintain current licensure shall be considered a violation of
16 probation.

17 If Respondent PCC's license expires or is cancelled by operation of law or otherwise at any
18 time during the period of probation, including any extensions thereof or otherwise, upon renewal
19 or reapplication respondent's license shall be subject to all terms and conditions of this probation
20 not previously satisfied.

21 **8. License Surrender While on Probation/Suspension**

22 Following the effective date of this decision, should Respondent PCC discontinue business,
23 respondent may tender the premises license to the board for surrender. The board or its designee
24 shall have the discretion whether to grant the request for surrender or take any other action it
25 deems appropriate and reasonable. Upon formal acceptance of the surrender of the license,
26 respondent will no longer be subject to the terms and conditions of probation.

27 Upon acceptance of the surrender, Respondent PCC shall relinquish the premises wall and
28 renewal license to the board within ten (10) days of notification by the board that the surrender is

1 accepted. Respondent PCC shall further submit a completed Discontinuance of Business form
2 according to board guidelines and shall notify the board of the records inventory transfer.

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

13 Respondent PCC and each of its owners may not apply for any new licensure from the
14 board for three (3) years from the effective date of the surrender. Respondent PCC's owner(s)
15 shall meet all requirements applicable to the license sought as of the date the application for that
16 license is submitted to the board.

17 Respondent PCC's owner(s) further stipulate(s) that he or she shall reimburse the board for
18 its costs of investigation and prosecution prior to the acceptance of the surrender.

19 **9. Notice to Employees**

20 Respondent PCC shall, upon or before the effective date of this decision, ensure that all
21 employees involved in permit operations are made aware of all the terms and conditions of
22 probation, either by posting a notice of the terms and conditions, circulating such notice, or both.
23 If the notice required by this provision is posted, it shall be posted in a prominent place and shall
24 remain posted throughout the probation period. Respondent PCC shall ensure that any employees
25 hired or used after the effective date of this decision are made aware of the terms and conditions
26 of probation by posting a notice, circulating a notice, or both. Additionally, respondent shall
27 submit written notification to the board, within fifteen (15) days of the effective date of this
28 decision, that this term has been satisfied. Failure to submit such notification to the board shall be

1 considered a violation of probation.

2 "Employees" as used in this provision includes all full-time, part-time,
3 volunteer, temporary and relief employees and independent contractors employed or
4 hired at any time during probation.

5 **10. Owners and Officers: Knowledge of the Law**

6 Respondent PCC shall provide, within thirty (30) days after the effective date of this
7 decision, signed and dated statements from its owners, including any owner or holder of ten
8 percent (10%) or more of the interest in respondent or respondent's stock, and any officer, stating
9 under penalty of perjury that said individuals have read and are familiar with state and federal
10 laws and regulations governing the practice of pharmacy. The failure to timely provide said
11 statements under penalty of perjury shall be considered a violation of probation.

12 **11. Posted Notice of Probation**

13 Respondent PCC shall prominently post a probation notice provided by the board in a place
14 conspicuous and readable to the public. The probation notice shall remain posted during the
15 entire period of probation.

16 Respondent PCC shall not, directly or indirectly, engage in any conduct or make any
17 statement which is intended to mislead or is likely to have the effect of misleading any patient,
18 customer, member of the public, or other person(s) as to the nature of and reason for the probation
19 of the licensed entity.

20 Failure to post such notice shall be considered a violation of probation.

21 **12. Violation of Probation**

22 If Respondent PCC has not complied with any term or condition of probation, the board
23 shall have continuing jurisdiction over respondent license, and probation shall be automatically
24 extended until all terms and conditions have been satisfied or the board has taken other action as
25 deemed appropriate to treat the failure to comply as a violation of probation, to terminate
26 probation, and to impose the penalty that was stayed.

27 If Respondent PCC or its owner(s) violates probation in any respect, the board, after giving
28 respondent and its owner(s) notice and an opportunity to be heard, may revoke probation and

1 carry out the disciplinary order that was stayed. Notice and opportunity to be heard are not
2 required for those provisions stating that a violation thereof may lead to automatic termination of
3 the stay and/or revocation of the license. If a petition to revoke probation or an accusation is filed
4 against respondent during probation, the board shall have continuing jurisdiction and the period
5 of probation shall be automatically extended until the petition to revoke probation or accusation is
6 heard and decided.

7 **13. Completion of Probation**

8 Upon written notice by the board or its designee indicating successful completion of
9 probation, respondent license will be fully restored.

10 **14. Community Services Program**

11 Within sixty (60) days of the effective date of this decision, Respondent PCC shall submit
12 to the board or its designee, for prior approval, a community service program in which respondent
13 shall provide free health-care related services to a community or charitable facility or agency
14 consisting of drug buy-back programs, or sharps disposal programs at an amount of \$45,000.00
15 over the three (3) years or probation.

16 Within thirty (30) days of board approval thereof, Respondent PCC shall submit
17 documentation to the board demonstrating commencement of the community service program.
18 Respondent PCC shall report on progress with the community service program in the quarterly
19 reports.

20 Failure to timely submit, commence, or comply with the program shall be considered a
21 violation of probation.

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1 ACCEPTANCE

2 I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully
3 discussed it with my attorney, Ivan Petrzelka. I understand the stipulation and the effect it will
4 have on my Pharmacy Permit. I enter into this Stipulated Settlement and Disciplinary Order
5 voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the
6 Board of Pharmacy.

7 DATED: 2/19/16


PCC VENTURES, LLC

8 DBA PHARMACY CARE CONCEPTS

9 Respondent

10 Scott Hancock
Print Name of Representative for PCC Ventures, LLC.

11 APPROVAL AS TO FORM AND CONTENT

12 I have read and fully discussed with Respondent PCC Ventures, LLC dba Pharmacy Care
13 Concepts; et. al. the terms and conditions and other matters contained in the above Stipulated
14 Settlement and Disciplinary Order. I approve its form and content.

15 DATED: 2-19-2016

16 
Ivan Petrzelka

17 Attorney for Respondent

18 ENDORSEMENT

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

21 Dated: 2-19-2016

22 Respectfully submitted,

23 KAMALA D. HARRIS

24 Attorney General of California

25 JANICE K. LACHMAN

26 Supervising Deputy Attorney General


KRISTINA T. JARVIS

27 Deputy Attorney General

28 Attorneys for Complainant

SA2014117593
PCC 3 years.docx

Exhibit A

Accusation No. 5294 -

1 KAMALA D. HARRIS
Attorney General of California
2 JANICE K. LACHMAN
Supervising Deputy Attorney General
3 KRISTINA T. JARVIS
Deputy Attorney General
4 State Bar No. 258229
1300 I Street, Suite 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 324-5403
Facsimile: (916) 327-8643
7 *Attorneys for Complainant*

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

11 In the Matter of the Accusation Against:

Case No. 5294

12 **PCC VENTURES LLC,**
13 **dba PHARMACY CARE CONCEPTS**
14 **STEPHEN L. STANGE, PIC**
15 **HAROLD G. DELAMARTER, MEMBER**
16 **GREGORY JOHN VISLOCKY, MEMBER**
17 **RICK B. DELAMARTER, MD, MEMBER**
18 **SCOTT BRADLEY HANCOCK, MEMBER**
19 **TRACY WILLIAM ZARLING, MEMBER**
20 **PAUL ERNEST HAFFNER, MEMBER**
21 **7720 Lorraine Avenue, Suite 102/103**
Stockton, CA 95210

A C C U S A T I O N

18 **Original Pharmacy Permit No. PHY 51484**

19 **and**

20 **STEPHEN L. STANGE**
21 **4230 Heron Lakes Drive**
Stockton, CA 95219

22 **Pharmacist License No. RPH 28242**

23 **Respondents.**

24
25 **Complainant alleges:**

26 **PARTIES/LICENSE INFORMATION**

27 1. Virginia Herold ("Complainant") brings this Accusation solely in her official capacity
28 as the Executive Officer of the Board of Pharmacy ("Board"), Department of Consumer Affairs.

1 2. On or about March 14, 2001, the Board issued Original Pharmacy Permit Number
2 PHY 45169 to Pharmacy Care Concepts, Inc., with Stephen L. Stange ("Respondent Stange") as
3 pharmacist-in-charge ("PIC") and president/treasurer. The pharmacy permit was canceled on
4 July 2, 2013, due to a change in ownership of the pharmacy, as set forth in paragraph 3 below.

5 3. On or about July 1, 2013, the Board issued Original Pharmacy Permit Number PHY
6 51484 to PCC Ventures LLC ("Respondent PCC" or "PCC"), doing business as Pharmacy Care
7 Concepts, with Respondent Stange as PIC and Harold G. Delamarter, Gregory John Vislocky,
8 Rick B. Delamarter, MD, Scott Bradley Hancock, Tracy William Zarling, and Paul Ernest
9 Haffner as members. The pharmacy permit was in full force and effect at all times relevant to the
10 charges brought herein and will expire on July 1, 2016, unless renewed.

11 4. On or about April 24, 1973, the Board issued Pharmacist License Number RPH
12 28242 Respondent Stange. The pharmacist license was in full force and effect at all times
13 relevant to the charges brought herein and will expire on August 31, 2017, unless renewed.

14 JURISDICTION

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

17 STATUTORY AND REGULATORY PROVISIONS

18 6. Code section 4300 states, in pertinent part:

19 (a) Every license issued may be suspended or revoked.

20 (b) The board shall discipline the holder of any license issued by the
21 board, whose default has been entered or whose case has been heard by the board and
found guilty, by any of the following methods:

22 (1) Suspending judgment.

23 (2) Placing him or her upon probation.

24 (3) Suspending his or her right to practice for a period not exceeding one
25 year.

26 (4) Revoking his or her license.

27 (5) Taking any other action in relation to disciplining him or her as the
board in its discretion may deem proper ...

28 ///

1 7. Code section 4300.1 states:

2 The expiration, cancellation, forfeiture, or suspension of a board-issued
3 license by operation of law or by order or decision of the board or a court of law, the
4 placement of a license on a retired status, or the voluntary surrender of a license by a
5 licensee shall not deprive the board of jurisdiction to commence or proceed with any
6 investigation of, or action or disciplinary proceeding against, the licensee or to render
7 a decision suspending or revoking the license.

8 8. Code section 4301 states, in pertinent part:

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

13

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

19 9. Code section 4032 states that "[l]icense means and includes any license, permit,
20 registration, certificate, or exemption issued by the board and includes the process of applying for
21 and renewing the same."

22 10. Code section 4022 states:

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

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

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

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

33 11. Code section 4063 states, in pertinent part, that "[n]o prescription for any dangerous
34 drug or dangerous device may be refilled except upon authorization of the prescriber. The
35 authorization may be given orally or at the time of giving the original prescription . . ."

36 ///

1 12. Code section 4105, subdivision (a), states that "[a]ll records or other documentation
2 of the acquisition and disposition of dangerous drugs and dangerous devices by any entity
3 licensed by the board shall be retained on the licensed premises in a readily retrievable form."

4 13. Code section 4113, subdivision (c), states that "[t]he pharmacist-in-charge shall be
5 responsible for a pharmacy's compliance with all state and federal laws and regulations pertaining
6 to the practice of pharmacy.

7 14. California Code of Regulations, title 16, section ("Regulation") 1714, subdivision (d),
8 states:

9 Each pharmacist while on duty shall be responsible for the security of the
10 prescription department, including provisions for effective control against theft or
11 diversion of dangerous drugs and devices, and records for such drugs and devices.
12 Possession of a key to the pharmacy where dangerous drugs and controlled
13 substances are stored shall be restricted to a pharmacist.

12 COST RECOVERY

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

17 CONTROLLED SUBSTANCES/DANGEROUS DRUGS

18 16. "Norco", "Lortab", and "Vicodin ES" are compounds consisting of varying quantities
19 of acetaminophen and hydrocodone bitartrate, also known as dihydrocodeinone, and are Schedule
20 III controlled substances as designated by Health and Safety Code section 11056, subdivision
21 (e)(4). Norco, Lortab, and Vicodin ES are used to relieve moderate to severe pain.

22 17. "Percocet" is a compound consisting of oxycodone and acetaminophen, and is a
23 Schedule II controlled substance as designated by Health and Safety Code section 11055,
24 subdivision (b)(1)(M). Percocet is used to relieve moderate to severe pain.

25 18. "Methadose", a brand of methadone hydrochloride, is a Schedule II controlled
26 substance as designated by Health and Safety Code section 11055, subdivision (c)(14).
27 Methadose is used to treat opioid addiction as well as relieve severe pain.

28 ///

1 19. "Concerta", a brand of methylphenidate, is a Schedule II controlled substance as
2 designated by Health and Safety Code section 11055, subdivision (d)(6). Concerta is used to treat
3 attention deficit hyperactivity disorder (ADHD).

4 20. "Fentanyl" is a Schedule II controlled substance as designated by Health and Safety
5 Code section 11055, subdivision (c)(8). Fentanyl is used as part of anesthesia to help prevent
6 pain after surgery or other medical procedure.

7 21. "Adderall XR" is a compound consisting of mixed salts of dextroamphetamine and/or
8 amphetamine, and is a Schedule II controlled substance as designated by Health and Safety Code
9 section 11055, subdivision (d)(1). Adderall XR is indicated for the treatment of ADHD.

10 22. The above controlled substances are dangerous drugs within the meaning of Code
11 section 4022 in that they require a prescription under federal law.

12 BACKGROUND

13 23. On or about November 6, 2013, the Board received a report from PIC Stange,
14 notifying them that an unlicensed staff member, M. M., may have obtained 960 tablets of Norco
15 10/325 mg from the pharmacy without a valid prescription. PIC Stange stated that on or about
16 June 10, 2013, a legal prescription was obtained from a physician's assistant for M. M.'s
17 husband, J. M., for 240 tablets of Norco 10/325 mg, *with zero refills*. On August 2, 2013, M. M.
18 presented a photocopy of the prescription to the billing technician, who processed it, and the
19 prescription was then filled by pharmacy technician C. L. M. M. took the prescription before it
20 was reviewed by a pharmacist.

21 24. PIC Stange also stated that on August 29, 2013, September 14, 2013, and October 2,
22 2013, M. M. presented C. L. with prescription labels "from the initial dispensing date (August 2,
23 2013)." C. L. filled the prescriptions (240 tablets of Norco 10/325 mg in each instance) after
24 M. M. "promised" that she had a valid refill for each label. It appeared that M. M. took each of
25 the prescriptions before final review by a pharmacist.

26 25. PIC Stange listed various corrective actions the pharmacy had taken since the
27 incident, including filing a police report with the Stockton Police Department and suspending
28 ///

1 M. M. from her employment on October 12, 2013 (M. M. subsequently resigned on October 14,
2 2013).

3 26. On or about November 14, 2013, the Board sent a letter to PIC Stange, requesting
4 certain information and documents pertaining to the reported theft/loss of controlled substances.

5 27. On or about December 19, 2013, the Board received various documents from PIC
6 Stange, including a Drug Enforcement Agency (DEA) Form 106 dated October 16, 2013. PCC
7 reported a loss of controlled substances valued at \$2,000, including 14,706 tablets of
8 hydrocodone/acetaminophen 10/325; the type of theft/loss was listed as "Employee Pilferage".
9 PIC Stange also provided the Board with a statement, indicating that the business was sold to
10 PCC on June 27, 2013, and that he and the new owner, pharmacist Scott Hancock ("Hancock"),
11 conducted an inventory or audit of Schedule 2 medications and hydrocodone-related products,
12 which "reflected a much larger problem than previously discovered." PIC Stange submitted a
13 copy of the audit; it was conducted for the time period from June 28, 2013 to November 26, 2013.
14 PIC Stange indicated in an additional statement that the audit was based on an inventory from
15 June 27, 2013 to November 26, 2013, purchase records from various wholesalers, including
16 Valley Wholesale and HD Smith (Smart Source), prescription utilization reports, and reverse
17 distributor reports.

18 28. On or about January 17, 2014, PIC Stange submitted additional documents to the
19 Board, including a letter dated January 10, 2014. PIC Stange stated that since the reported loss of
20 controlled substances following the sale of PCC was significant, he and Hancock conducted
21 another audit for a time period prior to the sale, specifically, from January 18, 2013 (the date the
22 last biennial inventory was completed at PPC prior to the sale) to June 27, 2013 (the date of sale).
23 This audit revealed significant losses as well, as set forth below. PIC Stange also provided DEA
24 Form 106 dated January 14, 2014, showing that the losses applied to Pharmacy Care Concepts,

25 ///

26 ///

27 ///

28 ///

1 Inc. PIC Stange stated in an additional statement to the Board that the audit was based on
2 inventory records from January 18, 2013 to June 26, 2013, purchase records from wholesalers
3 Valley Wholesale and HD Smith, prescription utilization reports, and reverse distributor reports.

4 Drug and Strength	Quantity Reported Loss (Units) for Audit Period from 01/18/2013 – 11/26/2013
5 hydrocodone/acetaminophen 10/325 mg	20,601
6 hydrocodone/acetaminophen 10/500 mg	489
7 hydrocodone/acetaminophen 7.5/325 mg	2,230
8 hydrocodone/acetaminophen 7.5/500 mg	705
9 hydrocodone/acetaminophen 7.5/750 mg	3,604
10 hydrocodone/acetaminophen 5/325 mg	850
hydrocodone/acetaminophen 5/500 mg	1,192
Fentanyl 12 mcg patch	17
Mixed amphetamine salts ER 20 mg	90

11 29. On or about March 4, 2014, Board Inspector C. H. conducted an inspection and
12 investigation at the pharmacy.

13 30. C. H. asked PIC Stange if they ever found the original prescription. PIC Stange told
14 C. H. that they only had a copy. C. H. asked PIC Stange why the prescription was filled when
15 only a copy of the original prescription was presented. PIC Stange stated that he thought M. M.
16 may have exploited the normal workflow for long-term care facilities.

17 31. PIC Stange explained that for some controlled substance prescriptions, the board and
18 care facility had the original order from the patient or the patient's family. The care facility
19 normally faxed a copy of the original prescription to PCC so the order could be prepared for the
20 patient and delivered the same day. The fax copy of the prescription was sent through the
21 workflow in order to get it filled, and the medication was then placed in a bin for delivery the
22 same day. Once the medication was delivered, the original prescription was picked up and
23 brought to the pharmacy that day. The pharmacist would sign the original prescription as well as
24 the faxed copy, indicating final review of the prescription. The clerk or technician would keep a
25 second copy of the prescription at their workstation as a reminder to follow up with the
26 pharmacist and driver to ensure the original prescription was brought to the pharmacy. The only
27 copy the pharmacy had of the prescription was the one found next to clerk S. The copy had not
28 ///

1 been signed by a pharmacist. PIC Stange told C. H. he verified with the physician's assistant that
2 the prescription was valid and that there were no refills authorized.

3 32. C. H. obtained various documents from the pharmacy, including a copy of the
4 original prescription and copies of pharmacy labels confirming that the prescription was
5 processed as RX# 1326725 on August 2, 2013, with no refills. C. H. also obtained a controlled
6 substances inventory log, purchase records from June 28, 2013 to November 26, 2013, from
7 Smart Source, Cardinal, and Valley Wholesale, and drug usage reports from June 28, 2013 to
8 November 26, 2013, for each controlled substance included in the audit.

9 33. On or about May 30, 2014, C. H. sent HD Smith and Valley Wholesaler requests for
10 copies of records of purchases, sales, returns, and credits for certain products sold to or purchased
11 from PCC for the time period from June 28, 2013 through November 26, 2013.

12 34. On or about June 2, 2014, C. H. received copies of purchase records from HD Smith.
13 C. H. found that the purchase record data corresponded to the data from PCC's audit.

14 35. On or about June 5, 2014, C. H. received copies of purchase records from Valley
15 Wholesaler. C. H. reviewed the purchase data twice for accuracy and compared it to the purchase
16 data reported in PCC's audit. C. H. found no discrepancies.

17 36. On or about June 20, 2014, C. H. used the documents she received from PCC,
18 including the inventory records, purchase records, and dispensing records, to verify their audit
19 results for all drugs which showed a significant loss, as well as oxycodone IR (all strengths),
20 methadone 5 mg, methylphenidate 36 mg, and oxycodone/acetaminophen 5/325 mg and 10/325.
21 C. H. found no discrepancies. C. H. then used the purchase records she received from HD Smith

22 and Valley Wholesaler to independently verify selected PCC audit entries for the

23 ///

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25 ///

26 ///

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28 ///

1 hydrocodone/acetaminophen products with a significant loss. C. H. found no discrepancies. The
2 audit conducted by PCC revealed the following losses as verified by C. H.:

3 Drug and Strength	Reported Loss (Units) for Audit Period from 06/28/2013 – 11/26/2013	% of Acquisition
4 hydrocodone/acetaminophen 10/325 mg	14,706	34.2
5 hydrocodone/acetaminophen 10/500 mg	204	40.8
6 hydrocodone/acetaminophen 7.5/325 mg	911	13.6
7 hydrocodone/acetaminophen 7.5/500 mg	614.5	61.4
8 hydrocodone/acetaminophen 7.5/750 mg	751	150
9 oxycodone/acetaminophen 10/325 mg	141	3.8
methadone 5 mg	100	8.3
methylphenidate 36 mg	30	33

10 **CAUSE FOR DISCIPLINE**

11 **(Violations of the Pharmacy Law and State**

12 **Laws and Regulations Governing Pharmacy)**

13 37. Respondents PCC and Stange are subject to disciplinary action pursuant to Code
14 section 4301, subdivision (o), for unprofessional conduct, in that Respondents violated or
15 attempted to violate, directly or indirectly, assisted in or abetted the violation of, or conspired to
16 violate provisions or terms of the Pharmacy Law (Bus. & Prof. Code § 4300, et seq.) and state
17 laws and regulations governing pharmacy, as follows:

18 a. On or about August 29, 2013, September 14, 2013, and October 2, 2013, Respondents
19 PCC and Stange authorized or permitted pharmacy technician C. L. to dispense refills of RX#
20 1326725, for 240 tablets of the controlled substance hydrocodone/acetaminophen 10/325 mg, for
21 patient J. M. when, in fact, the physician's assistant who issued the original prescription had not
22 authorized any refills, in violation of Code section 4063.

23 b. Respondents PCC and Stange failed to maintain on their premises and/or have
24 available for inspection by Board inspector C. H. the original prescription for RX# 1326725
25 issued for patient J. M., as set forth in paragraphs 30 and 31 above, in violation of Code section
26 4105.

27 c. On and between June 28, 2013 and November 26, 2013, Respondents PCC and
28 Stange failed to maintain or ensure the security of the prescription department and/or include

1 provisions for effective control against theft or diversion of dangerous drugs and devices,
2 resulting in a significant loss of controlled substances, as set forth in paragraph 36 above, in
3 violation of Regulation 1714, subdivision (d).

4 d. On and between January 18, 2013 and June 27, 2013, Respondent Stange failed to
5 maintain or ensure the security of the prescription department and/or include provisions for
6 effective control against theft or diversion of dangerous drugs and devices, resulting in a
7 significant loss of controlled substances, as set forth in paragraph 28 above, in violation of
8 Regulation 1714, subdivision (d).

9 **PRAYER**

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

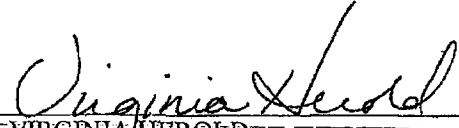
12 1. Revoking or suspending Pharmacy Permit Number PHY 51484, issued to PCC
13 Ventures LLC, doing business as Pharmacy Care Concepts;

14 2. Revoking or suspending Pharmacist License Number RPH 28242, issued to Stephen
15 L. Stange;

16 3. Ordering PCC Ventures LLC, doing business as Pharmacy Care Concepts, and
17 Stephen L. Stange to pay the Board of Pharmacy the reasonable costs of the investigation and
18 enforcement of this case, pursuant to Business and Professions Code section 125.3;

19 4. Taking such other and further action as deemed necessary and proper.

20
21 DATED: 9/12/15


22 VIRGINIA HEROLD
23 Executive Officer
24 Board of Pharmacy
25 Department of Consumer Affairs
26 State of California
27 Complainant

28 SA2014117593

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

In the Matter of the Accusation Against:

**PCC VENTURES LLC,
dba PHARMACY CARE CONCEPTS
STEPHEN L. STANGE, PIC
HAROLD G. DELAMARTER, MEMBER
GREGORY JOHN VISLOCKY, MEMBER
RICK B. DELAMARTER, MD, MEMBER
SCOTT BRADLEY HANCOCK,
MEMBER
TRACY WILLIAM ZARLING, MEMBER
PAUL ERNEST HAFFNER, MEMBER
7720 Lorraine Avenue, Suite 102/103
Stockton, CA 95210**

Original Pharmacy Permit No. PHY 51484

and

**STEPHEN L. STANGE
4230 Heron Lakes Drive
Stockton, CA 95219**

Pharmacist License No. RPH 28242

Respondents.

Case No. 5294

OAH No. 2015110440

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER AS TO PCC
VENTURES, LLC, ET AL, ONLY**

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 June 6, 2016.

It is so ORDERED on May 5, 2016.

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



By

Amy Gutierrez, Pharm.D.
Board President

1 KAMALA D. HARRIS
Attorney General of California
2 JANICE K. LACHMAN
Supervising Deputy Attorney General
3 KRISTINA T. JARVIS
Deputy Attorney General
4 State Bar No. 258229
1300 I Street, Suite 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 324-5403
Facsimile: (916) 327-8643
7 Attorneys for Complainant

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

11 In the Matter of the Accusation Against:

Case No. 5294

12 **PCC VENTURES LLC,**
13 **dba PHARMACY CARE CONCEPTS**
14 **STEPHEN L. STANGE, PIC**
15 **HAROLD G. DELAMARTER, MEMBER**
16 **GREGORY JOHN VISLOCKY, MEMBER**
17 **RICK B. DELAMARTER, MD, MEMBER**
18 **SCOTT BRADLEY HANCOCK,**
19 **MEMBER**
20 **TRACY WILLIAM ZARLING, MEMBER**
21 **PAUL ERNEST HAFFNER, MEMBER**
22 **7720 Lorraine Avenue, Suite 102/103**
23 **Stockton, CA 95210**

OAH No. 2015110440

STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER AS TO PCC
VENTURES, LLC, ET AL, ONLY

Original Pharmacy Permit No. PHY 51484

and

21 **STEPHEN L. STANGE**
22 **4230 Heron Lakes Drive**
23 **Stockton, CA 95219**

Pharmacist License No. RPH 28242

Respondents.

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

28 ///

1 PARTIES

2 1. Virginia Herold ("Complainant") is the Executive Officer of the Board of Pharmacy.
3 She brought this action solely in her official capacity and is represented in this matter by Kamala
4 D. Harris, Attorney General of the State of California, by Kristina T. Jarvis, Deputy Attorney
5 General.

6 2. On or about March 14, 2001, the Board issued Original Pharmacy Permit Number
7 PHY 45169 to Pharmacy Care Concepts, Inc., with Stephen L. Stange ("Respondent Stange") as
8 pharmacist-in-charge ("PIC") and president/treasurer. The pharmacy permit was canceled on
9 July 2, 2013, due to a change in ownership of the pharmacy, as set forth in paragraph 3 below.

10 3. On or about July 1, 2013, the Board issued Original Pharmacy Permit Number PHY
11 51484 to PCC Ventures LLC ("Respondent PCC" or "PCC"), doing business as Pharmacy Care
12 Concepts, with Respondent Stange as PIC and Harold G. Delamarter, Gregory John Vislocky,
13 Rick B. Delamarter, MD, Scott Bradley Hancock, Tracy William Zarling, and Paul Ernest
14 Haffner as members. The pharmacy permit was in full force and effect at all times relevant to the
15 charges brought herein and will expire on July 1, 2016, unless renewed.

16 4. On or about April 24, 1973, the Board issued Pharmacist License Number RPH
17 28242 Respondent Stange. The pharmacist license was in full force and effect at all times
18 relevant to the charges brought herein and will expire on August 31, 2017, unless renewed.

19 5. Respondent PCC is represented in this proceeding by attorney Ivan Petrzelka, whose
20 address is: 2855 Michelle Drive, Suite 180, Irvine, CA 92606.

21 6. Respondent Stange is represented in this proceeding by attorney Gregory P. Matzen,
22 whose address is: 2104 Big Sandy Court, Gold River, CA 95670.

23 JURISDICTION

24 7. Accusation No. 5294 was filed before the Board of Pharmacy (Board), Department of
25 Consumer Affairs, and is currently pending against Respondent. The Accusation and all other
26 statutorily required documents were properly served on Respondents on September 24, 2015.
27 Respondents timely filed their Notices of Defense contesting the Accusation.

28 ///

1 8. A copy of Accusation No. 5294 is attached as exhibit A and incorporated herein by
2 reference.

3 **ADVISEMENT AND WAIVERS**

4 9. Respondent PCC has carefully read, fully discussed with counsel, and understands the
5 charges and allegations in Accusation No. 5294. Respondent PCC has also carefully read, fully
6 discussed with counsel, and understands the effects of this Stipulated Settlement and Disciplinary
7 Order.

8 10. Respondent PCC is fully aware of its legal rights in this matter, including the right to
9 a hearing on the charges and allegations in the Accusation; the right to be represented by counsel
10 at its own expense; the right to confront and cross-examine the witnesses against them; the right
11 to present evidence and to testify on its own behalf; the right to the issuance of subpoenas to
12 compel the attendance of witnesses and the production of documents; the right to reconsideration
13 and court review of an adverse decision; and all other rights accorded by the California
14 Administrative Procedure Act and other applicable laws.

15 11. Respondent PCC voluntarily, knowingly, and intelligently waives and gives up each
16 and every right set forth above.

17 **CULPABILITY**

18 12. Respondent PCC understands that the charges and allegations in Accusation No.
19 5294, if proven at hearing constitute cause for imposing discipline upon the Pharmacy Permit.

20 13. For the purposes of resolving the Accusation without the expense and uncertainty of
21 further proceedings, Respondent PCC agrees that, at a hearing, Complainant could establish a
22 factual basis for the charges in the Accusation and that those charges constitute cause for
23 discipline. Respondent PCC hereby gives up their right to contest that cause for discipline exists
24 based on those charges and agrees to be bound by the Board's Decision and Order.

25 14. Respondent PCC understands that by signing this stipulation they enable the Board to
26 issue an order revoking its Pharmacy Permit and placing it on probation subject to the terms and
27 conditions set forth in the Disciplinary Order below.

28 ///

CONTINGENCY

15. This stipulation shall be subject to approval by the Board of Pharmacy. Respondent PCC understands and agrees 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 Respondent PCC or its counsel. By signing the stipulation, Respondent PCC 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 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.

16. 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.

17. 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.

18. The Board agrees that Respondent PCC Ventures and all of its owners and/or managers are not prohibited from filing future or additional applications for ownership of other licensed premises.

19. The Board also agrees to expedite the processing of any application for transfer of ownership of Pharmacy Care Concepts if an application for a temporary permit is received by a new prospective owner of Respondent PCC. Any such change shall contain a stipulation for continued jurisdiction for probation by the Board for the new license should it be issued.

///

20. If there is any violation of probation for which a petition to revoke probation is filed by the Board, then all of the charges and allegations in Accusation No. 5294 shall be deemed to be true, correct, and admitted for the purpose of that proceeding.

21. If Respondent PCC or any owners or managers should ever apply for a new or additional license or permit by the Board or any other health care licensing agency in the State of California, all of the charges and allegations in Accusation No. 5294 shall be deemed to be true, correct, and admitted for the purpose of any Statement of Issues or any other proceeding seeking to deny the license.

22. 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 ORDER

IT IS HEREBY ORDERED that Pharmacy Permit No. PHY 51484 issued to Respondent PCC Ventures, LLC dba Pharmacy Care Concepts; et. al. is revoked. However, the revocation is stayed and Respondent is placed on probation for three (3) years on the following terms and conditions.

1. Obey All Laws

Respondent PCC shall obey all state and federal laws and regulations.

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

- ☐ an arrest of any owner or employee, or issuance of a criminal complaint against any owner or employee for violation of any provision of the Pharmacy Law, state and federal food and drug laws, or state and federal controlled substances laws
- ☐ a plea of guilty or nolo contendere by any owner or employee in any state or federal criminal proceeding to any criminal complaint, information or indictment
- ☐ a conviction of any crime for any owner or employee
- ☐ discipline, citation, or other administrative action filed by any state or federal agency which involves respondent's Pharmacy license or which is related to the practice of

1 pharmacy or the manufacturing, obtaining, handling or distributing, billing, or
2 charging for any drug, device or controlled substance.

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

4 **2. Report to the Board**

5 Respondent PCC shall report to the board quarterly, on a schedule as directed by the board
6 or its designee. The report shall be made either in person or in writing, as directed. Among other
7 requirements, Respondent PCC shall state in each report under penalty of perjury whether there
8 has been compliance with all the terms and conditions of probation. Failure to submit timely
9 reports in a form as directed shall be considered a violation of probation. Any period(s) of
10 delinquency in submission of reports as directed may be added to the total period of probation.
11 Moreover, if the final probation report is not made as directed, probation shall be automatically
12 extended until such time as the final report is made and accepted by the board.

13 **3. Interview with the Board**

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

19 **4. Cooperate with Board Staff**

20 Respondent PCC shall cooperate with the board's inspection program and with the board's
21 monitoring and investigation of respondent's compliance with the terms and conditions of their
22 probation. Failure to cooperate shall be considered a violation of probation.

23 **5. Reimbursement of Board Costs**

24 As a condition precedent to successful completion of probation, Respondent PCC shall pay
25 to the board its costs of investigation and prosecution in the amount of \$5,368.25. Respondent's
26 owners are all jointly and severally liable for this debt. Respondent shall be permitted to make
27 said payments in a payment plan approved in writing by the Board or its designee. There shall be
28 no deviation from this schedule absent prior written approval by the board or its designee. Failure

1 to pay costs by the deadline(s) as directed shall be considered a violation of probation.

2 The filing of bankruptcy by Respondent or any owners of Respondent shall not relieve
3 Respondent of their responsibility to reimburse the board its costs of investigation and
4 prosecution.

5 **6. Probation Monitoring Costs**

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

10 **7. Status of License**

11 Respondent PCC shall, at all times while on probation, maintain current licensure with the
12 board. If Respondent PCC submits an application to the board, and the application is approved,
13 for a change of location, change of permit or change of ownership, the board shall retain
14 continuing jurisdiction over the license, and the respondent shall remain on probation as
15 determined by the board. Failure to maintain current licensure shall be considered a violation of
16 probation.

17 If Respondent PCC's license expires or is cancelled by operation of law or otherwise at any
18 time during the period of probation, including any extensions thereof or otherwise, upon renewal
19 or reapplication respondent's license shall be subject to all terms and conditions of this probation
20 not previously satisfied.

21 **8. License Surrender While on Probation/Suspension**

22 Following the effective date of this decision, should Respondent PCC discontinue business,
23 respondent may tender the premises license to the board for surrender. The board or its designee
24 shall have the discretion whether to grant the request for surrender or take any other action it
25 deems appropriate and reasonable. Upon formal acceptance of the surrender of the license,
26 respondent will no longer be subject to the terms and conditions of probation.

27 Upon acceptance of the surrender, Respondent PCC shall relinquish the premises wall and
28 renewal license to the board within ten (10) days of notification by the board that the surrender is

1 accepted. Respondent PCC shall further submit a completed Discontinuance of Business form
2 according to board guidelines and shall notify the board of the records inventory transfer.

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

13 Respondent PCC and each of its owners may not apply for any new licensure from the
14 board for three (3) years from the effective date of the surrender. Respondent PCC's owner(s)
15 shall meet all requirements applicable to the license sought as of the date the application for that
16 license is submitted to the board.

17 Respondent PCC's owner(s) further stipulate(s) that he or she shall reimburse the board for
18 its costs of investigation and prosecution prior to the acceptance of the surrender.

19 9. Notice to Employees

20 Respondent PCC shall, upon or before the effective date of this decision, ensure that all
21 employees involved in permit operations are made aware of all the terms and conditions of
22 probation, either by posting a notice of the terms and conditions, circulating such notice, or both.
23 If the notice required by this provision is posted, it shall be posted in a prominent place and shall
24 remain posted throughout the probation period. Respondent PCC shall ensure that any employees
25 hired or used after the effective date of this decision are made aware of the terms and conditions
26 of probation by posting a notice, circulating a notice, or both. Additionally, respondent shall
27 submit written notification to the board, within fifteen (15) days of the effective date of this
28 decision, that this term has been satisfied. Failure to submit such notification to the board shall be

1 considered a violation of probation.

2 "Employees" as used in this provision includes all full-time, part-time,
3 volunteer, temporary and relief employees and independent contractors employed or
4 hired at any time during probation.

5 **10. Owners and Officers: Knowledge of the Law**

6 Respondent PCC shall provide, within thirty (30) days after the effective date of this
7 decision, signed and dated statements from its owners, including any owner or holder of ten
8 percent (10%) or more of the interest in respondent or respondent's stock, and any officer, stating
9 under penalty of perjury that said individuals have read and are familiar with state and federal
10 laws and regulations governing the practice of pharmacy. The failure to timely provide said
11 statements under penalty of perjury shall be considered a violation of probation.

12 **11. Posted Notice of Probation**

13 Respondent PCC shall prominently post a probation notice provided by the board in a place
14 conspicuous and readable to the public. The probation notice shall remain posted during the
15 entire period of probation.

16 Respondent PCC shall not, directly or indirectly, engage in any conduct or make any
17 statement which is intended to mislead or is likely to have the effect of misleading any patient,
18 customer, member of the public, or other person(s) as to the nature of and reason for the probation
19 of the licensed entity.

20 Failure to post such notice shall be considered a violation of probation.

21 **12. Violation of Probation**

22 If Respondent PCC has not complied with any term or condition of probation, the board
23 shall have continuing jurisdiction over respondent license, and probation shall be automatically
24 extended until all terms and conditions have been satisfied or the board has taken other action as
25 deemed appropriate to treat the failure to comply as a violation of probation, to terminate
26 probation, and to impose the penalty that was stayed.

27 If Respondent PCC or its owner(s) violates probation in any respect, the board, after giving
28 respondent and its owner(s) notice and an opportunity to be heard, may revoke probation and

1 carry out the disciplinary order that was stayed. Notice and opportunity to be heard are not
2 required for those provisions stating that a violation thereof may lead to automatic termination of
3 the stay and/or revocation of the license. If a petition to revoke probation or an accusation is filed
4 against respondent during probation, the board shall have continuing jurisdiction and the period
5 of probation shall be automatically extended until the petition to revoke probation or accusation is
6 heard and decided.

7 **13. Completion of Probation**

8 Upon written notice by the board or its designee indicating successful completion of
9 probation, respondent license will be fully restored.

10 **14. Community Services Program**

11 Within sixty (60) days of the effective date of this decision, Respondent PCC shall submit
12 to the board or its designee, for prior approval, a community service program in which respondent
13 shall provide free health-care related services to a community or charitable facility or agency
14 consisting of drug buy-back programs, or sharps disposal programs at an amount of \$45,000.00
15 over the three (3) years or probation.

16 Within thirty (30) days of board approval thereof, Respondent PCC shall submit
17 documentation to the board demonstrating commencement of the community service program.
18 Respondent PCC shall report on progress with the community service program in the quarterly
19 reports.

20 Failure to timely submit, commence, or comply with the program shall be considered a
21 violation of probation.

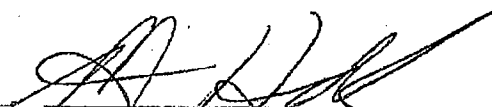
22
23
24
25
26
27 ///

28 ///

1 ACCEPTANCE

2 I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully
3 discussed it with my attorney, Ivan Petrzelka. I understand the stipulation and the effect it will
4 have on my Pharmacy Permit. I enter into this Stipulated Settlement and Disciplinary Order
5 voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the
6 Board of Pharmacy.

7 DATED: 2/19/16


PCC VENTURES, LLC

DBA PHARMACY CARE CONCEPTS

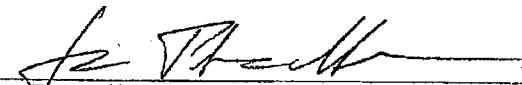
Respondent

Scott Hancock
Print Name of Representative for PCC Ventures, LLC.

12 APPROVAL AS TO FORM AND CONTENT

13 I have read and fully discussed with Respondent PCC Ventures, LLC dba Pharmacy Care
14 Concepts; et. al. the terms and conditions and other matters contained in the above Stipulated
15 Settlement and Disciplinary Order. I approve its form and content.

16 DATED: 2-19-2016


Ivan Petrzelka

Attorney for Respondent

19 ENDORSEMENT

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

22 Dated: 2-19-2016

Respectfully submitted,

KAMALA D. HARRIS

Attorney General of California

JANICE K. LACHMAN

Supervising Deputy Attorney General


KRISTINA T. JARVIS

Deputy Attorney General

Attorneys for Complainant

28 SA2014117593
PCC 3 years.docx

Exhibit A

Accusation No. 5294 -

1 KAMALA D. HARRIS
Attorney General of California
2 JANICE K. LACHMAN
Supervising Deputy Attorney General
3 KRISTINA T. JARVIS
Deputy Attorney General
4 State Bar No. 258229
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6 Telephone: (916) 324-5403
Facsimile: (916) 327-8643
7 *Attorneys for Complainant*

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

11 In the Matter of the Accusation Against:

Case No. 5294

12 **PCC VENTURES LLC,**
dba PHARMACY CARE CONCEPTS
13 **STEPHEN L. STANGE, PIC**
14 **HAROLD G. DELAMARTER, MEMBER**
15 **GREGORY JOHN VISLOCKY, MEMBER**
16 **RICK B. DELAMARTER, MD, MEMBER**
17 **SCOTT BRADLEY HANCOCK, MEMBER**
18 **TRACY WILLIAM ZARLING, MEMBER**
19 **PAUL ERNEST HAFFNER, MEMBER**
7720 Lorraine Avenue, Suite 102/103
Stockton, CA 95210

ACCUSATION

18 **Original Pharmacy Permit No. PHY 51484**

19 and

20 **STEPHEN L. STANGE**
4230 Heron Lakes Drive
21 **Stockton, CA 95219**

22 **Pharmacist License No. RPH 28242**

23 Respondents.

24
25 Complainant alleges:

26 **PARTIES/LICENSE INFORMATION**

27 1. Virginia Herold ("Complainant") brings this Accusation solely in her official capacity
28 as the Executive Officer of the Board of Pharmacy ("Board"), Department of Consumer Affairs.

1 2. On or about March 14, 2001, the Board issued Original Pharmacy Permit Number
2 PHY 45169 to Pharmacy Care Concepts, Inc., with Stephen L. Stange ("Respondent Stange") as
3 pharmacist-in-charge ("PIC") and president/treasurer. The pharmacy permit was canceled on
4 July 2, 2013, due to a change in ownership of the pharmacy, as set forth in paragraph 3 below.

5 3. On or about July 1, 2013, the Board issued Original Pharmacy Permit Number PHY
6 51484 to PCC Ventures LLC ("Respondent PCC" or "PCC"), doing business as Pharmacy Care
7 Concepts, with Respondent Stange as PIC and Harold G. Delamarter, Gregory John Vislocky,
8 Rick B. Delamarter, MD, Scott Bradley Hancock, Tracy William Zarling, and Paul Ernest
9 Haffner as members. The pharmacy permit was in full force and effect at all times relevant to the
10 charges brought herein and will expire on July 1, 2016, unless renewed.

11 4. On or about April 24, 1973, the Board issued Pharmacist License Number RPH
12 28242 Respondent Stange. The pharmacist license was in full force and effect at all times
13 relevant to the charges brought herein and will expire on August 31, 2017, unless renewed.

14 JURISDICTION

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

17 STATUTORY AND REGULATORY PROVISIONS

18 6. Code section 4300 states, in pertinent part:

19 (a) Every license issued may be suspended or revoked.

20 (b) The board shall discipline the holder of any license issued by the
21 board, whose default has been entered or whose case has been heard by the board and
found guilty, by any of the following methods:

22 (1) Suspending judgment.

23 (2) Placing him or her upon probation.

24 (3) Suspending his or her right to practice for a period not exceeding one
25 year.

26 (4) Revoking his or her license.

27 (5) Taking any other action in relation to disciplining him or her as the
board in its discretion may deem proper . . .

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1 7. Code section 4300.1 states:

2 The expiration, cancellation, forfeiture, or suspension of a board-issued
3 license by operation of law or by order or decision of the board or a court of law, the
4 placement of a license on a retired status, or the voluntary surrender of a license by a
5 licensee shall not deprive the board of jurisdiction to commence or proceed with any
6 investigation of, or action or disciplinary proceeding against, the licensee or to render
7 a decision suspending or revoking the license.

8 8. Code section 4301 states, in pertinent part:

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

13

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

19 9. Code section 4032 states that "[l]icense means and includes any license, permit,
20 registration, certificate, or exemption issued by the board and includes the process of applying for
21 and renewing the same."

22 10. Code section 4022 states:

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

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

27 (b) Any device that bears the statement: "Caution: federal law restricts
28 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.

11. Code section 4063 states, in pertinent part, that "[n]o prescription for any dangerous
drug or dangerous device may be refilled except upon authorization of the prescriber. The
authorization may be given orally or at the time of giving the original prescription . . ."

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1 12. Code section 4105, subdivision (a), states that "[a]ll records or other documentation
2 of the acquisition and disposition of dangerous drugs and dangerous devices by any entity
3 licensed by the board shall be retained on the licensed premises in a readily retrievable form."

4 13. Code section 4113, subdivision (c), states that "[t]he pharmacist-in-charge shall be
5 responsible for a pharmacy's compliance with all state and federal laws and regulations pertaining
6 to the practice of pharmacy.

7 14. California Code of Regulations, title 16, section ("Regulation") 1714, subdivision (d),
8 states:

9 Each pharmacist while on duty shall be responsible for the security of the
10 prescription department, including provisions for effective control against theft or
11 diversion of dangerous drugs and devices, and records for such drugs and devices.
12 Possession of a key to the pharmacy where dangerous drugs and controlled
13 substances are stored shall be restricted to a pharmacist.

12 COST RECOVERY

13 15. Code section 125.3 provides, in pertinent part, that a Board may request the
14 administrative law judge to direct a licentiate found to have committed a violation or violations of
15 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
16 enforcement of the case.

17 CONTROLLED SUBSTANCES/DANGEROUS DRUGS

18 16. "Norco", "Lortab", and "Vicodin ES" are compounds consisting of varying quantities
19 of acetaminophen and hydrocodone bitartrate, also known as dihydrocodeinone, and are Schedule
20 III controlled substances as designated by Health and Safety Code section 11056, subdivision
21 (e)(4). Norco, Lortab, and Vicodin ES are used to relieve moderate to severe pain.

22 17. "Percocet" is a compound consisting of oxycodone and acetaminophen, and is a
23 Schedule II controlled substance as designated by Health and Safety Code section 11055,
24 subdivision (b)(1)(M). Percocet is used to relieve moderate to severe pain.

25 18. "Methadose", a brand of methadone hydrochloride, is a Schedule II controlled
26 substance as designated by Health and Safety Code section 11055, subdivision (c)(14).
27 Methadose is used to treat opioid addiction as well as relieve severe pain.

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1 19. "Concerta", a brand of methylphenidate, is a Schedule II controlled substance as
2 designated by Health and Safety Code section 11055, subdivision (d)(6). Concerta is used to treat
3 attention deficit hyperactivity disorder (ADHD).

4 20. "Fentanyl" is a Schedule II controlled substance as designated by Health and Safety
5 Code section 11055, subdivision (c)(8). Fentanyl is used as part of anesthesia to help prevent
6 pain after surgery or other medical procedure.

7 21. "Adderall XR" is a compound consisting of mixed salts of dextroamphetamine and/or
8 amphetamine, and is a Schedule II controlled substance as designated by Health and Safety Code
9 section 11055, subdivision (d)(1). Adderall XR is indicated for the treatment of ADHD.

10 22. The above controlled substances are dangerous drugs within the meaning of Code
11 section 4022 in that they require a prescription under federal law.

12 BACKGROUND

13 23. On or about November 6, 2013, the Board received a report from PIC Stange,
14 notifying them that an unlicensed staff member, M. M., may have obtained 960 tablets of Norco
15 10/325 mg from the pharmacy without a valid prescription. PIC Stange stated that on or about
16 June 10, 2013, a legal prescription was obtained from a physician's assistant for M. M.'s
17 husband, J. M., for 240 tablets of Norco 10/325 mg, *with zero refills*. On August 2, 2013, M. M.
18 presented a photocopy of the prescription to the billing technician, who processed it, and the
19 prescription was then filled by pharmacy technician C. L. M. M. took the prescription before it
20 was reviewed by a pharmacist.

21 24. PIC Stange also stated that on August 29, 2013, September 14, 2013, and October 2,
22 2013, M. M. presented C. L. with prescription labels "from the initial dispensing date (August 2,
23 2013)." C. L. filled the prescriptions (240 tablets of Norco 10/325 mg in each instance) after
24 M. M. "promised" that she had a valid refill for each label. It appeared that M. M. took each of
25 the prescriptions before final review by a pharmacist.

26 25. PIC Stange listed various corrective actions the pharmacy had taken since the
27 incident, including filing a police report with the Stockton Police Department and suspending
28 ///

1 M. M. from her employment on October 12, 2013 (M. M. subsequently resigned on October 14,
2 2013).

3 26. On or about November 14, 2013, the Board sent a letter to PIC Stange, requesting
4 certain information and documents pertaining to the reported theft/loss of controlled substances.

5 27. On or about December 19, 2013, the Board received various documents from PIC
6 Stange, including a Drug Enforcement Agency (DEA) Form 106 dated October 16, 2013. PCC
7 reported a loss of controlled substances valued at \$2,000, including 14,706 tablets of
8 hydrocodone/acetaminophen 10/325; the type of theft/loss was listed as "Employee Pilferage".
9 PIC Stange also provided the Board with a statement, indicating that the business was sold to
10 PCC on June 27, 2013, and that he and the new owner, pharmacist Scott Hancock ("Hancock"),
11 conducted an inventory or audit of Schedule 2 medications and hydrocodone-related products,
12 which "reflected a much larger problem than previously discovered." PIC Stange submitted a
13 copy of the audit; it was conducted for the time period from June 28, 2013 to November 26, 2013.
14 PIC Stange indicated in an additional statement that the audit was based on an inventory from
15 June 27, 2013 to November 26, 2013, purchase records from various wholesalers, including
16 Valley Wholesale and HD Smith (Smart Source), prescription utilization reports, and reverse
17 distributor reports.

18 28. On or about January 17, 2014, PIC Stange submitted additional documents to the
19 Board, including a letter dated January 10, 2014. PIC Stange stated that since the reported loss of
20 controlled substances following the sale of PCC was significant, he and Hancock conducted
21 another audit for a time period prior to the sale, specifically, from January 18, 2013 (the date the
22 last biennial inventory was completed at PPC prior to the sale) to June 27, 2013 (the date of sale).
23 This audit revealed significant losses as well, as set forth below. PIC Stange also provided DEA
24 Form 106 dated January 14, 2014, showing that the losses applied to Pharmacy Care Concepts,

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1 Inc. PIC Stange stated in an additional statement to the Board that the audit was based on
2 inventory records from January 18, 2013 to June 26, 2013, purchase records from wholesalers
3 Valley Wholesale and HD Smith, prescription utilization reports, and reverse distributor reports.

4 Drug and Strength	Quantity Reported Loss (Units) for Audit Period from 01/18/2013 – 11/26/2013
5 hydrocodone/acetaminophen 10/325 mg	20,601
6 hydrocodone/acetaminophen 10/500 mg	489
7 hydrocodone/acetaminophen 7.5/325 mg	2,230
8 hydrocodone/acetaminophen 7.5/500 mg	705
9 hydrocodone/acetaminophen 7.5/750 mg	3,604
10 hydrocodone/acetaminophen 5/325 mg	850
hydrocodone/acetaminophen 5/500 mg	1,192
Fentanyl 12 mcg patch	17
Mixed amphetamine salts ER 20 mg	90

11 29. On or about March 4, 2014, Board Inspector C. H. conducted an inspection and
12 investigation at the pharmacy.

13 30. C. H. asked PIC Stange if they ever found the original prescription. PIC Stange told
14 C. H. that they only had a copy. C. H. asked PIC Stange why the prescription was filled when
15 only a copy of the original prescription was presented. PIC Stange stated that he thought M. M.
16 may have exploited the normal workflow for long-term care facilities.

17 31. PIC Stange explained that for some controlled substance prescriptions, the board and
18 care facility had the original order from the patient or the patient's family. The care facility
19 normally faxed a copy of the original prescription to PCC so the order could be prepared for the
20 patient and delivered the same day. The fax copy of the prescription was sent through the
21 workflow in order to get it filled, and the medication was then placed in a bin for delivery the
22 same day. Once the medication was delivered, the original prescription was picked up and
23 brought to the pharmacy that day. The pharmacist would sign the original prescription as well as
24 the faxed copy, indicating final review of the prescription. The clerk or technician would keep a
25 second copy of the prescription at their workstation as a reminder to follow up with the
26 pharmacist and driver to ensure the original prescription was brought to the pharmacy. The only
27 copy the pharmacy had of the prescription was the one found next to clerk S. The copy had not
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1 been signed by a pharmacist. PIC Stange told C. H. he verified with the physician's assistant that
2 the prescription was valid and that there were no refills authorized.

3 32. C. H. obtained various documents from the pharmacy, including a copy of the
4 original prescription and copies of pharmacy labels confirming that the prescription was
5 processed as RX# 1326725 on August 2, 2013, with no refills. C. H. also obtained a controlled
6 substances inventory log, purchase records from June 28, 2013 to November 26, 2013, from
7 Smart Source, Cardinal, and Valley Wholesale, and drug usage reports from June 28, 2013 to
8 November 26, 2013, for each controlled substance included in the audit.

9 33. On or about May 30, 2014, C. H. sent HD Smith and Valley Wholesaler requests for
10 copies of records of purchases, sales, returns, and credits for certain products sold to or purchased
11 from PCC for the time period from June 28, 2013 through November 26, 2013.

12 34. On or about June 2, 2014, C. H. received copies of purchase records from HD Smith.
13 C. H. found that the purchase record data corresponded to the data from PCC's audit.

14 35. On or about June 5, 2014, C. H. received copies of purchase records from Valley
15 Wholesaler. C. H. reviewed the purchase data twice for accuracy and compared it to the purchase
16 data reported in PCC's audit. C. H. found no discrepancies.

17 36. On or about June 20, 2014, C. H. used the documents she received from PCC,
18 including the inventory records, purchase records, and dispensing records, to verify their audit
19 results for all drugs which showed a significant loss, as well as oxycodone IR (all strengths),
20 methadone 5 mg, methylphenidate 36 mg, and oxycodone/acetaminophen 5/325 mg and 10/325.
21 C. H. found no discrepancies. C. H. then used the purchase records she received from HD Smith

22 and Valley Wholesaler to independently verify selected PCC audit entries for the

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1 hydrocodone/acetaminophen products with a significant loss. C. H. found no discrepancies. The
2 audit conducted by PCC revealed the following losses as verified by C. H.:

3 Drug and Strength	4 Reported Loss (Units) for Audit Period from 06/28/2013 – 11/26/2013	% of Acquisition
5 hydrocodone/acetaminophen 10/325 mg	14,706	34.2
6 hydrocodone/acetaminophen 10/500 mg	204	40.8
7 hydrocodone/acetaminophen 7.5/325 mg	911	13.6
8 hydrocodone/acetaminophen 7.5/500 mg	614.5	61.4
9 hydrocodone/acetaminophen 7.5/750 mg	751	150
oxycodone/acetaminophen 10/325 mg	141	3.8
methadone 5 mg	100	8.3
methylphenidate 36 mg	30	33

10 CAUSE FOR DISCIPLINE

11 (Violations of the Pharmacy Law and State

12 Laws and Regulations Governing Pharmacy)

13 37. Respondents PCC and Stange are subject to disciplinary action pursuant to Code
14 section 4301, subdivision (o), for unprofessional conduct, in that Respondents violated or
15 attempted to violate, directly or indirectly, assisted in or abetted the violation of, or conspired to
16 violate provisions or terms of the Pharmacy Law (Bus. & Prof. Code § 4300, et seq.) and state
17 laws and regulations governing pharmacy, as follows:

18 a. On or about August 29, 2013, September 14, 2013, and October 2, 2013, Respondents
19 PCC and Stange authorized or permitted pharmacy technician C. L. to dispense refills of RX#
20 1326725, for 240 tablets of the controlled substance hydrocodone/acetaminophen 10/325 mg, for
21 patient J. M. when, in fact, the physician's assistant who issued the original prescription had not
22 authorized any refills, in violation of Code section 4063.

23 b. Respondents PCC and Stange failed to maintain on their premises and/or have
24 available for inspection by Board inspector C. H. the original prescription for RX# 1326725
25 issued for patient J. M., as set forth in paragraphs 30 and 31 above, in violation of Code section
26 4105.

27 c. On and between June 28, 2013 and November 26, 2013, Respondents PCC and
28 Stange failed to maintain or ensure the security of the prescription department and/or include

1 provisions for effective control against theft or diversion of dangerous drugs and devices,
2 resulting in a significant loss of controlled substances, as set forth in paragraph 36 above, in
3 violation of Regulation 1714, subdivision (d).

4 d. On and between January 18, 2013 and June 27, 2013, Respondent Stange failed to
5 maintain or ensure the security of the prescription department and/or include provisions for
6 effective control against theft or diversion of dangerous drugs and devices, resulting in a
7 significant loss of controlled substances, as set forth in paragraph 28 above, in violation of
8 Regulation 1714, subdivision (d).

9 PRAYER

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

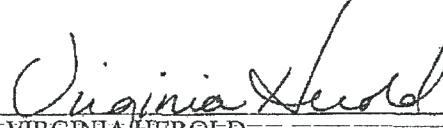
12 1. Revoking or suspending Pharmacy Permit Number PHY 51484, issued to PCC
13 Ventures LLC, doing business as Pharmacy Care Concepts;

14 2. Revoking or suspending Pharmacist License Number RPH 28242, issued to Stephen
15 L. Stange;

16 3. Ordering PCC Ventures LLC, doing business as Pharmacy Care Concepts, and
17 Stephen L. Stange to pay the Board of Pharmacy the reasonable costs of the investigation and
18 enforcement of this case, pursuant to Business and Professions Code section 125.3;

19 4. Taking such other and further action as deemed necessary and proper.

20
21 DATED: 9/12/15


VIRGINIA HEROLD
Executive Officer
Board of Pharmacy
Department of Consumer Affairs
State of California
Complainant

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28 SA2014117593



BOARD OF PHARMACY
1625 NORTH MARKET BLVD., SUITE N-219
SACRAMENTO, CA 95834
(916) 574-7900

Retail Pharmacy Permit

LICENSE NO. PHY 54574
RECEIPT NO. 00140193

VALID UNTIL SEPTEMBER 01, 2018

CARE RX LLC DBA PHARMACY CARE CONCEPTS
7720 LORRAINE AVE SUITE 102/103
STOCKTON CA 95210

In accordance with the Provisions of Chapter 9 of Division 2 of the Business and Professions Code, the firm name hereon is licensed at the address shown, and is subject to the rules and regulations of the California State Board of Pharmacy.

This permit is non-transferable. Contact the California State Board of Pharmacy within 30 days when there is a change of ownership, location, corporate officer, director, shareholder (more than 10 percent share change) administrator or pharmacist-in-charge.

This permit is valid only at the address shown.

08/30/17

08/30/17 The official status of this license can be verified at www.pharmacy.ca.gov

----- NON-TRANSFERABLE --- POST IN PUBLIC VIEW -----

FORM WPHPHY (12/31/05) PHY