# June 2026 Board Meeting Handouts

**5A – Joseph Steidl**

**5D – Darlene Kuunanialoha Hess**

**5F – Patricia Sanchez**

**5G – Raley's Pharmacy #123**

**5H - PharMerica**

**5I & 5J – Camilla Kim**

**5M – Tiana Hubbard**

**5R – Walgreens Pharmacy #03922**

**5S – Mona Matar**

**6C – Prime Plus Lakeview**

**10A – Amazon Pharmacy #051**

**14B – Workshop – Public Comment**

**17A – Financial Report**

# 5A

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

| | |
|---|---|
| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br>**v.**<br><br>**MODERN RX PHARMACY,**<br>**License No. PH04065, and**<br><br>**JOSEPH ERIC STEIDL, RPH,**<br>**Certificate of Registration No. 18852,**<br><br>**Respondents.** | **CASE NOS. 20-019-PH-S**<br>**20-019-RPH-S**<br><br>**DECLARATION OF**<br>**JESSETTE PHAYNARIKONE** |

I, Jessette Phaynarikone, hereby state the following:

1. I am the Board Coordinator I and Administrative Assistant to the Nevada State Board of Pharmacy (Board). I have personal knowledge of the matters stated herein and would be competent to testify thereon if called upon to do so.

2. I am responsible for filing and serving by mail pleadings and notices related to disciplinary actions before the Board.

3. On April 8, 2026, I served the Notice of Intended Action and Accusation (Accusation) on file herein for Case No. 20-019-RPH-S together with the Statement to Respondent and Notice of Hearing by certified mail to Respondent Joseph Eric Steidl, RPh, expired Certificate of Registration No. 18852, at his address of record with the Board and other addresses identified by Board investigators, affixed with tracking numbers, in conformance with NRS 639.242 and NAC 639.972. True and correct copies of the Accusation, the envelopes with tracking numbers, and USPS tracking results are attached hereto.

4. On May 5, 2026, I served Notices of Hearing by certified mail to Respondent Joseph Eric Steidl, RPh, expired Certificate of Registration No. 18852, at his addresses of record



exhibit 1

with the Board and other addresses identified by Board investigators, affixed with a tracking number, in conformance with NRS 241.0333. True and correct copies of the Notices of Hearing, the envelopes with tracking numbers, and USPS tracking results are attached hereto.

5. I, Jessette Phaynarikone, hereby declare under penalty of perjury that the foregoing is true and correct.

Executed this 3rd day of June, 2026.

Jessette Phaynarikone, Board Coordinator I
Nevada State Board of Pharmacy

# Exhibit 1
# 20-019-RPH-S
# Joseph Steidl

**CERTIFICATE OF SERVICE**

I certify that I am an employee of the Nevada State Board of Pharmacy, and that on this 8th day of April 2025, I served a true and correct copy of the foregoing document by Certified U.S. Mail and Standard U.S. mail to the following:

Joseph Steidl, RPh
6330 S Eastern Ave Suite 1A
Las Vegas, NV 89119

Joseph Steidl, RPh
[redacted]
Pahrump, NV 89048

Joseph Steidl, RPh
[redacted]
Pahrump, NV 89060

JESSETTE PHAYNARIKONE
ADMINISTRATIVE ASSISTANT,
BOARD COORDINATOR I

# USPS Tracking®

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**Tracking Number:**

## 9171969009350197746856

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### Latest Update

Your item has been delivered to the original sender at 12:37 pm on April 25, 2026 in RENO, NV 89521.

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Feedback

**Delivered**

**Delivered, To Original Sender**
RENO, NV 89521
April 25, 2026 12:37 PM

**Arrived at USPS Facility**
RENO NV DISTRIBUTION CENTER
April 24, 2026 4:00 PM

**Arrived at USPS Facility**
PASADENA, CA 91109
April 20, 2026 6:40 PM

**Addressee Unknown**
LAS VEGAS, NV 89119
April 13, 2026 4:47 PM

**Arrived at USPS Facility**
LAS VEGAS NV DISTRIBUTION CENTER
April 12, 2026 7:50 AM

20-019-RPH-S. Exhibit1.Steidl002





**Arrived at USPS Facility**
SACRAMENTO CA DISTRIBUTION CENTER
April 10, 2026 4:56 PM

**Arrived at USPS Facility**
RENO NV DISTRIBUTION CENTER
April 9, 2026 2:58 PM

**Accepted at USPS Facility**
RENO, NV 89521
April 9, 2026 1:43 PM

**Pre-Shipment Info Sent to USPS**
April 9, 2026

**Hide Tracking History**

What Do USPS Tracking Statuses Mean?

**Text & Email Updates** ⌄

**Return Receipt Electronic** ⌄

**USPS Tracking Plus®** ⌄

**Product Information** ⌄

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**Tracking Number:**

## 9171969009350197746849

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### Latest Update

Your item has been delivered to the original sender at 12:57 pm on May 11, 2026 in RENO, NV 89521.

20-019-RPH-S. Exhibit1.Steidl003

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## Delivered

**Delivered, To Original Sender**
RENO, NV 89521
May 11, 2026 12:57 PM

**Arrived at USPS Facility**
PASADENA, CA 91109
May 6, 2026 4:24 AM

**Vacant**
PAHRUMP, NV 89048
May 2, 2026 7:18 AM

**Arrived at USPS Facility**
LAS VEGAS NV DISTRIBUTION CENTER
May 1, 2026 2:08 PM

**Arrived at USPS Facility**
SAN DIEGO CA DISTRIBUTION CENTER
April 30, 2026 1:22 PM

**Vacant**
PAHRUMP, NV 89048
April 18, 2026 7:44 AM

**Arrived at USPS Facility**
PASADENA, CA 91109
April 16, 2026 11:53 AM

**Forwarded**
PAHRUMP, NV
April 13, 2026 7:12 AM

**Arrived at USPS Facility**
SACRAMENTO CA DISTRIBUTION CENTER
April 10, 2026 4:56 PM

**Arrived at USPS Facility**
RENO NV DISTRIBUTION CENTER

20-019-RPH-S. Exhibit1.Steidl004





April 9, 2026 2:58 PM

**Accepted at USPS Facility**
RENO, NV 89521
April 9, 2026 1:43 PM

**Pre-Shipment Info Sent to USPS**
April 9, 2026

**Hide Tracking History**

What Do USPS Tracking Statuses Mean?

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**Return Receipt Electronic** ⌄

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**Tracking Number:**

**9171969009350197746832**

**Copy** **Add to Informed Delivery**

## Latest Update

Your item has been delivered to the original sender at 11:46 am on April 24, 2026 in RENO, NV 89521.

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20-019-RPH-S. Exhibit1.Steidl005

**Delivered**

**Delivered, To Original Sender**
RENO, NV 89521
April 24, 2026 11:46 AM

**Arrived at USPS Facility**
PASADENA, CA 91109
April 20, 2026 6:15 PM

**Addressee Unknown**
PAHRUMP, NV 89041
April 17, 2026 5:20 AM

**Notice Left (No Authorized Recipient Available)**
PAHRUMP, NV 89060
April 13, 2026 1:12 PM

**Arrived at USPS Facility**
LAS VEGAS NV DISTRIBUTION CENTER
April 12, 2026 7:50 AM

**Arrived at USPS Facility**
SACRAMENTO CA DISTRIBUTION CENTER
April 10, 2026 4:56 PM

**Arrived at USPS Facility**
RENO NV DISTRIBUTION CENTER
April 9, 2026 2:58 PM

**Accepted at USPS Facility**
RENO, NV 89521
April 9, 2026 1:43 PM

**Pre-Shipment Info Sent to USPS**
April 9, 2026

**Hide Tracking History**

What Do USPS Tracking Statuses Mean?

**Text & Email Updates**





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**USPS Tracking Plus®**

**Product Information**

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Contact USPS Tracking support for further assistance.

**FAQs**

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APR 0 6 2026
NEVADA STATE BOARD OF PHARMACY

Joseph Steidl, RPh
6330 S Eastern Ave Suite 1A
Las Vegas, NV 89119
**20-019-RPH-S. NIAA**

9171 9690 0935 0197 7468 56

MAILED
4·8·26
Certified - $9.15
Standard - $1.90

Joseph Steidl, RPh
[redacted]
Pahrump, NV 89048
**20-019-RPH-S. NIAA**

9171 9690 0935 0197 7468 49

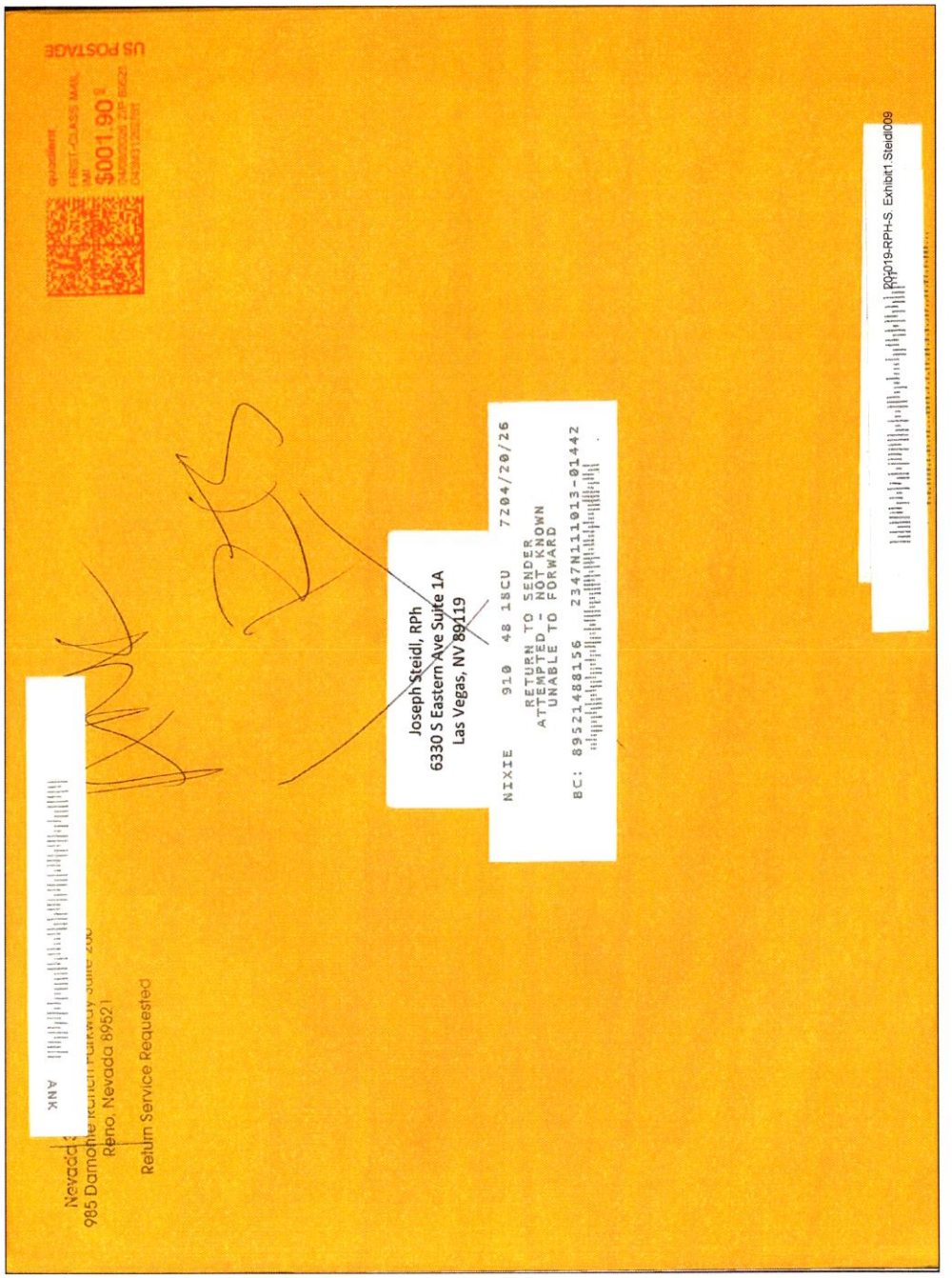
MAILED
4·8·26
Certified - $9.15
Standard - $1.90

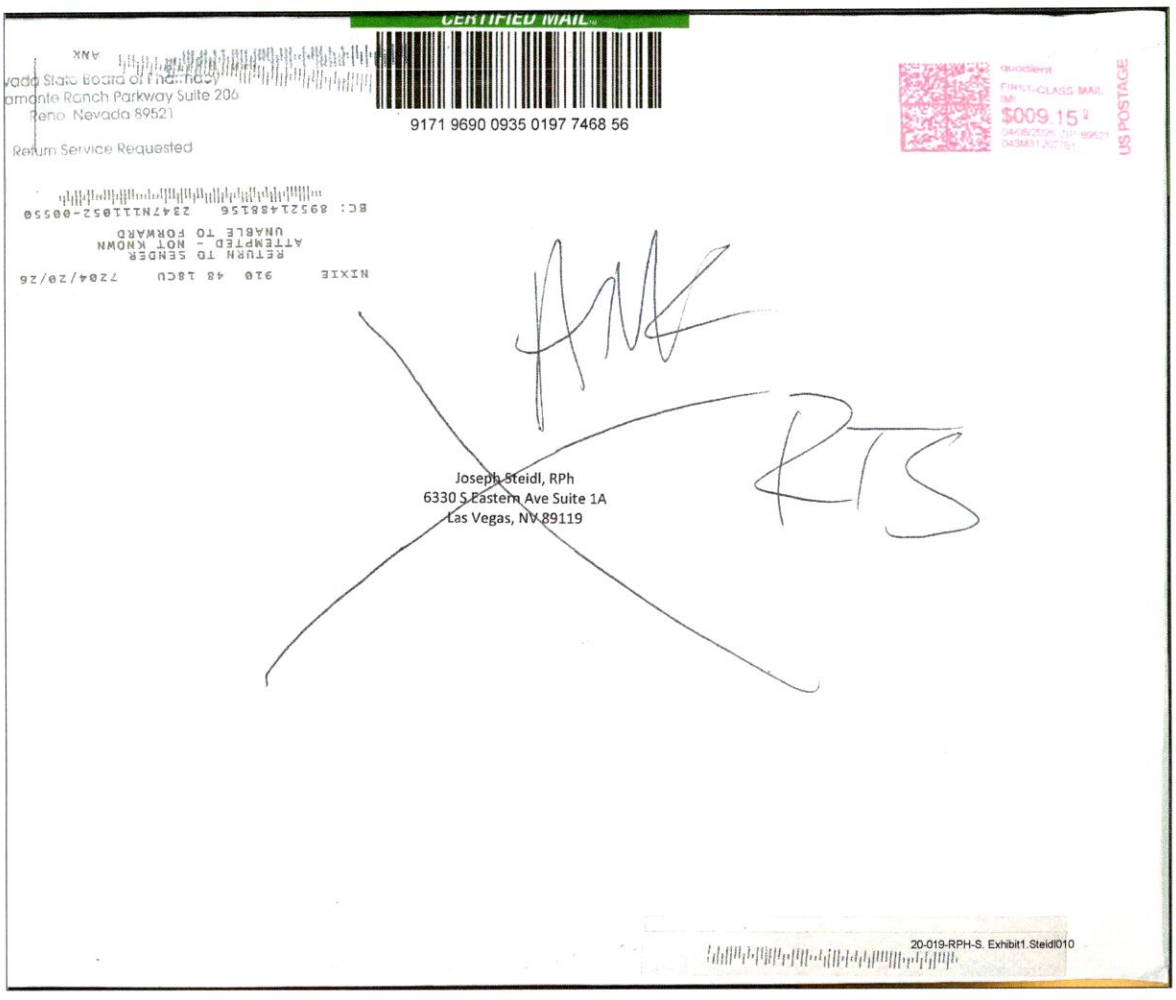
Joseph Steidl, RPh
[redacted]
Pahrump, NV 89060
**20-019-RPH-S. NIAA**

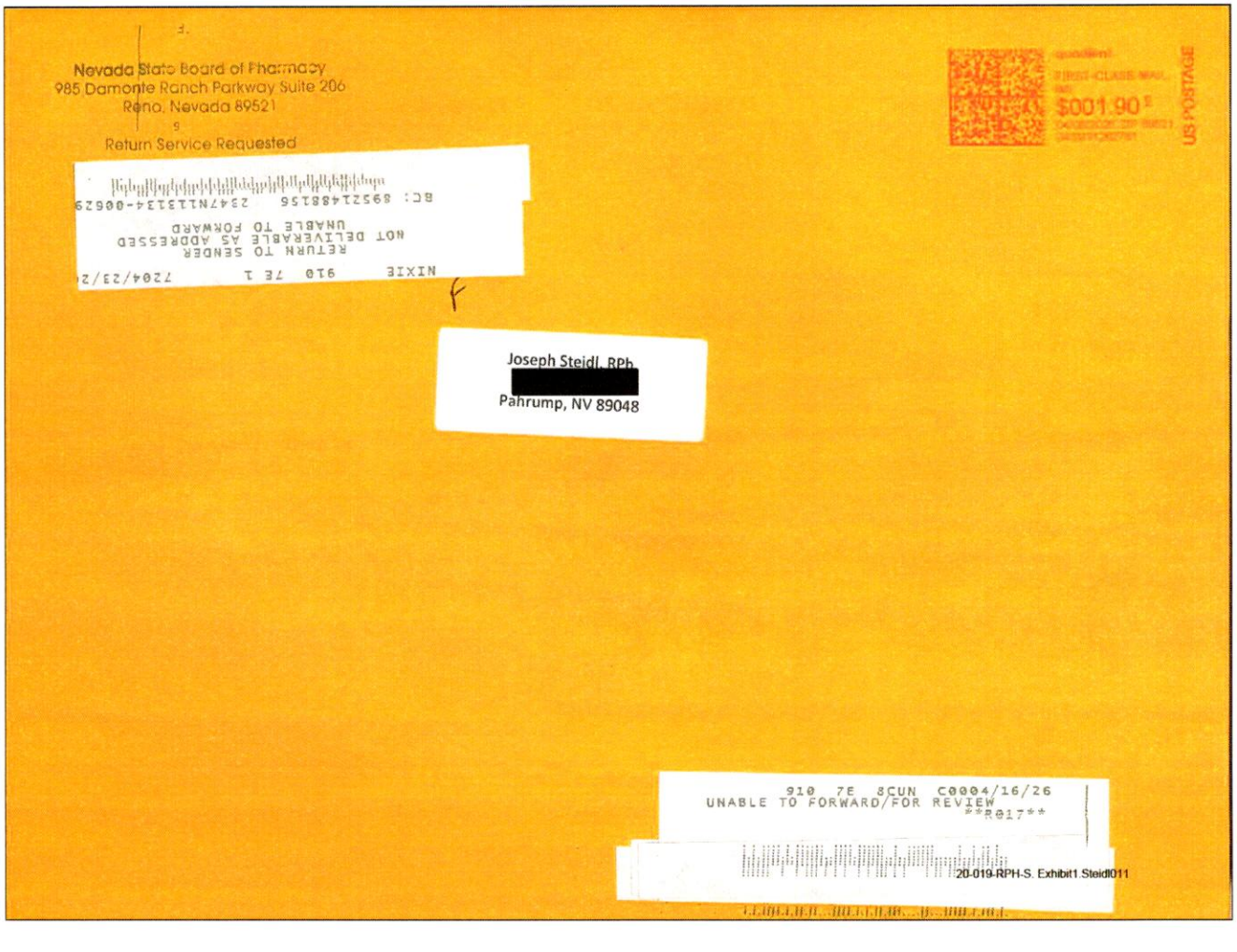
9171 9690 0935 0197 7468 32

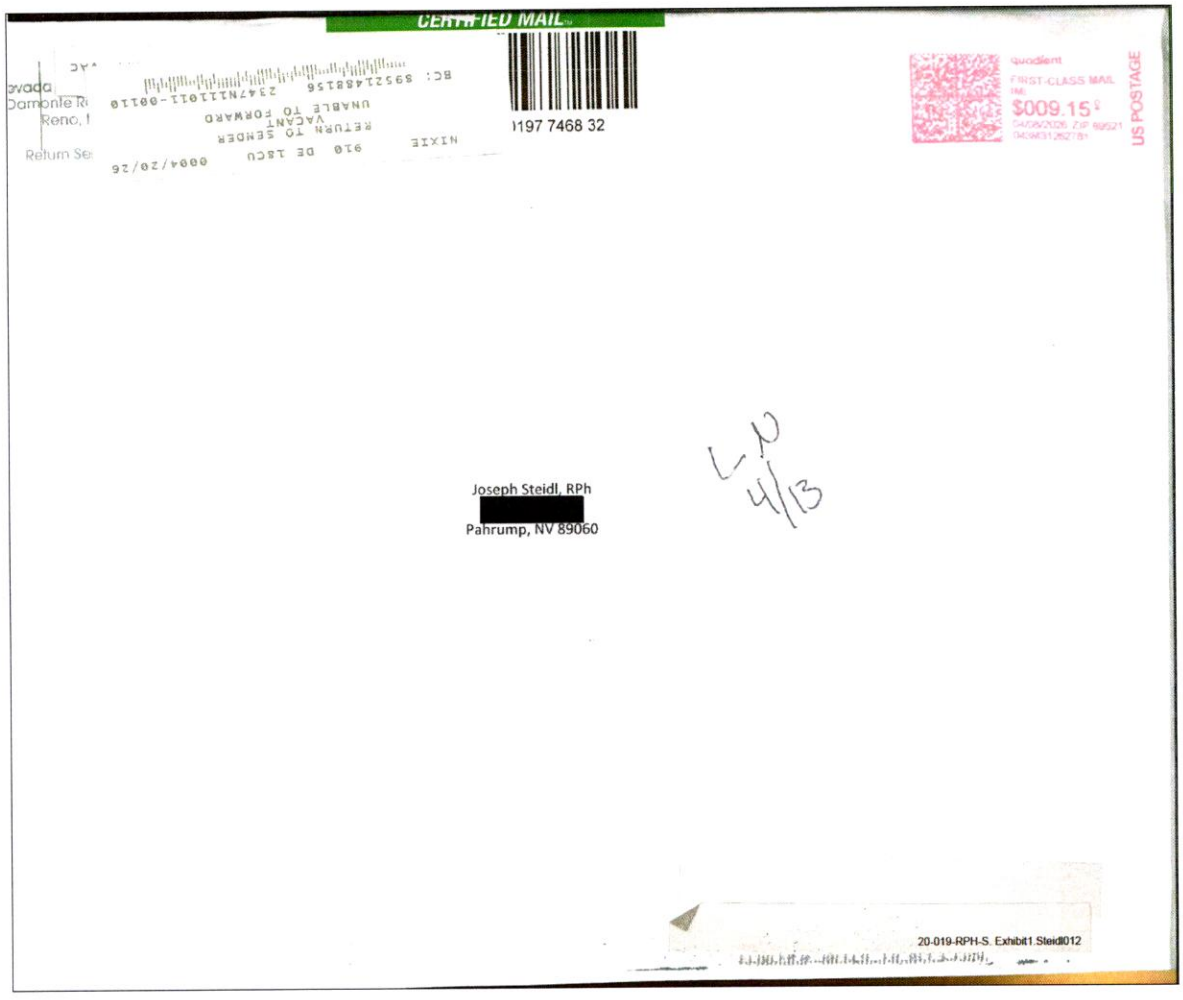
MAILED
4·8·26
Certified - $9.15
Standard - $1.90

20-019-RPH-S. Exhibit1.Steidl008




CERTIFIED MAIL
9171 9690 0935 0197 7468 56
Nevada State Board of Pharmacy
985 Damonte Ranch Parkway Suite 206
Reno, Nevada 89521
Return Service Requested
US POSTAGE
$009.15
Joseph Steidl, RPh
6330 S Eastern Ave Suite 1A
Las Vegas, NV 89119
20-019-RPH-S. Exhibit1.Steidl010


Nevada State Board of Pharmacy
985 Damonte Ranch Parkway Suite 206
Reno, Nevada 89521
Return Service Requested
US POSTAGE
$001.90
Joseph Steidl, RPh
[redacted]
Pahrump, NV 89048
UNABLE TO FORWARD/FOR REVIEW
20-019-RPH-S. Exhibit1.Steidl011


CERTIFIED MAIL
1197 7468 32
Quadient
FIRST-CLASS MAIL
$009.15
US POSTAGE
Joseph Steidl, RPh
[redacted]
Pahrump, NV 89060
L-D
4/13
20-019-RPH-S. Exhibit1.Steidl012

# Exhibit 2
# 20-019-RPH-S
# Joseph Steidl

JOE LOMBARDO
Governor

**STATE OF NEVADA**

DR. KRISTOPHER SANCHEZ
*Director*

PERRY FAIGIN
NIKKI HAAG
MARCEL F. SCHAERER
*Deputy Directors*

J. DAVID WUEST
*Executive Secretary*

**DEPARTMENT OF BUSINESS AND INDUSTRY**
**OFFICE OF NEVADA BOARDS, COMMISSIONS AND COUNCILS STANDARDS**
**STATE OF NEVADA BOARD OF PHARMACY**

May 4, 2026

Joseph Steidl
6330 S Eastern Ave Suite 1A
Las Vegas, NV 89119

Re: Joseph Steidl and Case No. 20-019-RPH-S

Dear Joseph Steidl,

The hearing for case number **20-019-RPH-S** has been scheduled for **Wednesday, 6/3/2026** at **9:00:00 AM PST** or soon thereafter at the following location:

Hilton Garden Inn
7830 S Las Vegas Boulevard
Las Vegas, NV 89123

This is an in-person hearing; all respondents, witnesses and counsel must appear in person before the Board.

Pursuant to NRS 241.033, please be advised that the hearing is a public meeting, and the Board may, without further notice, take administrative action against you if the Board determines that such administrative action is warranted after considering your character, alleged misconduct, professional competence, or physical or mental health. The Board at its discretion may go into closed session to consider your character, alleged misconduct, professional competence, or physical or mental health. You may attend any closed session, have an attorney or other representative of your choosing present during any closed session, and present written evidence, provide testimony, and present witnesses relating to your character, alleged misconduct, professional competence, or physical or mental health during any closed session.

If you have any questions, please feel free to contact the board staff.

Sincerely,

Jessette Phaynarikone
Administrative Assistant - Board Coordinator I
Nevada State Board of Pharmacy

9171 9690 0935 0297 6910 18

JOE LOMBARDO
Governor

**STATE OF NEVADA**

DR. KRISTOPHER SANCHEZ
*Director*

PERRY FAIGIN
NIKKI HAAG
MARCEL E. SCHAERER
*Deputy Directors*

J. DAVID WUEST
*Executive Secretary*

**DEPARTMENT OF BUSINESS AND INDUSTRY**
**OFFICE OF NEVADA BOARDS, COMMISSIONS AND COUNCILS STANDARDS**
**STATE OF NEVADA BOARD OF PHARMACY**

May 4, 2026

Joseph Steidl
[redacted]
Pahrump, NV 89048

Re: Joseph Steidl and Case No. 20-019-RPH-S

Dear Joseph Steidl,

The hearing for case number 20-019-RPH-S has been scheduled for **Wednesday, 6/3/2026** at **9:00:00 AM PST** or soon thereafter at the following location:

Hilton Garden Inn
7830 S Las Vegas Boulevard
Las Vegas, NV 89123

This is an in-person hearing; all respondents, witnesses and counsel must appear in person before the Board.

Pursuant to NRS 241.033, please be advised that the hearing is a public meeting, and the Board may, without further notice, take administrative action against you if the Board determines that such administrative action is warranted after considering your character, alleged misconduct, professional competence, or physical or mental health. The Board at its discretion may go into closed session to consider your character, alleged misconduct, professional competence, or physical or mental health. You may attend any closed session, have an attorney or other representative of your choosing present during any closed session, and present written evidence, provide testimony, and present witnesses relating to your character, alleged misconduct, professional competence, or physical or mental health during any closed session.

If you have any questions, please feel free to contact the board staff.

Sincerely,

Jessette Phaynarikone
Administrative Assistant - Board Coordinator I
Nevada State Board of Pharmacy

9171 9690 0935 0297 6910 25



JOE LOMBARDO
Governor

**STATE OF NEVADA**

DR. KRISTOPHER SANCHEZ
*Director*

PERRY FAIGIN
NIKKI HAAG
MARCEL E. SCHAERER
*Deputy Directors*

J. DAVID WUEST
*Executive Secretary*

**DEPARTMENT OF BUSINESS AND INDUSTRY**
**OFFICE OF NEVADA BOARDS, COMMISSIONS AND COUNCILS STANDARDS**
**STATE OF NEVADA BOARD OF PHARMACY**

May 4, 2026

Joseph Steidl
[redacted]
Pahrump, NV 89060

Re: Joseph Steidl and Case No. 20-019-RPH-S

Dear Joseph Steidl,

The hearing for case number 20-019-RPH-S has been scheduled for **Wednesday, 6/3/2026** at **9:00:00 AM PST** or soon thereafter at the following location:

Hilton Garden Inn
7830 S Las Vegas Boulevard
Las Vegas, NV 89123

This is an in-person hearing; all respondents, witnesses and counsel must appear in person before the Board.

Pursuant to NRS 241.033, please be advised that the hearing is a public meeting, and the Board may, without further notice, take administrative action against you if the Board determines that such administrative action is warranted after considering your character, alleged misconduct, professional competence, or physical or mental health. The Board at its discretion may go into closed session to consider your character, alleged misconduct, professional competence, or physical or mental health. You may attend any closed session, have an attorney or other representative of your choosing present during any closed session, and present written evidence, provide testimony, and present witnesses relating to your character, alleged misconduct, professional competence, or physical or mental health during any closed session.

If you have any questions, please feel free to contact the board staff.

Sincerely,

Jessette Phaynarikone
Administrative Assistant - Board Coordinator I
Nevada State Board of Pharmacy

9171 9690 0935 0297 6910 32

# USPS Tracking®

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Remove ✕

**Tracking Number:**

## 9171969009350297691018

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### Latest Update

Your item was delivered to an individual at the address at 11:38 am on May 14, 2026 in RENO, NV 89521.

**Get More Out of USPS Tracking:**

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Feedback

**Delivered**

**Delivered, Left with Individual**
RENO, NV 89521
May 14, 2026 11:38 AM

**Arrived at USPS Facility**
RENO NV DISTRIBUTION CENTER
May 13, 2026 9:30 AM

**Arrived at USPS Facility**
PASADENA, CA 91109
May 11, 2026 6:50 AM

**Addressee Unknown**
LAS VEGAS, NV 89119
May 8, 2026 3:53 PM

**Hide Tracking History**

What Do USPS Tracking Statuses Mean?

20-019-RPH-S. Exhibit2.Steidl004





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**Tracking Number:**

## 9171969009350297691025

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### Latest Update

Your item was delivered to an individual at the address at 11:38 am on May 14, 2026 in RENO, NV 89521.

**Get More Out of USPS Tracking:**

**USPS Tracking Plus®**

**Delivered**

**Delivered, Left with Individual**
RENO, NV 89521
May 14, 2026 11:38 AM

**Arrived at USPS Facility**
RENO NV DISTRIBUTION CENTER
May 13, 2026 9:19 AM

**Arrived at USPS Facility**
PASADENA, CA 91109
May 11, 2026 5:25 AM

**Vacant**
PAHRUMP, NV 89048
May 8, 2026 8:47 AM

20-019-RPH-S. Exhibit2.Steidl005

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What Do USPS Tracking Statuses Mean?

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**Product Information**

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**Tracking Number:**

## 9171969009350297691032

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### Latest Update

Your item was delivered to an individual at the address at 11:38 am on May 14, 2026 in RENO, NV 89521.

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**Delivered**

**Delivered, Left with Individual**
RENO, NV 89521
May 14, 2026 11:38 AM

**Arrived at USPS Facility**
RENO NV DISTRIBUTION CENTER
May 13, 2026 9:19 AM

**Arrived at USPS Facility**
PASADENA, CA 91109
May 11, 2026 5:55 AM

20-019-RPH-S Exhibit2 Steidl006





**Forwarded**
PAHRUMP, NV
May 8, 2026 11:34 AM

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**Text & Email Updates**

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**Product Information**

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## Need More Help?

Contact USPS Tracking support for further assistance.

FAQs

20-019-RPH-S Exhibit2 Steidl007

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

| | |
|---|---|
| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br><br>**v.**<br><br>**JOSEPH ERIC STEIDL, RPH,**<br>**Certificate of Registration No. 18852,**<br><br>**Respondent.** | **CASE NO. 20-019-RPH-S**<br><br>**MEMORANDUM OF ATTORNEY'S FEES AND COSTS** |

Pursuant to NRS 622.400, the undersigned hereby submits the following itemized bill of costs and reasonable attorney's fees incurred by the Nevada State Board of Pharmacy in connection with the investigation and prosecution of the above-entitled administrative action.

| Investigative Time | | | | |
|---|---|---|---|---|
| Date(s) | Description | Hours | Rate | Amount |
| N/A | | - | $53.00/hr | - |
| Subtotal (Investigation): $- | | | | |
| Attorney Time - Brett Kandt | | | | |
| Date(s) | Description | Hours | Rate | Amount |
| 11/14/25 | Confer w/ client and draft accusation for case 20-019 | 1.0 | $104.00/hr | $104.00 |
| Subtotal (Attorney Time): $104.00 | | | | |



exhibit 2

| Administrative Costs | | | | |
|---|---|---|---|---|
| Date(s) | Description | Hours | Rate | Amount |
| 4/8/25 | Jessette Phaynarikone finalized, filed and served Accusation via certified/regular mail. | 0.50 | $25.00/hr | $12.50 |
| 5/4/26 | Jessette Phaynarikone served Notice of Hearing for June 3, 2026 | 0.50 | $25.00/hr | $12.50 |
| Subtotal (Administrative Costs): $25.00 | | | | |
| Additional Recoverable Costs: Postage/Mailing Costs: $61.95 | | | | |
| **Total Attorney's Fees and Recoverable Costs: $190.95** | | | | |

I, Brett Kandt, affirm, to the best of my knowledge and belief, that the foregoing is a true and correct statement of reasonable attorney's fees and recoverable costs incurred by the Board in the above-entitled action.

DATED this 3rd day of June 2026.

Brett Kandt
General Counsel
Nevada State Board of Pharmacy

5D

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

| | |
|---|---|
| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br><br>**v.**<br><br>**DARLENE KUUNANIALOHA HESS. PTT, Certificate of Registration No. PT27744,**<br><br>**Respondent.** | **CASE NO. 24-460-PTT-S**<br><br>**DECLARATION OF ERIN MILLER** |

I, Erin Miller, hereby state the following:

1. I am the Board Coordinator II and Administrative Assistant to the Nevada State Board of Pharmacy (Board). I have personal knowledge of the matters stated herein and would be competent to testify thereon if called upon to do so.

1. I am responsible for filing and serving by mail pleadings and notices related to disciplinary actions before the Board.

2. On October 24, 2025, I served the Notice of Intended Action and Accusation (Accusation) on file herein together with the Statement to Respondent and Notice of Hearing by certified mail to Respondent at her address of record with the Board, affixed with a tracking number, in conformance with NRS 639.242 and NAC 639.972. True and correct copies of the Accusation, the envelopes with tracking numbers, and USPS tracking results are attached hereto.

3. I, Erin Miller, hereby declare under penalty of perjury that the foregoing is true and correct.

Executed this 7th day of January 2026.

Erin Miller, Board Coordinator II
Nevada State Board of Pharmacy



exhibit 1

FILED
OCT 2 3 2025
NEVADA STATE BOARD OF PHARMACY

MAILED
10/24/25

Darlene Hess, PTT
[redacted]
North Las Vegas, NV 89032
**24-460-PTT-S. NIAA**

9489 0178 9820 3042 2660 02

Certified - $9.15/each
Standard - $2.17/each

Darlene Hess, PTT
c/o Walgreens Pharmacy #21159
3821 W Flamingo Rd.
Las Vegas, NV 89103
**24-460-PTT-S. NIAA**

9489 0178 9820 3042 2520 12

## CERTIFICATE OF SERVICE

I certify that I am an employee of the Nevada State Board of Pharmacy, and that on this 24th day of October 2025, I served a true and correct copy of the foregoing document by Standard U.S. mail to the following:

Darlene Hess, PTT
[redacted]
North Las Vegas, NV 89032

Darlene Hess, PTT
c/o Walgreens Pharmacy #21159
3821 W Flamingo Rd.
Las Vegas, NV 89103

ERIN MILLER
ADMINISTRATIVE ASSISTANT,
BOARD COORDINATOR II

**ALERT: WINTER WEATHER IN THE NORTHERN PLAINS, GREAT LAKES, AND NORTHEASTERN ...**

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**Tracking Number:**

## 9489017898203036952669

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### Latest Update

Your item was delivered to an individual at the address at 10:35 am on December 15, 2025 in NORTH LAS VEGAS, NV 89032.

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**USPS Tracking Plus®**

Feedback

### Delivered

**Delivered, Left with Individual**

NORTH LAS VEGAS, NV 89032
December 15, 2025, 10:35 am

**In Transit to Next Facility**

December 14, 2025

**Departed USPS Regional Facility**

LAS VEGAS NV DISTRIBUTION CENTER
December 13, 2025, 8:05 am

**Arrived at USPS Regional Facility**

LAS VEGAS NV DISTRIBUTION CENTER
December 13, 2025, 7:48 am

**Arrived at USPS Regional Facility**

RENO NV DISTRIBUTION CENTER
December 12, 2025, 3:49 pm

**Accepted at USPS Origin Facility**
RENO, NV 89521
December 12, 2025, 2:34 pm

**Pre-Shipment, USPS Awaiting Item**
December 12, 2025

**Hide Tracking History**

What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

**Text & Email Updates**

**Return Receipt Electronic**

**USPS Tracking Plus®**

**Product Information**

**See Less**

**Remove ×**

**Tracking Number:**

**9489017898203036952676**

**Copy** **Add to Informed Delivery (https://informeddelivery.usps.com/)**

## Latest Update

Your item was delivered to the front desk, reception area, or mail room at 5:23 pm on December 15, 2025 in LAS VEGAS, NV 89103.

**Get More Out of USPS Tracking:**

**USPS Tracking Plus®**

## Delivered

**Delivered, Front Desk/Reception/Mail Room**
LAS VEGAS, NV 89103
December 15, 2025, 5:23 pm

**In Transit to Next Facility**
December 14, 2025

**Departed USPS Regional Facility**
LAS VEGAS NV DISTRIBUTION CENTER
December 13, 2025, 8:05 am

**Arrived at USPS Regional Facility**
LAS VEGAS NV DISTRIBUTION CENTER
December 13, 2025, 7:32 am

**Arrived at USPS Regional Facility**
RENO NV DISTRIBUTION CENTER
December 12, 2025, 3:19 pm

**Accepted at USPS Origin Facility**
RENO, NV 89521
December 12, 2025, 2:04 pm

**Pre-Shipment, USPS Awaiting Item**
December 12, 2025

**Hide Tracking History**

What Do USPS Tracking Statuses Mean? **(https://faq.usps.com/s/article/Where-is-my-package)**

**See More** ⌄

Track Another Package

Enter tracking or barcode numbers

## Need More Help?

Contact USPS Tracking support for further assistance.

**FAQs**

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

| | |
|---|---|
| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br><br>**v.**<br><br>**DARLENE KUUNANIALOHA HESS. PTT, Certificate of Registration No. PT27744,**<br><br>**Respondent.** | **CASE NO. 24-460-PTT-S**<br><br>**DECLARATION OF JESSETTE PHAYNARIKONE** |

I, Jessette Phaynarikone, hereby state the following:

1. I am the Board Coordinator I and Administrative Assistant to the Nevada State Board of Pharmacy (Board). I have personal knowledge of the matters stated herein and would be competent to testify thereon if called upon to do so.

1. I am responsible for filing and serving by mail pleadings and notices related to disciplinary actions before the Board.

2. On May 4, 2026, I served a Notice of Hearing by certified mail to Respondent at his address of record with the Board, affixed with a tracking number, in conformance with NRS 241.0333. True and correct copies of the Notice of Hearing, the envelopes with tracking numbers, and USPS tracking results are attached hereto.

3. I, Jessette Phaynarikone, hereby declare under penalty of perjury that the foregoing is true and correct.

Executed this 28th day of May 2026.

Jessette Phaynarikone, Board Coordinator I
Nevada State Board of Pharmacy



Exhibit 2

**DEPARTMENT OF BUSINESS AND INDUSTRY**
**OFFICE OF NEVADA BOARDS, COMMISSIONS AND COUNCILS STANDARDS**
**STATE OF NEVADA BOARD OF PHARMACY**

May 4, 2026

Darlene Hess
[redacted]
North Las Vegas, NV 89032

Re: Darlene Hess and Case No. 24-460-PT-S

Dear Darlene Hess,

The hearing for case number **24-460-PT-S** has been scheduled for **Wednesday, 6/3/2026** at **9:00:00 AM PST** or soon thereafter at the following location:

Hilton Garden Inn
7830 S Las Vegas Boulevard
Las Vegas, NV 89123

This is an in-person hearing; all respondents, witnesses and counsel must appear in person before the Board.

Pursuant to NRS 241.033, please be advised that the hearing is a public meeting, and the Board may, without further notice, take administrative action against you if the Board determines that such administrative action is warranted after considering your character, alleged misconduct, professional competence, or physical or mental health. The Board at its discretion may go into closed session to consider your character, alleged misconduct, professional competence, or physical or mental health. You may attend any closed session, have an attorney or other representative of your choosing present during any closed session, and present written evidence, provide testimony, and present witnesses relating to your character, alleged misconduct, professional competence, or physical or mental health during any closed session.

If you have any questions, please feel free to contact the board staff.

Sincerely,

Jessette Phaynarikone
Administrative Assistant - Board Coordinator I
Nevada State Board of Pharmacy

9171 9690 0935 0297 6910 63

**DEPARTMENT OF BUSINESS AND INDUSTRY**
**OFFICE OF NEVADA BOARDS, COMMISSIONS AND COUNCILS STANDARDS**
**STATE OF NEVADA BOARD OF PHARMACY**

May 4, 2026

Darlene Hess c/o Walgreens Pharmacy #21159
3821 W Flamingo Rd
Las Vegas, NV 89103

Re: Darlene Hess and Case No. 24-460-PT-S

Dear Darlene Hess,

The hearing for case number **24-460-PT-S** has been scheduled for **Wednesday, 6/3/2026** at **9:00:00 AM PST** or soon thereafter at the following location:

Hilton Garden Inn
7830 S Las Vegas Boulevard
Las Vegas, NV 89123

This is an in-person hearing; all respondents, witnesses and counsel must appear in person before the Board.

Pursuant to NRS 241.033, please be advised that the hearing is a public meeting, and the Board may, without further notice, take administrative action against you if the Board determines that such administrative action is warranted after considering your character, alleged misconduct, professional competence, or physical or mental health. The Board at its discretion may go into closed session to consider your character, alleged misconduct, professional competence, or physical or mental health. You may attend any closed session, have an attorney or other representative of your choosing present during any closed session, and present written evidence, provide testimony, and present witnesses relating to your character, alleged misconduct, professional competence, or physical or mental health during any closed session.

If you have any questions, please feel free to contact the board staff.

Sincerely,

Jessette Phaynarikone
Administrative Assistant - Board Coordinator I
Nevada State Board of Pharmacy

9171 9690 0935 0297 6910 70

ALERT: IMPACTS FROM WILDFIRES IN SOUTHERN CALIFORNIA MAY DELAY FINAL DELIVERY...

# USPS Tracking®

FAQs >

Remove ×

Tracking Number:

**9171969009350297691063**

Copy Add to Informed Delivery

## Latest Update

Your item arrived at our USPS facility in LAS VEGAS NV DISTRIBUTION CENTER on May 6, 2026 at 10:13 pm. The item is currently in transit to the destination.

**Get More Out of USPS Tracking:**

**USPS Tracking Plus®**

Feedback

## On the Way

**Arrived at USPS Facility**

LAS VEGAS NV DISTRIBUTION CENTER
May 6, 2026 10:13 PM

**Arrived at USPS Facility**

RENO NV DISTRIBUTION CENTER
May 5, 2026 12:05 PM

**Accepted at USPS Facility**

RENO, NV 89521
May 5, 2026 10:50 AM

**Hide Tracking History**

What Do USPS Tracking Statuses Mean?

**Text & Email Updates**

**Return Receipt Electronic**

**USPS Tracking Plus®**

**Product Information**

**See Less**

**Tracking Number:**

**Remove X**

# 9171969009350297691070

**Copy** **Add to Informed Delivery**

## Latest Update

Your item was delivered to an individual at the address at 12:49 pm on May 8, 2026 in LAS VEGAS, NV 89103.

**Get More Out of USPS Tracking:**

**USPS Tracking Plus®**

### Delivered

**Delivered, Left with Individual**

LAS VEGAS, NV 89103
May 8, 2026 12:49 PM

**Hide Tracking History**

What Do USPS Tracking Statuses Mean?

**Text & Email Updates**

**USPS Tracking Plus®**

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

| | |
|---|---|
| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br><br>**v.**<br><br>**DARLENE KUUNANIALOHA HESS. PTT, Certificate of Registration No. PT27744,**<br><br>**Respondent.** | **CASE NO. 24-460-PTT-S**<br><br>**MEMORANDUM OF ATTORNEY'S FEES AND COSTS** |

Pursuant to NRS 622.400, the undersigned hereby submits the following itemized bill of costs and reasonable attorney's fees incurred by the Nevada State Board of Pharmacy in connection with the investigation and prosecution of the above-entitled administrative action.

| Investigative Time | | | | |
|---|---|---|---|---|
| Date(s) | Description | Hours | Rate | Amount |
| N/A | | - | $53.00/hr | - |
| Subtotal (Investigation): $- | | | | |
| Attorney Time - Brett Kandt | | | | |
| Date(s) | Description | Hours | Rate | Amount |
| 8/7/25 | Confer with staff and review investigative case file in case 23-348-CS-S; research and draft Notice of Intended Action and Accusation. | 6.50 | $104.00/hr | $676.00 |
| 1/7/26 | Confer with staff and prepare for hearing; prepare memorandum of attorney's fees and costs, declarations re: service. | 2.75 | $104.00/hr | $286.00 |



exhibit 3

| | | | | |
|---|---|---|---|---|
| 1/12/26 | Final hearing preparation; draft proposed findings of fact, conclusions of law and order; send default notice. | 1.00 | $104.00/hr | $104.00 |
| 1/14/26 | Default hearing in case 24-460-PTT-S; finalize order. | 1.00 | $104.00/hr | $104.00 |
| Subtotal (Attorney Time): $1,170.00 | | | | |

| Administrative Costs | | | | |
|---|---|---|---|---|
| Date(s) | Description | Hours | Rate | Amount |
| 10/24/25 | Erin Miller finalized, filed and served Accusation via certified/regular mail. | 0.50 | $25.00/hr | $12.50 |
| 12/11/25 | Jessette Phaynarikone served Notice of Hearing for January 14, 2026 | 0.50 | $25.00/hr | $12.50 |
| 5/4/26 | Jessette Phaynarikone served Notice of Hearing for May 4, 2026 | 0.50 | $25.00/hr | $12.50 |
| Subtotal (Administrative Costs): $37.50 | | | | |
| Additional Recoverable Costs: Postage/Mailing Costs: $61.04 | | | | |
| **Total Attorney's Fees and Recoverable Costs: $1,268.54** | | | | |

I, Brett Kandt, affirm, to the best of my knowledge and belief, that the foregoing is a true and correct statement of reasonable attorney's fees and recoverable costs incurred by the Board in the above-entitled action.

DATED this 3rd day of March 2026.

Brett Kandt
General Counsel
Nevada State Board of Pharmacy

5F

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

| | |
|---|---|
| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br>**v.**<br><br>**PATRICIA RENEE SANCHEZ. PTT, Certificate of Registration No. PT28814,**<br><br>**Respondent.** | **CASE NO. 26-108-PTT-N**<br><br>**DECLARATION OF JESSETTE PHAYNARIKONE** |

I, Jessette Phaynarikone, hereby state the following:

1. I am the Board Coordinator I and Administrative Assistant to the Nevada State Board of Pharmacy (Board). I have personal knowledge of the matters stated herein and would be competent to testify thereon if called upon to do so.

2. I am responsible for filing and serving by mail pleadings and notices related to disciplinary actions before the Board.

3. On April 8, 2026, I served the Notice of Intended Action and Accusation (Accusation) on file herein for Case No. 26-108-PTT-N together with the Statement to Respondent and Notice of Hearing by certified mail to Respondent at her address of record with the Board, affixed with tracking numbers, in conformance with NRS 639.242 and NAC 639.972. True and correct copies of the Accusation, the envelope with tracking numbers, and USPS tracking results are attached hereto.

4. On May 13, 2026, I served a Notice of Hearing by certified mail to Respondent at her address of record with the Board, affixed with a tracking number, in conformance with NRS 241.0333. True and correct copies of the Notice of Hearing, the envelope with tracking numbers, and USPS tracking results are attached hereto.



**Exhibit 1**

5. I, Jessette Phaynarikone, hereby declare under penalty of perjury that the foregoing is true and correct.

Executed this 26th day of May, 2026.

Jessette Phaynarikone,
Administrative Assistant, Board Coordinator I
Nevada State Board of Pharmacy

Patricia Renee Sanchez, PTT
[redacted]
Reno, NV 89506
**26-108-PTT-N. NIAA**

9171 9690 0935 0197 7468 63

FILED
APR 06 2026
NEVADA STATE BOARD OF PHARMACY

MAILED
4.8.26

certified - $9.15
standard - $1.90

# USPS Tracking®

FAQs >

Remove ×

**Tracking Number:**

## 9171969009350197746863

Copy Add to Informed Delivery (https://informeddelivery.usps.com/)

### Latest Update

Your item was picked up at the post office at 9:04 am on April 13, 2026 in RENO, NV 89506.

**Get More Out of USPS Tracking:**

**USPS Tracking Plus®**

### Delivered

**Delivered, Individual Picked Up at Post Office**
RENO, NV 89506
April 13, 2026, 9:04 am

**Notice Left (No Authorized Recipient Available)**
RENO, NV 89506
April 10, 2026, 3:18 pm

**Arrived at USPS Regional Facility**
RENO NV DISTRIBUTION CENTER
April 9, 2026, 2:56 pm

**Accepted at USPS Origin Facility**
RENO, NV 89521
April 9, 2026, 1:41 pm

**Pre-Shipment, USPS Awaiting Item**
April 9, 2026

**Hide Tracking History**

Feedback

What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

**Text & Email Updates**

**Return Receipt Electronic**

**USPS Tracking Plus®**

**Product Information**

See Less

Track Another Package

Enter tracking or barcode numbers

## Need More Help?

Contact USPS Tracking support for further assistance.

FAQs

**DEPARTMENT OF BUSINESS AND INDUSTRY**
**OFFICE OF NEVADA BOARDS, COMMISSIONS AND COUNCILS STANDARDS**
**STATE OF NEVADA BOARD OF PHARMACY**

May 13, 2026

Patricia Renee Sanchez
[redacted]
Reno, NV 89506

Re: Patricia Renee Sanchez and Case No. 25-108-PTT-N

Dear Patricia Renee Sanchez,

The hearing for case number **25-108-PTT-N** has been scheduled for **Wednesday**, **6/3/2026** at **9:00:00 AM PST** or soon thereafter at the following location:

Hilton Garden Inn
7830 S Las Vegas Boulevard
Las Vegas, NV 89123

This is an in-person hearing; all respondents, witnesses and counsel must appear in person before the Board.

Pursuant to NRS 241.033, please be advised that the hearing is a public meeting, and the Board may, without further notice, take administrative action against you if the Board determines that such administrative action is warranted after considering your character, alleged misconduct, professional competence, or physical or mental health. The Board at its discretion may go into closed session to consider your character, alleged misconduct, professional competence, or physical or mental health. You may attend any closed session, have an attorney or other representative of your choosing present during any closed session, and present written evidence, provide testimony, and present witnesses relating to your character, alleged misconduct, professional competence, or physical or mental health during any closed session.

If you have any questions, please feel free to contact the board staff.

Sincerely,

Jessette Phaynarikone
Administrative Assistant - Board Coordinator I
Nevada State Board of Pharmacy

9171 9690 0935 0297 6919 40

ALERT: IMPACTS FROM WILDFIRES IN SOUTHERN CALIFORNIA MAY DELAY FINAL DELIVERY...

# USPS Tracking®

FAQs >

Remove ✕

**Tracking Number:**

## 9171969009350297691940

Copy  Schedule a Redelivery

### Latest Update

This is a reminder to arrange for redelivery of your item before May 29, 2026 or your item will be returned on May 30, 2026. You may arrange redelivery by using the Schedule a Redelivery feature on this page or may pick up the item at the Post Office indicated on the notice.

---

**Get More Out of USPS Tracking:**

**USPS Tracking Plus®**

Feedback

### Delivery Attempt: Action Needed

**Reminder to Schedule Redelivery of your item before May 29, 2026**
May 20, 2026

**Notice Left (No Authorized Recipient Available)**
RENO, NV 89506
May 15, 2026 1:20 PM

**Arrived at USPS Facility**
RENO NV DISTRIBUTION CENTER
May 14, 2026 9:46 AM

**Accepted at USPS Facility**
RENO, NV 89521
May 14, 2026 8:31 AM

**Hide Tracking History**

What Do USPS Tracking Statuses Mean?

**Text & Email Updates**

**Schedule Redelivery**

**Return Receipt Electronic**

**USPS Tracking Plus®**

**Product Information**

**See Less**

Track Another Package

Enter tracking or barcode numbers

## Need More Help?

Contact USPS Tracking support for further assistance.

**FAQs**

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

| | |
|---|---|
| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br>**v.**<br><br>**PATRICIA RENEE SANCHEZ. PTT, Certificate of Registration No. PT28814,**<br><br>**Respondent.** | **CASE NO. 26-108-PTT-N**<br><br>**MEMORANDUM OF ATTORNEY'S FEES AND COSTS** |

Pursuant to NRS 622.400, the undersigned hereby submits the following itemized bill of costs and reasonable attorney's fees incurred by the Nevada State Board of Pharmacy in connection with the investigation and prosecution of the above-entitled administrative action.

| Investigative Time | | | | |
|---|---|---|---|---|
| Date(s) | Description | Hours | Rate | Amount |
| N/A | Investigator Segedy – SEE ATTACHMENT | 6.5 | $53.00/hr | $344.50 |
| Subtotal (Investigation): $344.50 | | | | |
| Attorney Time - Brett Kandt | | | | |
| Date(s) | Description | Hours | Rate | Amount |
| 3/25/26 | Confer with staff and review investigative case file in case 26-108-PTT-N; draft Notice of Intended Action and Accusation. | 2.0 | $104.00/hr | $208.00 |
| 4/22/26 | Confer with staff regarding hearing date. | 0.25 | $104.00/hr | $26.00 |
| 4/27/26 | Review Answer and Notice of Defense. | 0.25 | $104.00/hr | $26.00 |



**Exhibit 2**

| | | | | |
|---|---|---|---|---|
| 5/4/26 | Confer w/ respondent regarding resolution. | 1.00 | $104.00/hr | $104.00 |
| 5/20/26 | Confer w/ respondent regarding resolution. | 0.25 | $104.00/hr | $26.00 |
| 5/21/26 | Confer w/ respondent regarding resolution. | 0.25 | $104.00/hr | $26.00 |
| 5/22/26 | Prepare for default hearing. | 2.00 | $104.00/hr | $208.00 |
| 6/3/26 | Hearing in case 26-108-PTT-N; finalize order. | 1.00 | $104.00/hr | $104.00 |
| Subtotal (Attorney Time): $728.00 | | | | |
| Administrative Costs | | | | |
| Date(s) | Description | Hours | Rate | Amount |
| 4/8/26 | Jessette Phaynarikone finalized and served Accusation. | 0.50 | $25.00/hr | $12.50 |
| 5/13/26 | Jessette Phaynarikone served Notice of Hearing for June 3, 2026. | 0.50 | $25.00/hr | $12.50 |
| Subtotal (Administrative Costs): $25.00 | | | | |
| Additional Recoverable Costs: Postage/Mailing Costs: $20.65 | | | | |
| **Total Attorney's Fees and Recoverable Costs: $1,118.15** | | | | |

I, Brett Kandt, affirm, to the best of my knowledge and belief, that the foregoing is a true and correct statement of reasonable attorney's fees and recoverable costs incurred by the Board in the above-entitled action.

DATED this 3rd day of June 2026.

Brett Kandt
General Counsel
Nevada State Board of Pharmacy

Investigation hours

**Case No. 26-108-PTT-N** **PTT Patricia Sanchez, License 28814**
**Investigator Monica S. Segedy**

| Date | Duties | Hours |
|---|---|---|
| 3/18/2026 | Reviewed Initial Case Opening Information | 0.5 |
| 3/18/2026 | Conducted/Documented License Queries | 1 |
| 3/19/2026 | Discussions wih NVBOP Licensing Personnel | 1 |
| 3/19/2026 | Reviewed updated PTT application and documents | 1 |
| 3/19/2026 | Interivew of PTT Sandez and documentation | 1 |
| 3/20/2026 | Prepared Final Report | 2 |

| | |
|---|---|
| **Total hrs** | **6.5 Hours** |
| **Wage per Hour** | **$53.00** |
| **Total Investigative Cost** | **$344.50** |

# 5G

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

| | |
|---|---|
| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br>**v.**<br><br>**RALEY'S PHARMACY #123,**<br>**Pharmacy License No. PH00999,**<br><br>**Respondent.** | **Case No. 24-366-PH-N**<br><br>**STIPULATION AND ORDER** |

J. David Wuest, in his official capacity as Executive Secretary of the Nevada State Board of Pharmacy, by and through its Senior General Counsel, Gregory L. Zunino, and Respondent Raley's #123 ("Respondent"), by and through Timothy Kuhls, Esq, hereby stipulate and agree as follows:

1. The Nevada State Board of Pharmacy ("Board") has jurisdiction over Respondent and this matter.

2. Respondent acknowledges that it was properly served with the Notice of Intended Action and Accusation ("Accusation") on file in this matter, together with the Statement to Respondent and Notice of Hearing ("Notice of Hearing"). Respondent further acknowledges that allegations and charges have been plead with adequate specificity.

3. The parties agreed to postpone Respondent's deadline for filing an Answer and Notice of Defense pending the Board's review of this Stipulation on June 3, 2026.

4. Respondent acknowledges that it understands the terms of this Stipulation and has executed it knowingly and voluntarily.

5. Respondent is aware of the right to a hearing on the matters alleged in the Accusation, the right to reconsideration of a Board determination in a contested case, the right to appeal a Board determination in a contested case, and all other rights afforded to Respondent under NRS Chapter 233B, the Nevada Administrative Procedure Act, NRS Chapter 622A, which governs administrative procedure before the Board, and NRS Chapter 639, the Nevada Pharmacy Act.

6. Conditioned on the acceptance of this Stipulation by the Board and excluding the right to challenge any determination that Respondent has failed to comply with the provisions of this

Stipulation, Respondent hereby freely and voluntarily waives its rights to hearing, reconsideration, appeal, and other rights related to this action as identified above.

7. Respondent denies the allegations stated in Count One of the Accusation to the extent that those allegations set forth a claim of unprofessional conduct related to the operation or implementation of Respondent's system for documenting patient counseling. However, Respondent does not contest the allegations stated in Count Two of the Accusations on file herein, and it further admits that evidence exists, and that the Board staff prosecuting this case could present such evidence at an administrative hearing, to establish a factual basis for the claim that Respondent has employer responsibility for the conduct of Pharmacist Patrick Awa as alleged in Count Two of the Accusation, to wit:

A. Between 2022 and 2025, Respondent employed Pharmacist Patrick Awa ("RPH Awa") at its pharmacy location in Yerington, Nevada.

B. On July 3, 2024, RPH Awa processed and filled a new prescription for patient R.S., for antibiotic ear drops. Respondent's automated prescription management system identified the prescription as "Rx No. 7047361."

C. RPH Awa dispensed Rx No. 7047361 to the patient's wife, who later complained to the Board that RPH Awa had not offered her counseling at the pharmacy counter when she picked up her husband's ear drops.

D. When questioned about Rx No. 7047361, RPH Awa stated that he had no recollection of dispensing the prescription.

E. RPH Awa admittedly failed to make a written or digital record of whether he offered or provided counseling in connection with Rx No. 7047361.

F. Respondent acknowledges that as RPH Awa's employer at the time, Respondent is responsible for RPH Awa's conduct as described in the Accusation..

8. To resolve this case without incurring any further costs or the expenses associated with a hearing, the Board and Respondent agree to the imposition of the following discipline:

A. Respondent shall pay a fine of **Seven Hundred Fifty and 00/100 Dollars ($750.00)**. This sum shall be payable by *cashier's check, certified check,* or *money order* written to the "**State of Nevada, Office of the Treasurer.**" Respondent shall remit payment in full to the Board's Reno office, located at 985 Damonte Ranch Parkway, Suite 206, Reno, Nevada 89521, on or before July 31, 2026.

B. Respondent shall pay the sum of **Five Hundred and 00/100 Dollars ($500.00)**. to partially reimburse the Board for recoverable attorney's fees and costs incurred in investigating and prosecuting this case. This sum shall be payable by *cashier's check, certified check,* or *money order* written to the "**Nevada State Board of Pharmacy.**" Respondent shall remit payment in full to the Board's Reno office, located at 985 Damonte Ranch Parkway, Suite 206, Reno, Nevada 89521, on or before July 31, 2026.

C. Respondent has cooperated, and it agrees that it will continue to cooperate with the Board's inspectors in terms of explaining and/or demonstrating how its system for documenting patient counseling operates and to make reasonable changes or modifications to that system, as appropriate, to address any compliance concerns that the Board may have.

9. This Stipulation constitutes a full and final resolution of the Accusation in Case No. 24-366-PH-N. However, any failure by Respondent to comply with the terms stated herein may result in issuance by the Executive Secretary of an order to show cause, pursuant to NAC 639.965, directing Respondent to appear before the Board at the next regularly scheduled meeting for a show cause hearing. If such a hearing results in the finding of a violation by Respondent, the Board may impose additional discipline not inconsistent with the provisions of NRS Chapter 639.

10. The Board's Senior General Counsel will present this Stipulation to the Board for approval pursuant to NRS 622.330 at the Board's regularly scheduled public meeting on June 3, 2026, in Las Vegas, Nevada. The Board Members and Staff may discuss and deliberate regarding this Stipulation, even if Respondent fails to send an authorized representative to the meeting.

11. The Board may accept this Stipulation, but it has no obligation to accept this Stipulation. If this Stipulation is approved by the Board, it shall be a public record pursuant to NRS 622.330 and shall be reported to the National Practitioner Data Bank pursuant to 42 U.S.C. § 1396r–2 and 45 CFR Part 60.

12. If the Board rejects any part or all of this Stipulation, and unless the parties reach an alternative agreement on the record during the hearing, the parties agree that the Board may hear a contested hearing on the merits of all alleged violations as stated in the Accusation. The terms and admissions herein may not be used, relied upon, or referred to by any party during any such hearing.

13. Subject to the approval of this Stipulation by the Board, the Board and Respondent agree to release each other from any or all additional claims arising from the facts set forth in the Accusation on file herein, whether known or unknown that might otherwise have been asserted by the Board on or before the date of entry set forth below.

**Respondent has fully considered the charges and allegations contained in the *Notice of Intended Action and Accusation* in this matter, and the terms of this Stipulation, and has freely and voluntarily agreed to the terms set forth herein, and waived certain rights, as stated herein.**

**AGREED:**

**Dated: June 3, 2026.**

**RALEY'S #123**

**By**_____
**Name:**
**Title:**

**Dated: June 3, 2026**

**NEVADA STATE BOARD OF PHARMACY**

**By** /s/ Gregory L. Zunino
**GREGORY L. ZUNINO**
**Senior General Counsel**
**Nevada Bar No. 4805**

**APPROVED AS TO FORM:**

**/s/ Timothy Kuhls**

**TIMOTHY KUHLS, ESQ.**
**Nevada Bar No. 13362**
**Attorney for Respondent Raley's #123**

## DECISION AND ORDER

As to Respondent Raley's #123, in Case No. 24-366-PH-N, the Nevada State Board of Pharmacy hereby adopts the foregoing Stipulation as its final decision in the matter and orders that its terms and conditions be made effective upon the date of entry set forth below.

**IT IS SO ORDERED.**

Entered this 3rd day of June 2026.

_____
Helen Park, President
Nevada State Board of Pharmacy

5H

# Exhibit 1
# 24-370-N
# Pharmerica & Camilla Kim

MorningStar
SENIOR LIVING

## PHARMACY AND MEDICATION PROGRAM CONSENT

This community uses a unit dose system of medication packaging. To maintain efficiency and accuracy it is strongly recommended that all medications are in unit dose packaging. Residents on the Medication Program will need to have a physician's signed order for all medications, including over the counter medications. Medications administered by staff will be stored in a secure, central location. If you are planning to go out of the building during medication administration times, please notify the Medication Care Manager so medications can be prepared for you.

☒ I authorize MorningStar to order and assist with the self-administration of my medications according to my Primary Care Provider's medication orders. I understand that MorningStar uses ValueMed by Pharmerica to fill all medications, including over the counter medications. All medications will be packaged in unit dose bubble packs. I authorize MorningStar to use ValueMed by Pharmerica. I understand that ValueMed by Pharmerica will bill insurance for the cost of medications and I will be responsible for all additional costs and copays.

DocuSigned by: [redacted]

Aug-22-2023 | 5:16 PM PDT

Signature of Resident/Responsible Party Date

☐ I authorize MorningStar to order and assist with the self-administration of my medications according to my Primary Care Provider's medication orders. I do not wish to use the preferred pharmacy. I understand there is a $ 295 monthly charge for non-preferred pharmacy usage. If the medication is not available for administration or is not delivered in the proper packaging, I authorize MorningStar to order from the preferred pharmacy and charge my account for the cost of the medication. For Residents obtaining their prescriptions from the VA, those fees will be waived.

Signature of Resident/Responsible Party Date

☐ I will self-administer my medications. I understand that I am responsible for obtaining medications from my pharmacy, storing medications, and taking them according to physician instructions. I understand that there must be a physician's order in place. The cost of medications is the responsibility of the Resident. **(Not available in Memory Care)**

Signature of Resident/Responsible Party Date

ValueMed
PharMerica

Please complete all information and print clearly. Any missing information may cause a delay in receipt of services and supplies. Fax the completed admissions form to: 1-844-331-4159.

## Resident Information

Community Name MorningStar of Sparks

Current Pharmacy CVS Prescriber Dr. John Watson

Full Name [redacted] Date of Admission / /

☐ Male ☒ Female DOB [redacted] SSN [redacted]

Resident Email [redacted]gmail.com

Resident Phone ( ) [redacted] Floor # [redacted] Room # [redacted]

Allergies NONE

Does your community administer your medications? ☒ Yes ☐ No ☐ Not Sure

Responsible Party Name [redacted] Responsible Party Phone [redacted]

Responsible Party Address [redacted]

City Sparks State NV Zip 89436

## Agreement to Pharmacy Services and Financial Responsibility

This agreement is entered into this day, between ValueMed ("Pharmacy") and the Resident and Responsible Party listed above who agree as follows:

1. The Pharmacy shall provide pharmacy services and supplies to the Resident on an open account and will provide the Responsible Party a listing of the medications supplied, and date of service.
2. The Resident and Responsible Party agree that they will be both individually and jointly responsible for paying to the Pharmacy any sums due for pharmacy services and supplies furnished to the Resident that are not reimbursed by outside sources, and the Responsible Party hereby guarantees that the pharmacy will be paid all sums due.
3. The Pharmacy will submit bills to the appropriate participating insurance plan or other reimbursement programs.
4. The Pharmacy will charge Resident or the Responsible Party for any co-payments and non-covered or un-reimbursed medications.
5. This Agreement shall bind the person or persons signed below. If signed by only the Responsible Party, it shall be binding on that party without regard to absence of the Resident's signature. If signed by only the Resident, the Resident shall be considered to be both the Resident and the Responsible Party for the purposes of this Agreement. Intending to be legally bound hereby, the Resident and Responsible Party have/has executed this Agreement providing for payment and guarantees of the sums due the Pharmacy for provision of pharmaceuticals and pharmacy services to the Resident on the date indicated below.
6. You consent to receive pharmacy services and supplies from ValueMed.

I authorize ValueMed to bill my account for pharmacy services. I may discontinue this agreement at any time by contacting ValueMed Pharmacy. If your responsibility is less than $500, ValueMed will send your prescription. If your total out of pocket for all medications exceeds $500 at any time, ValueMed will call you to request payment until this balance is below the threshold.

Resident or Responsible Party Signature DocuSigned by: [redacted] C9DDAF5DF83A41D...

Date (mm/dd/year) / / Aug-22-2023 | 5:16 PM PDT

**INSURANCE: Please attach a copy of all insurance cards, both front and back.**

ValueMed by PharMerica

Please complete the following information for the payment method that best suits your needs and return this form with your payment stub. PharMerica will bill your account upon receipt of this information according to their billing schedule. This arrangement will remain in effect until services from PharMerica are discontinued. If you desire to end this arrangement earlier, you must do so by contacting PharMerica at the phone number on your statement.

## General Information (this section must be filled out)

Resident Name D[redacted] K[redacted] P[redacted]

PharMerica account # as it appears on your billing statement: n/A

Responsible Party Name D[redacted] P[redacted] Relationship self Phone ( ) [redacted]

Email Address for Notification Purposes [redacted]gmail.com

## EFT Authorization (Fill this portion out if you would like your payments made by Check from your Bank Account)

Name on Bank Account D[redacted] K P[redacted]

Bank Name [redacted] Bank Phone ( ) [redacted]

Bank Routing # / ABA # [redacted]

Bank Account # [redacted]

Voided Check # Please attach a voided check or copy of a check to this completed form.

## Debit/Credit Card Authorization (Fill this portion out if you would like your payments made by Credit or Debit Card)

Cardholder Name

☐ Visa ☐ MasterCard ☐ Discover ☐ American Express

Credit Card # Exp. Date (mm/year) / Security Code

Responsible Party Email AMEX 4 digit Security Code

## Authorization

☒ I authorize PharMerica to automatically charge the checking account or credit/debit card each month for pharmacy services for the resident listed above. I may discontinue this automatic monthly payment agreement at any time by calling PharMerica at the number listed on my statement. I understand by agreeing to the auto-payment a 5% Auto-payment discount will be deducted from the total prescription charges. This only includes non-insurance covered items and over-the-counter medications. Insurance co-pays are not eligible for the discount.

Resident or Responsible Party Signature D[redacted] P[redacted] Signed by: [redacted]

Date (mm/dd/year) Aug-22-2023 | [redacted] PDT

FAX COMPLETED 2 PAGE FORM TO: 1-844-331-4159

If you have questions or need assistance, please feel free to call our ValueMed Pharmacy at 1-888-588-1633.

# Exhibit 2
# 24-370-N
# Pharmerica & Camilla Kim


MorningStar
SENIOR LIVING
of SPARKS
MARSHANTA MASSONG, LPN
Wellness Director
2360 Wingfield Hills Road | Sparks, NV 89436
OFFICE: 775.626.5665 | CELL: 775.544.6650 | FAX: 775.674.5513
Sparks.WD@MStarLiving.com


MorningStar
SENIOR LIVING
of SPARKS
SAL GOMEZ-OROZCO
Executive Director
2360 Wingfield Hills Road | Sparks, NV 89436
OFFICE: 775.626.5665 | CELL: 775.544.5193 | FAX: 775.626.7665
Sparks.ED@MStarLiving.com

PharMerica

Facility: 027 MORNINGSTAR SNR LVG OF SPARKS
Address: 765 S MEADOWS PKWY UNIT 111
RENO,NV 895214961

## Electronic New Order

**Patient:**

Name: D[redacted] P[redacted]
Date of Birth: [redacted] SS#: Gender: F Phone Number: [redacted]
Patient Account #: Fac Res-ID / MRN:
Address: [redacted] Unit:
RENO, NV [redacted] Room: Bed:

**Medication Ordered:**

Medication NDC: 00378180710 Fill Immediately: No Profile Only Order: No Allow Substitution: Yes
Rx #: Local Date Written: 3/6/2024 9:54:13 AM PST Issued / Ordered Date: 03/06/2024
Start Date: Stop Date: Expiration Date:
Medication Name: levothyroxine 88 mcg (0.088 mg) oral tablet
Directions: 1 tab(s) Oral daily,x90 day(s)
Notes:
Diagnosis:
Days Supply: Qty Ordered: 90 Number of Refills: 003 PRN: N
HOA:

**Ordering Physician:**

Prescriber Name: John Watson Suffix: Jr, MD
DEA: [redacted] NPI: [redacted] SPI: 6963134492013
State License Number: Phone: (775) 352-5300 Fax:
Other: Address: 1021 Steamboat Pkwy, Ste 120
Reno,NV 895216238
Prescriber Order Number: CERN6180465473.S6963134492013
Prescriber Agent:
Supervisor Name: Supervisor Suffix:
Supervisor DEA: Supervisor NPI:

**Electronically Prescribed**

Approved: NON-CONTROLLED
Note: Prescription was submitted electronically.

**Message Details:**

Message ID: 4b747d48-3746-4ebb-bd67-51337b Date / Time Message Received: 3/6/2024 12:53:33 PM UTC
Tracking Key: 3c320d26-cbd9-44bf-aab7-ea52718fc276

# 24-370-N
# Exhibit 3
# Pharmerica & Camilla Kim

**Monica Segedy**

**From:** Johnston, Marc D <Marc.Johnston@pharmerica.com>
**Sent:** Thursday, September 26, 2024 3:05 PM
**To:** Monica Segedy
**Subject:** Re: NBOP Case No. 24-370 Re: Patient D[redacted] P[redacted]
**Attachments:** Directions on Rx343217 #2.pdf; SL Response #3.pdf



Monica,

Here is the information you had asked for.

1. The request from Morning Star asking for the Rx to be filled every 30 days, rather than every 90 days as written by the prescriber. - As I was told by the Senior Living Account Manager 'PharMerica only cycle fills in 30-31 day allotments and will not do a 90 day cycle fill' which is standard and not listed specifically in the contract. So essentially this is a mutual decision by both parties.

2. The "directions" for the Rx as entered by personnel in the Senior Living Unit in Kentucky. - see attachment above #2

3. Any documentation reflecting why Rx#343217 was discontinued and not refilled as written by the prescriber. - see attachment above #3

*Marc D Johnston, PharmD*
**Pharmacy Director – PharMerica Reno**

Office: (775) 825-6117 ext. 833020

*Go Nevada WolfPack!*

Outlook

**Re: More info needed for MorningStar investigation**

From Vest, Ashley N. <Ashley.Vest@pharmerica.com>
Date Tue 9/24/2024 7:37 PM
To Johnston, Marc D <MarcJohnston@pharmerica.com>

When the tech processed the original order & included the duration "for 90 days" sig builder automatically puts an end date into the system. I can't get the sig builder to show the actual d/c date that would have been processed on 3/3 because the med is discontinued. Sig builder below is trying to calculate 90 days from today as if I was renewing the RX.

If you look at the tracking for the .00, it shows the first d/c was entered on 3/6 (referring to the original 90 day date). Then, when cycle was ran, this first d/c date was overriden with the date cycle was ran. The 6/4 d/c date automatically transferred to each refill and in most cases it was overriden when cycle was ran. This does explain why on 5/18 only 14 days were dispensed, because the system automatically calculated up until the 6/4 d/c date from the original RX.

I hope this makes sense?

```
PHSIG03    CHANGE        PHARMERICA-RENO 7015 - 7015          9/24/24 19:29:5
                              ** SIG BUILDER **                FACILITY: SPARK
RESIDENT: P        . D     K                 PROD: LEVOTHYROXINE 88 MCG TABLET
.....................................................................
 DELIVERY  QTY        FORM  ROA    FREQUENCY  PRN  PATTERN  DURATION
 HI        1.000      TAB   PO     QD         N    _        X90D

 ADD. DIRECTION _____
 _____

 HOA 06:00A  _____  _____  _____  _____  _____
 START DATE _____  END DATE 12/23/24                                  1
.....................................................................

TAKE 1 TABLET BY MOUTH DAILY FOR 90 DAY(S)
```

```
PHOLI020                PHARMERICA-RENO 7015 - 7015          9/24/24 19:31:18
***All***                        Senior Living                        SCRN01
RX:     343217.00          ORDER NUMBER: 00000699702  PACKAGE NUMBER:
Resident: 11631 F          D     K        Created by: SXN7032     3/06/24 10:11
Facility: 027 MORNINGSTAR SNR LVG OF SPARKS     RPH1: CXK
Product: LEVOTHYROXINE 88 MCG TABLET    Last Change: CRP7032     3/19/24  8:37
Priority: SL          Senior Living    Ship/Delivery: WE1730 Wednesday 1730
Label Q :
Stage          User ID    Date     Time  Reason Code
DISCONT        CRP7032     3/19/24  8:37
OIP            KWJ7033     3/06/24 15:33     Refill Too Soon Label Only
CANCEL         KWJ7033     3/06/24 15:33     Cancel due to SU
POS            CXK7015     3/06/24 10:17 CAN CLAIM CANCELLED (No Longer Used)
CLOSED         CXK7015     3/06/24 10:17
RPH1           CXK7015     3/06/24 10:17
DISCONT        SXN7032     3/06/24 10:11
OECOMPLETE     SXN7032     3/06/24 10:11     F6 from Rx#  0342590.00
```

Ashley Vest, PharmD | Pharmacist In Charge
12100 Plantside Dr. Ste 400, Louisville, Ky 40299
Office: 888-588-1633
Ashley.Vest@pharmerica.com
PharMerica
Senior Living

---

**From:** Johnston, Marc D <Marc.Johnston@pharmerica.com>
**Sent:** Tuesday, September 24, 2024 3:11 PM
**To:** Vest, Ashley N. <Ashley.Vest@pharmerica.com>
**Subject:** More info needed for MorningStar Investigation

Ashley,

The investigator is looking for information regarding any documentation reflecting why Rx#343217.00, 01, 02, 03 was stopped from being filled after the 3rd fill. Can you help me shed some light on that as your team does the processing?

I can only see the Rxs showing a DC Date based on (what I think) is a cycle processing date for each of the fills but not sure how to interpret that either.

*Marc D Johnston, PharmD*
***Pharmacy Director – PharMerica Reno***
4750 Longley Ln, Suite 204, Reno NV 89502
Office: (775) 825-6117 ext. 833020
(844) 295-3931
*Fax: (877) 262-0502*
[redacted]
Marc.Johnston@pharmerica.com
BrightSpring Health Services PharMerica

***Go Nevada WolfPack!***

PHPOE PHARMERICA-RENO 7015 - 7015 9/24/24 11:30:06
AGENT: Senior Living PATIENT/RES: 11631
Rx #: 343217.00 BATCH #: *ACTIVE CENTRIC FAC: SPARK
LAST FIL 03/06/24 ORIG QTY: 90 DR ISS DATE: 03/06/24 DATE: 03/06/24
RES(L,F,M) P[redacted], D[redacted]K DOB: [redacted] ALFL1 BCMIC
BCMIC
PRICE: 24.50 PLAN: BCMIC TABLE: ALL PS05 GEN
PROD. ORD.: LEVOTHYROXINE 88 MCG TABLET F AB 100.000 EA MY 0378-1807-01
PROD. SUB.: LEVOTHYROXINE 88 MCG TABLET AB 100.000 EA 69238-1833-1
DIRECTIONS: #T 1 TAB PO TAKE 1 TABLET BY MOUTH DAILY
QD X90D FOR 90 DAY(S)

PRN ONLY(Y/N): N #PKGS: QTY: 26 OF 90 REM QT: 64 # REFILLS: 3
DAYS SUP: 26 RESET: A SPL QTY: 26 TOT AUTH QT: 360 TOT REM QT: 334
# OF LBLS: 1 +PRN(Y/N): N EXP DT: 03/06/25 DM QTY: 26.000 DC DT: 03/22/24
DR.(L,F M): WATSON, JOHN M 4073 DEA: [redacted] OC: 0
S/N: FDC DT:
SUBST OK: Y DAWCD: 0 NXT FILL DT: 03/06/24
DOA: 06:00A ADD SCH LITERALS: N RX ORIG: 4
ROUTE: 1 ORAL SHP/DEL: WE1730 PRTY: SL RT#: 9
CD: RPH1: CXK LBL FMT: LBVL01
1=Previous F4=Access Enter To Process F8=Dir F23=More

```
PHPOE                    PHARMERICA-RENO 7015 - 7015          9/24/24 11:32:10
AGENT:                          Senior Living                PATIENT/RES: 11631
Rx #:   343217.01          BATCH #: *ACTIVE                  CENTRIC FAC: SPARK
    LAST FIL 03/22/24 D  ORIG QTY:    30 DR ISS DATE: 03/06/24 DATE: 03/22/24
RES(L,F,M) P[redacted], D[redacted]K                DOB: [redacted]ALFL1      BCMIC
 NOTES:   W                                                               BCMIC
                          PRICE:    26.73  PLAN: BCMIC  TABLE: ALL PS05 GEN
PROD. ORD.: LEVOTHYROXINE 88 MCG TABLET    F  AB   100.000 EA MY  0378-1807-01
PROD. SUB.: LEVOTHYROXINE 88 MCG TABLET       AB   100.000 EA     69238-1833-1
DIRECTIONS:    #T 1 TAB PO                     TAKE 1 TABLET BY MOUTH DAILY
               QD X90D                         FOR 90 DAY(S)


PRN ONLY(Y/N): N #PKGS:        QTY:    30 OF    30 REM QT:        # REFILLS:  3
DAYS SUP:  30  RESET: A SPL QTY:       TOT AUTH QT:     360 TOT REM QT:     330
# OF LBLS:  1 +PRN(Y/N): N EXP DT: 03/22/25   DM QTY:    30.000 DC DT: 04/23/24
DR.(L,F M): WATSON, JOHN M                      4073 DEA: [redacted] OC: 0
                                      S/N:                      FDC DT:
                                      SUBST OK: Y DAWCD: 0 NXT FILL DT: 04/21/24
DOA: 06:00A                                     ADD SCH LITERALS: N RX ORIG: 4
ROUTE: 1 ORAL                SHP/DEL:   STAT    PRTY: FCYC        RT#: 9
CD:                                             RPH1: DXF LBL FMT: LBVL01
1=Previous   F4=Access   Enter To Process  F8=Dir        F23=More
```

```
PHPOE                    PHARMERICA-RENO 7015 - 7015              9/24/24 11:33:01
AGENT:                              Senior Living              PATIENT/RES: 11631
Rx #:   343217.02          BATCH #: *ACTIVE                    CENTRIC FAC: SPARK
    LAST FIL 04/23/24 D  ORIG QTY:    31 DR ISS DATE: 03/06/24 DATE: 04/23/24
RES(L,F,M) F[redacted] D[redacted] K                DOB:[redacted]ALFL1      BCMIC
                                                                             BCMIC
                          PRICE:    27.28  PLAN: BCMIC  TABLE: ALL PS05 GEN
PROD. ORD.: LEVOTHYROXINE 88 MCG TABLET    F  AB   100.000 EA MY  0378-1807-01
PROD. SUB.: LEVOTHYROXINE 88 MCG TABLET       AB   100.000 EA     69238-1833-1
DIRECTIONS:    #T 1 TAB PO                      TAKE 1 TABLET BY MOUTH DAILY
               QD X90D                          FOR 90 DAY(S)

PRN ONLY(Y/N): N #PKGS:       QTY:    31 OF    31 REM QT:        # REFILLS:  2
DAYS SUP:  31  RESET: A SPL QTY:       TOT AUTH QT:    360 TOT REMTQT:     299
 OF LBLS:  1 +PRN(Y/N): N EXP DT: 04/23/25   DM QTY:    31.000 DC DT: 05/18/24
PR.(L,F M): WATSON, JOHN M                          4073 DEA:[redacted] OC: 0
                                    S/N:                      DC DT:
                                    SUBST OK: Y DAWCD: 0 NXT FILL DT: 05/24/24
OA: 06:00A                                    ADD SCH LITERALS: N RX ORIG: 4
OUTE: 1 ORAL              SHP/DEL:   STAT    PRTY: FCYC         RT#: 9
CD:                                          RPH1: DXF LBL FMT: LBVL01
1=Previous   F4=Access   Enter To Process  F8=Dir        F23=More
```

```
PHPOE                    PHARMERICA-RENO 7015 - 7015          9/24/24 11:35:10
AGENT:                          Senior Living                 PATIENT/RES: 11631
Rx #:   343217.03          BATCH #: *ACTIVE                   CENTRIC FAC: SPARK
    LAST FIL 05/18/24 D  ORIG QTY:    30 DR ISS DATE: 03/06/24 DATE: 05/18/24
RES(L,F,M) P[redacted] D[redacted] K              DOB: [redacted] ALFL1   BCMIC
                                                                          BCMIC
                          PRICE:    20.00  PLAN: BCMIC  TABLE: ALL PS05 GEN
PROD. ORD.: LEVOTHYROXINE 88 MCG TABLET    F  AB   100.000 EA MY  0378-1807-01
PROD. SUB.: LEVOTHYROXINE 88 MCG TABLET       AB   100.000 EA     69238-1833-1
DIRECTIONS:    #T 1 TAB PO                     TAKE 1 TABLET BY MOUTH DAILY
               QD X90D                         FOR 90 DAY(S)

PRN ONLY(Y/N): N #PKGS:       QTY:    14 OF    30 REM QT:    16  # REFILLS:  1
DAYS SUP:  14  RESET: A SPL QTY:    14 TO TAUTH QT:     360 TOT REM QT:     285
 OF LBLS:  1 +PRN(Y/N): N EXP DT: 05/18/25   DM QTY:    14.000 DC DT: 06/04/24
DR.(L,F M): WATSON, JOHN M                        4073 DEA: [redacted] OC: 0
                                   S/N:                        FDC DT:
                                   SUBST OK: Y DAWCD: 0 NXT FILL DT: 05/29/24
ROA: 06:00A                                    ADD SCH LITERALS: N RX ORIG: 4
ROUTE: 1 ORAL              SHP/DEL:   SA1700  PRTY: 5LRUSH      RT#: 9
CD:                                          RPH1: A1B LBL FMT: LBVL01
1=Previous   F4=Access   Enter To Process  F8=Dir        F23=More
```

# Exhibit 4
# 24-370-N
# Pharmerica & Camilla Kim

## Monica Segedy

**From:** Watson, John <John.Watson@uhsinc.com>
**Sent:** Friday, September 13, 2024 6:43 AM
**To:** Monica Segedy
**Subject:** prescription levothyroxine 3/6/24



Was able to find the prescription history last night for the Rx in question. Unfortunately there is no print option in this area so had to take a picture of the screen. I does show all the pertinent info including that it was routed to the pharmacy in question. Please let me know if need anything else. If you need in different format will need to get it involved.

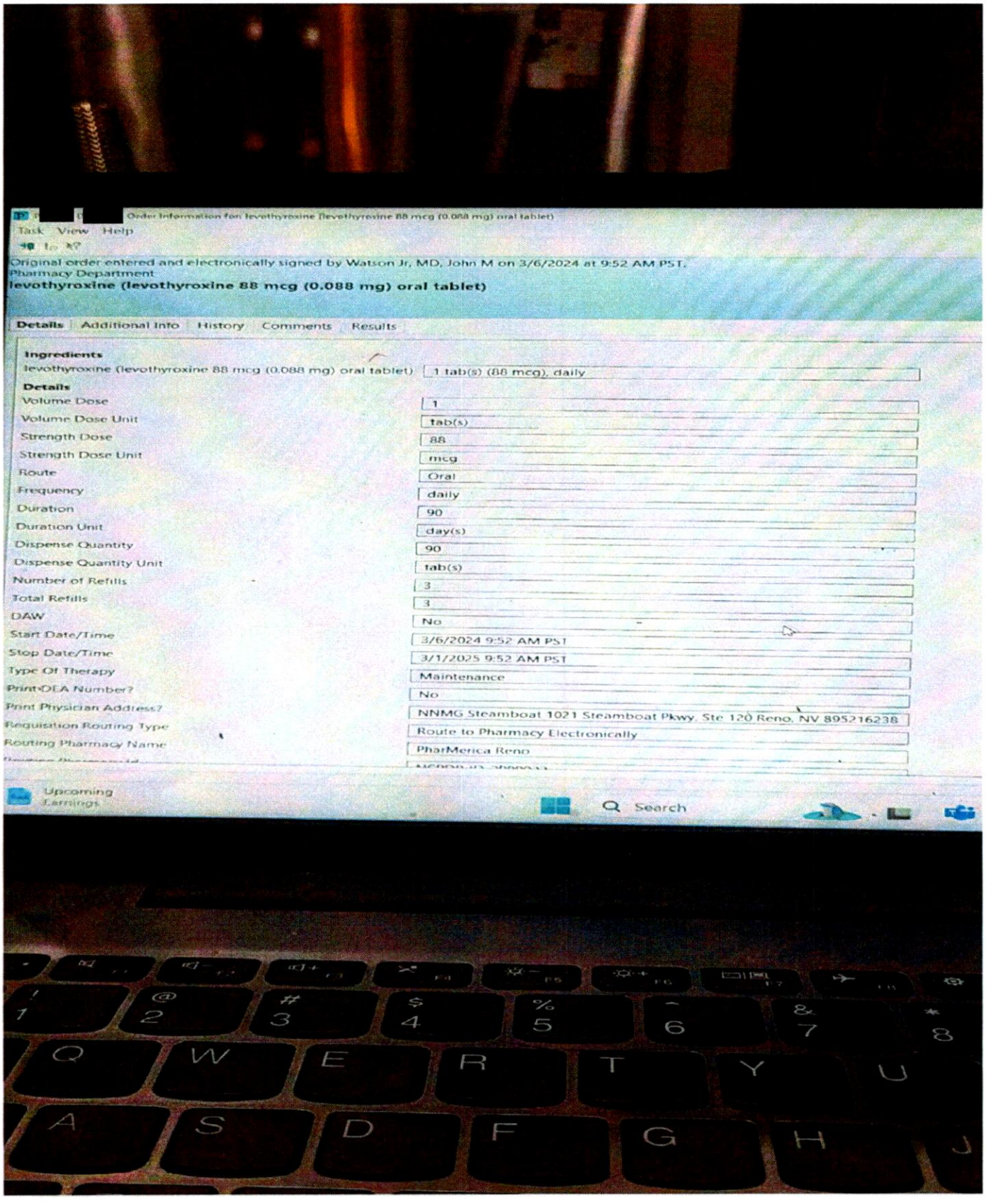
Thanks

John Watson.

**From:** [redacted]@sbcglobal.net>
**Sent:** Thursday, September 12, 2024 7:51 PM
**To:** Watson, John <John.Watson@uhsinc.com>
**Subject:** [EXTERNAL] FW:

Sent from my Verizon, Samsung Galaxy smartphone

-------- Original message --------
From: [redacted]@sbcglobal.net>
Date: 9/12/24 7:49 PM (GMT-08:00)
To: [redacted]@sbcglobal.net>
Subject:


Order Information for: levothyroxine (levothyroxine 88 mcg (0.088 mg) oral tablet)
Task View Help
Original order entered and electronically signed by Watson Jr, MD, John M on 3/6/2024 at 9:52 AM PST.
Pharmacy Department
levothyroxine (levothyroxine 88 mcg (0.088 mg) oral tablet)
Details
Additional Info
History
Comments
Results
Ingredients
levothyroxine (levothyroxine 88 mcg (0.088 mg) oral tablet)
1 tab(s) (88 mcg), daily
Details
Volume Dose
1
Volume Dose Unit
tab(s)
Strength Dose
88
Strength Dose Unit
mcg
Route
Oral
Frequency
daily
Duration
90
Duration Unit
day(s)
Dispense Quantity
90
Dispense Quantity Unit
tab(s)
Number of Refills
3
Total Refills
3
DAW
No
Start Date/Time
3/6/2024 9:52 AM PST
Stop Date/Time
3/1/2025 9:52 AM PST
Type Of Therapy
Maintenance
Print DEA Number?
No
Print Physician Address?
NNMG Steamboat 1021 Steamboat Pkwy, Ste 120 Reno, NV 895216238
Requisition Routing Type
Route to Pharmacy Electronically
Routing Pharmacy Name
PharMerica Reno
Upcoming
Earnings
Search

## Monica Segedy

**From:** Hanak, Stacy <stacy.hanak@uhsinc.com>
**Sent:** Friday, September 13, 2024 11:26 AM
**To:** Watson, John; George, Chris
**Cc:** Monica Segedy
**Subject:** RE: Records for Records NBOP Case No. 24-370 [Sent securely via TLS]
**Attachments:** 20240912170345466.pdf



Hi Monicia,
I have attached the clinical visit notes for dos 3/6/24 and 9/9/24. I have also included the list showing every refill sent of the medication. Please let me know if you need anything else. For clarification the list of dates of prescription is from an outside source the HIE. If need be I can see if we can get the information from our system.
Best,
Stacy

**From:** Watson, John <John.Watson@uhsinc.com>
**Sent:** Thursday, September 12, 2024 3:52 PM
**To:** George, Chris <Chris.George@uhsinc.com>; Hanak, Stacy <stacy.hanak@uhsinc.com>
**Cc:** Monica Segedy <msegedy@pharmacy.nv.gov>
**Subject:** RE: Records for Records NBOP Case No. 24-370

Stacy can you please work with Monica to get her the records she is requesting.

**From:** George, Chris <Chris.George@uhsinc.com>
**Sent:** Thursday, September 12, 2024 1:28 PM
**To:** Watson, John <John.Watson@uhsinc.com>; Hanak, Stacy <stacy.hanak@uhsinc.com>
**Subject:** FW: Records for Records NBOP Case No. 24-370

I don't see an attachment on this. Did we send any records? What is the MRN? If I can get a copy of that, we will send this off to legal so they are aware of it.

Chris George | Practice Administrator, Vista | Office (775) 355-5015 [redacted]
Northern Nevada Medical Group | 5265 Vista Blvd. Bldg. B, Sparks, NV 89436 | www.nnmg.com
Northern Nevada MEDICAL GROUP

**From:** Watson, John <John.Watson@uhsinc.com>
**Sent:** Thursday, September 12, 2024 12:29 PM
**To:** Monica Segedy <msegedy@pharmacy.nv.gov>

P[redacted] D[redacted]
K

Address: [redacted]
SPARKS, NV [redacted]
Phone: [redacted]
Sex: Female

DOB: 11/16/1936
MRN: 230281
FIN: 3283400

Location: NNMG Steamboat
Date of Service: 09/09/2024
PCP: Watson Jr, MD, John M

**Chief Complaint**
Referral to wound care

**History of Present Illness**
As part of this visit patient's last office visit note was reviewed. In addition last set of labs and any imaging were also reviewed. Current due health maintenance topics were also reviewed.
Patient has received and reviewed Telehealth consent via e-mail. Patient has verbally agreed to receive telehealth services.

Time Spent: 23
Performed visit with audio
Present during visit: Patient and daughter.

**Diagnosis for this visit**

Acquired hypothyroidism (E03.9)
Presents after being hospitalized for myxedema not having received her thyroid medications despite prescriptions being at the pharmacy. She is living in a care facility. She is placed on high-dose replacement doing much improved.

Leg wound, left (S81.802A)
Sounds to be wound on the left leg telephone visit likely secondary to edema. No fevers or chills. She is getting home health with wound but would like outpatient wound.

**Review of Systems**
Denies: CP, SOB, Le edema

**Physical Exam**

Vitals & Measurements
**HR:** 67 (Peripheral) **BP:** 107/62
**HT:** 65 in **WT:** 130 lb (Estimated) **BMI:** 21.63
defer.

**Assessment/Plan**

**1. Acquired hypothyroidism (E03.9)**
Recheck blood work in 3 weeks titrate medications from there we will see back on September 25. Discussed with daughter if any discrepancies arise further sent a portal message and we can communicate directly about medications.
Ordered: **99443 physician telephone evaluation 21-30 min (Charge)**, Quantity: 1, Acquired hypothyroidism | Leg wound, left
**TSH (Request)**, Acquired hypothyroidism

**2. Leg wound, left (S81.802A)**
Urgent referral to wound care
Ordered: **99443 physician telephone evaluation 21-30 min (Charge)**, Quantity: 1, Acquired hypothyroidism | Leg wound, left

**Problem List/Past Medical History**
Ongoing
- Acquired hypothyroidism
- Chronic obstructive pulmonary disease
- Chronic respiratory failure
- Chronic thoracic aortic dissection
- Dyslipidemia
- History of stroke
- Leg wound, left
- Loss of hearing
- OAB (overactive bladder)
- Recurrent UTI
- Risk for falls
- Tobacco user
- Vascular dementia

**Medications**
**acetaminophen** (Tylenol Extra Strength 500 mg oral tablet), **500 mg= 1 tab(s), Oral, q6 hrs, PRN, 3 refills**
**albuterol** (Albuterol (Eqv-Proventil HFA) 90 mcg/inh inhalation aerosol), **2 puff(s), Inhale, q6 hrs, 11 refills**
**aspirin** (Aspirin Low Dose 81 mg oral delayed release tablet), **See Instructions**
**atorvastatin** (atorvastatin 40 mg oral tablet), **See Instructions**
**fluticasone/umeclidinium/vilanterol** (Trelegy Ellipta 200 mcg-62.5 mcg-25 mcg/inh inhalation powder), **1 puff(s), Inhale, daily, 3 refills**
**levothyroxine** (levothyroxine 88 mcg (0.088 mg) oral tablet), **88 mcg= 1 tab(s), Oral, daily, 3 refills**
**levothyroxine** (levothyroxine 200 mcg (0.2 mg) oral tablet), **200 mcg= 1 tab(s), Oral, daily**
**liothyronine** (liothyronine 5 mcg oral tablet), **5 mcg= 1 tab(s), Oral, daily**
**lisinopril** (lisinopril 2.5 mg oral tablet), **2.5 mg= 1 tab(s), Oral, daily**
**methenamine** (methenamine hippurate 1 g oral tablet)
**multivitamin with minerals** (PreserVision AREDS)

**Referral (Referral Management),** Medical Service: Wound Care, Start: 09/09/24 13:31:00 PDT, Urgent

**nicotine** (nicotine 14 mg/24 hr transdermal film, extended release), **1 patch(es), Topical, daily**

**Allergies**
No Known Medication Allergies

**Social History**

Smoking Status
Current every day smoker

Alcohol
**Use:** Current

Electronic Cigarette/Vaping
**E-Cigarette Use:** Never

Substance Abuse
**Use:** Never

Tobacco
**Use:** 4 or less cigarettes(less than 1/4 pack)/day in last 30 days

**Signature Line**
Electronically Signed on 09/09/24 01:47 PM

Watson Jr, MD, John M

| | |
|---|---|
| Type: | General Clinic Note (Physician) |
| Service Date: | September 09, 2024 1:47 PM PDT |
| Status: | Auth (Verified) |
| Title: | Office Visit Note |
| Performed By: | Watson Jr, MD, John M on September 09, 2024 1:47 PM PDT |
| Electronically Signed By: | Watson Jr, MD, John M on September 09, 2024 1:47 PM PDT |
| Visit Information: | 3283400, NNMG Steamboat, Video Visit, 9/9/2024 - 9/11/2024 |

P[redacted] D[redacted]
K

Address: [redacted]
RENO, NV [redacted]
Phone: [redacted]
Sex: Female

DOB: [redacted]
MRN: 230281
FIN: 3029341

Location: NNMG Steamboat
Date of Service: 03/06/2024
PCP: Watson Jr, MD, John M

**Chief Complaint**
Medicare AWV

**History of Present Illness**
As part of this visit patient's last office visit note was reviewed. In addition last set of labs and any imaging were also reviewed. Current due health maintenance topics were also reviewed.

**Diagnosis for this visit**
Medicare annual wellness visit, subsequent (Z00.00)
Screenings performed below

Acquired hypothyroidism (E03.9)
Maintained on medication needing refills. She is now due for recheck in the next 3 months.

Chronic obstructive pulmonary disease (J44.9)
Still smoking breathing is stable she is compliant with inhalers.

Medicare AWV

**Health Risk Assessment:** Demographic data, self-assessment of health status, psychological risks, ADLs, IADLs completed and reviewed.

**Medical, Surgical, Social, and Family History Review/Update Including:** Parents, sibling, children, including conditions that place the patient at increased risk.

Significant Hospitalizations and treatments were reviewed in the chart and any significant changes will be commented on in assessment and plan.

**Care Providers** (03/06/2024 09:49 am)
Mills, opthamolgy, Cacarct.
urology, utology, incontinence
smith, derm, skin cancer
pulm, copd
neurology, neuro, dementia
**Ancillary Services**
Not recorded for selected visit.

**Medications, Vitamins, Supplements Reviewed/Updated**

**Cognitive Function Assessment:** Patient's cognitive function was assessed by direct observation, while considering information and beneficiary reports as well as concerns raised by family members, friends, caregivers, and others if applicable.

**Problem List/Past Medical History**
Ongoing
- Acquired hypothyroidism
- Chronic obstructive pulmonary disease
- Chronic respiratory failure
- Chronic thoracic aortic dissection
- Dyslipidemia
- History of stroke
- Loss of hearing
- OAB (overactive bladder)
- Positive QuantiFERON-TB Gold test
- Recurrent UTI
- Risk for falls
- Tobacco user
- Vascular dementia

**Medications**
**albuterol** (Albuterol (Eqv-Proventil HFA) 90 mcg/inh inhalation aerosol), **2 puff(s), Inhale, q6 hrs, 11 refills**
**aspirin** (aspirin 81 mg oral delayed release tablet), **81 mg= 1 tab(s), Oral, daily**
**atorvastatin** (atorvastatin 40 mg oral tablet), **40 mg= 1 tab(s), Oral, daily, 3 refills**
**fluticasone/umeclidinium/vilanterol** (Trelegy Ellipta 200 mcg-62.5 mcg-25 mcg/inh inhalation powder), **1 puff(s), Inhale, daily, 3 refills**
**levothyroxine** (levothyroxine 88 mcg (0.088 mg) oral tablet), **88 mcg= 1 tab(s), Oral, daily, 3 refills**
**methenamine** (methenamine hippurate 1 g oral tablet)
**multivitamin with minerals** (PreserVision AREDS)

**Allergies**
No Known Medication Allergies

**Social History**
Smoking Status
Current every day smoker

Alcohol
**Use:** Current

Electronic Cigarette/Vaping
**E-Cigarette Use:** Never

**Cognitive Assessment**
Clock Drawing Test Score: Abnormal (03/06/24 09:43:00)
Mini-Cog Score Alpha: Positive for cognitive impairment (03/06/24 09:43:00)
Number of Recalled Words: 0 (03/06/24 09:43:00)

normal clock add 2 points to cognaive assesment.
**Score <3 increased risk of Dementia**

Concerns identified deferred for follow-up unless specifically addressed in assessment and plan.

PHQ-2 score is greater than 2 then PHQ-9 was performed.

**Depression Screening**
Feeling Down, Depressed, Hopeless: Not at all (03/06/24)
Little Interest - Pleasure in Activities: Not at all (03/06/24)
Initial Depression Screen Score: 0 Score (03/06/24)
Trouble Falling or Staying Asleep: Nearly every day (03/06/24)
Feeling Tired or Little Energy: Not at all (03/06/24)
Poor Appetite or Overeating: Not at all (03/06/24)
Feeling Bad About Yourself: Not at all (03/06/24)
Trouble Concentrating: Nearly every day (03/06/24)
Moving or Speaking Slowly: More than half the days (03/06/24)
Thoughts Better Off Dead or Hurting Self: Not at all (03/06/24)
Detailed Depression Screen Score: 8 (03/06/24)
Total Depression Screen Score: 8 (03/06/24)

PHQ-9 INTERPRETATION
0-4 No Depression
5-9 Mild Depression
10-14 Moderate Depression
15-19 Moderately Severe Depression
20-27 Severe Depression

If significant depressive symptoms identified as defined as a score 9 or above deferred to follow up visit unless specifically addressed in assessment and plan.

**Functional Assessment:** The patient's functional ability was reviewed as well as level of safety, including ability to successfully perform ADLs, fall risk, hearing impairment, visual impairment, and home safety.

**Fall Risk**
Conley fall risk assessment performed today. Found to be normal unless further described in the assessment and plan under the problem of risk for falls or impaired mobility with decreased ADLs.

Do you experience leakage of urine or stool: urine.

**Hearing Screen** (03/06/2024 09:43 am)
Hearing Screen Comments: Has hearing issues
**Vision Screening**
Vision Screen Comments: 09/20/2023 (03/06/24 09:43:00)

Substance Abuse
**Use:** Never

Tobacco
**Use:** 4 or less cigarettes(less than 1/4 pack)/day in last 30 days
**Type:** Cigarettes
**Smokeless tobacco use:** Never
**Number of years:** 5

**Recommended Screenings:** Patient has been provided with written preventative services schedule appropriate for age based on USPSTF and ACIP recommendations, as well as patient's health risk assessment and health status. This was reviewed with patient. See orders. Copy of document scanned.

**Recommendations**

**Pending** (In the next year)

There are no current recommendations pending

Due In Future

Influenza Vaccine not due until 08/31/24 and every 1 years
Fall Risk Screen not due until 09/06/24 and every 1 years

**Satisfied** (In the past 1 year)

Satisfied

Annual Wellness Visit on 03/06/24.
Annual Wellness Visit on 03/24/23.
Annual Wellness Visit on 03/24/23.
Body Mass Index Check on 03/06/24.
Body Mass Index Check on 09/06/23.
Body Mass Index Check on 03/24/23.
Depression Screen on 03/06/24.
Depression Screen on 03/06/24.
Depression Screen on 03/06/24.
Depression Screen on 03/24/23.
Fall Risk Screen on 09/06/23.
High Blood Pressure Screen on 03/06/24.
High Blood Pressure Screen on 09/06/23.
High Blood Pressure Screen on 03/24/23.
Influenza Vaccine on 10/23/23.

**Risk Factors:** Patient risk factors and current conditions including mental health conditions, risk factors for additional conditions, and treatment options as well as the risks and associated benefits were discussed. For any required intervention/assistance see documentation in assessment and plan.

**Personalized Health Advice/Referrals:**

Recommendations and referrals for services as per orders
Patient education provided
Continue medication as prescribed
Follow with all specialists
Diet: As related to spedicific diease processes present
Repeat AWV annually
Weight management
Annual eye and dental exams
Monitor Blood pressure
Engage in regular physical and social activities
Healthy sleep schedule

**Advanced Care Planning:** If patient has documentation please bring it to clinic to get on record. Beneficiary was provided inormation how to obtain a POLST form and Living Will Lockbox documentation with education on these documents. End of life planning is optional but available if desired.

**Advance Directives**

Advanced Directives: Yes (03/06/24 09:43:00)

Advanced Directives: Yes (03/06/24 09:43:00)
Advance Directive Type: Living will, Medical durable power of attorney (03/06/24 09:43:00)

Discussed and encourage completion of advanced directives if not done so already.

**Pain/Opioid Assessment:**
**If on current opiates will be addressed in assessment and plan section.**

**Substance use disorders:** Screening for substance use disorder completed and was found to be (absent, risk factors were reviewed; present, risk factors reviewed and patient referred as appropriate).

**Review of Systems**
Denies: CP, SOB, Le edema

**Physical Exam**

Vitals & Measurements
**HR:** 67 (Peripheral) **BP:** 98/62 **SpO2:** 92%
**HT:** 65 in **WT:** 119 lb **BMI:** 19.8

**Constitutional:** A&O MAD
**HEENT:** Perrla no thryromegally.
**Lungs:** CTAB
**Cardiovascular:** RRR
**EXT:** No CCE

**Assessment/Plan**

**1. Medicare annual wellness visit, subsequent (Z00.00)**
Discussed healthy lifestyle habits as well as screening regimens. Discussion about safe lifestyle practices, seatbelts, sunscreen, dietary recommendations.
Ordered: **G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

**2. Acquired hypothyroidism (E03.9)**
recheck thyroid
Ordered: **99213 office o/p est low meets or exceeds 20min (Charge)**, Quantity: 1, Modifier(s): 25, Acquired hypothyroidism | Chronic obstructive pulmonary disease
**TSH (Request)**, Acquired hypothyroidism

**3. Chronic obstructive pulmonary disease (J44.9)**
Stable refilled inhalers
Ordered: **99213 office o/p est low meets or exceeds 20min (Charge)**, Quantity: 1, Modifier(s): 25, Acquired hypothyroidism | Chronic obstructive pulmonary disease

**4. Chronic respiratory failure (J96.10)**
encurage use o2
Ordered: **G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

**5. Dyslipidemia (E78.5)**
recheck cholesterol
Ordered: **Comprehensive Metabolic Panel (Request)** (CMP (Request)), Dyslipidemia
**G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...
**Lipid Panel Fasting (Request)**, Dyslipidemia

**6. OAB (overactive bladder) (N32.81)**
Discussed lifestyle interventions
Ordered: **G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

**7. History of stroke (Z86.73)**
Continue risk reduction
Ordered: **CBC w/ Manual Diff (Request)**, History of stroke
**G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

**8. Chronic thoracic aortic dissection (I71.019)**
No longer monitoring
Ordered: **G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

**9. Tobacco user (Z72.0)**
Recommendations for cessation
Ordered: **G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

**10. Recurrent UTI (N39.0)**
Manage expectantly
Ordered: **G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

**11. Risk for falls (Z91.81)**
Stable no change in therapy
Ordered: **G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia |

OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

**12. Vascular dementia (F01.50)**
referring neurology again.
Ordered: **G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

**13. Loss of hearing (H91.90)**
Encourage use of hearing aids.
Ordered: **G0439 ppps, subseq visit (Charge)**, Quantity: 1, Medicare annual wellness visit, subsequent | Chronic respiratory failure | Dyslipidemia | OAB (overactive bladder) | History of stroke | Chronic thoracic aortic dissection | Tobacco user | Recurrent UTI | Risk for falls | Vascular dementi...

Orders:
**fluticasone/umeclidinium/vilanterol** (Trelegy Ellipta 200 mcg-62.5 mcg-25 mcg/inh inhalation powder), **1 puff(s), Inhale, daily, 3 refills**, (Ordered)
**levothyroxine** (levothyroxine 88 mcg (0.088 mg) oral tablet), **88 mcg= 1 tab (s), Oral, daily, 3 refills**, (Ordered)
**CBC w/ Auto Diff (Request)**, Vascular dementia
**Comprehensive Metabolic Panel (Request)** (CMP (Request)), Vascular dementia
**TSH (Request)**, Acquired hypothyroidism
**Urinalysis w/ Culture if Indicated (Request)**, Recurrent UTI

**Signature Line**
Electronically Signed on 03/06/24 10:01 AM

Watson Jr, MD, John M

| | |
|---|---|
| Type: | General Clinic Note (Physician) |
| Service Date: | March 06, 2024 10:01 AM PST |
| Status: | Auth (Verified) |
| Title: | Office Visit Note |
| Performed By: | Watson Jr, MD, John M on March 06, 2024 10:01 AM PST |
| Electronically Signed By: | Watson Jr, MD, John M on March 06, 2024 10:01 AM PST |
| Visit Information: | 3029341, NNMG Steamboat, Outpatient, 3/6/2024 - 3/8/2024 |

# 24-370-N
# Exhibit 5
# Pharmerica & Camilla Kim

**STATE OF NEVADA**

**BOARD OF PHARMACY**

985 Damonte Ranch Pkwy, Ste 206
Reno, NV 89521

May 21, 2026

**VIA Electronic Mail**
Dr. John H. Watson
Northern Nevada Medical Group
1021 Steamboat Pkwy., Suite 120
Reno, NV 89521
[redacted].com

***Records Request Regarding Case No. 24-370 RE: Patient D[redacted] P[redacted]***

Dr. Watson:

Thank you so much for speaking with me today. As we discussed, I am conducting an investigation with regard to your patient D[redacted] P[redacted], and her admission to the Renown ICU on or about 8/31/2024 as a result of her failure to receive her prescription of Levothyroxine while residing at Morning Star Senior Living.

Specifically, an e-Script written by you on or about 3/6/2024 for Ms. P[redacted] for Levothyroxine was sent to PharMerica to be filled and dispensed. However, the re-fills of this mediation were not filled as directed by you. Accordingly, in an effort to determine why PharMerica failed to re-fill Ms. P[redacted] prescription, I am requesting the following records:

1. A copy of the e-Script for Levothyroxine sent by you via e-Script on or about 3/6/2024, to PharMerica.
2. Any notes you may have that reflect you were contacted/notified by PharMerica and/or Morning Star that Ms. P[redacted] was no longer receiving her Levothyroxine prescription.

Please do not hesitate to call me if have any questions or concerns. I may be reached directly at (775) 850-1440 ext. 121, or email msegedy@pharamcy.nv.gov.

Thank you so much for your assistance with this matter.

Respectfully,
*Monica S. Segedy*
Monica S. Segedy
Investigator, Nevada State Board of Pharmacy

# 5I & 5J

BEFORE THE NEVADA STATE BOARD OF PHARMACY

| | |
|---|---|
| NEVADA STATE BOARD OF PHARMACY,<br>Petitioner,<br>v.<br>PHARMERICA, Pharmacy License No. PH02018, and<br>CAMILLA KIM, RPH, Certificate of Registration No. 19388,<br>Respondents. | Case Nos. 24-370-PH-N<br>24-370-RPH-N<br>STIPULATION AND ORDER<br>(Respondent Camilla Kim Only) |
| NEVADA STATE BOARD OF PHARMACY.<br>Petitioner,<br>v.<br>CAMILLA KIM, RPH, Certificate of Registration No. 19338,<br>Respondent. | Case No. 26-084-RPH-N<br>STIPULATION AND ORDER |

J. David Wuest, in his official capacity as Executive Secretary of the Nevada State Board of Pharmacy ("Board"), by and through his attorney, Gregory L. Zunino, Senior General Counsel, and Respondent Camilla Kim ("Respondent Kim"), by and through her attorney, Lyn Beggs, Esq., hereby stipulate and agree as follows:

1. The Board has jurisdiction over Respondent Kim and the above-captioned matters.

2. The Board's staff properly served Respondent Kim with the First Amended Notice of Intended Action and Accusation ("First Amended Accusation") on file in Case No. 24-370-RPH-N, together with the Statement to Respondent and Notice of Hearing.

3. The Board's staff properly served Respondent Kim with the Notice of Intended Action and Accusation ("Accusation") on file in Case No. 26-084-RPH-N, together with the Statement to Respondent and Notice of Hearing

4. Respondent Kim understands the terms of this Stipulation, and she has executed it knowingly and voluntarily after consulting with counsel.

5. Respondent Kim understands that the purpose of this Stipulation is to consolidate and settle the allegations stated in Case No. 24-370-RPH-N and Case No. 26-084-RPH-N. For purposes of settlement, Respondent agrees to the consolidation of Case No. 24-370-RPH-N and Case No. 26-084-RPH-N.

6. Respondent Kim is aware of the right to a hearing on the matters alleged in the Accusation and the First Amended Accusation, the right to reconsideration of a Board determination in a contested case, the right to appeal a Board determination in a contested case, and all other rights afforded Respondent Kim under NRS Chapter 233B, the Nevada Administrative Procedure Act, NRS Chapter 622A, which governs administrative procedure before the Board, and NRS Chapter 639, the Nevada Pharmacy Act.

7. Conditioned on the acceptance of this Stipulation by the Board and excluding the right to challenge any determination that Respondent Kim has failed to comply with the provisions of the paragraphs below, Respondent Kim voluntarily waives the right to have a hearing before the Board, to petition for reconsideration of any adverse decision by the Board, to petition for judicial review of such an adverse decision, and other rights related to the actions identified above.

8. As to Count One of the First Amended Accusation, Respondent Kim does not contest the charge as alleged in Count One of the First Amended Accusation and admits that evidence exists, and that the Board counsel prosecuting this case could present such evidence at an administrative hearing, to establish a factual basis for the alleged violation:

A. Between December 2022 and March 2024, Respondent Pharmerica employed Respondent Kim to work as a pharmacist at its pharmacy location in Reno, Nevada.

B. In 2023 and 2024, Respondent Pharmerica was under contract with MorningStar Senior Living of Sparks ("MorningStar"), an assisted living facility, to dispense prescription medication and provide medication management services to residents of the MorningStar facility.

C. In 2023 and 2024, patient D.P., an 87-year-old female, resided at MorningStar, where she received medication and medication management services from Respondent Pharmerica. Patient D.P. required levothyroxine for hypothyroidism.

D. Between March 2023 and March 2024, Respondent Pharmerica dispensed levothyroxine to patient D.P. without interruption, according to the instructions of patient D.P.'s physician.

E. On March 6, 2024, patient D.P.'s physician issued her a new prescription for levothyroxine. The prescription directed Respondent Pharmerica to dispense an initial 90-day supply of levothyroxine with three refills. As written, the prescription was sufficient in quantity to treat patient D.P.'s hypothyroidism for one year.

F. When processing the March 6 prescription, a non-pharmacist employee in Kentucky incorrectly entered code "X90D" related to the "duration" of medication treatment. This code suppressed the automatic refill function on the system, thus instructing the system to terminate patient D.P.'s supply of levothyroxine after just 90 days.

G. Since patient D.P.'s levothyroxine was considered a "maintenance" medication, Respondent Pharmerica had customarily coded the system to automatically refill the prescription every 90 days. However, when verifying the March 6 prescription at issue in this case, Respondent Kim failed to notice the X90D duration code and thus omitted to restore the automatic refill function on the system.

H. In June 2024, due to Respondent Kim's omission as described above, Pharmerica failed to refill patient D.P.'s prescription for levothyroxine as directed by her physician.

I. In September 2024, patient D.P.'s daughter discovered that her mother had not been taking levothyroxine for her hypothyroidism. Patient D.P. was subsequently admitted to the

intensive care unit at Renown Hospital, where she was diagnosed with myxedema coma and cellulitis in her left leg.

9. As to Count One of the Accusation, Respondent Kim does not contest the charge as alleged in Count One of the Accusation and admits that evidence exists, and that the Board counsel prosecuting this case could present such evidence at an administrative hearing, to establish a factual basis for the alleged violation:

A. Respondent is a Nevada-licensed pharmacist and the holder of registration no. 19388.

B. In February 2026, Respondent worked as a pharmacist for Pharmerica, which operates a Nevada-licensed pharmacy at 4750 Longley Lane in Reno, Nevada.

C. On two or more occasions in February 2026, Respondent's co-workers observed that Respondent appeared to be intoxicated or suffering from a hangover while on duty. On these occasions, Respondent's co-workers observed that Respondent was lethargic, unfocused, unable to perform her duties, and/or smelling of alcohol.

D. On March 1, 2026, Respondent's co-worker observed that Respondent once again appeared to be intoxicated or suffering from a hangover while on duty. The co-worker reported Respondent's apparent intoxication to a supervisor.

E. At the request of her supervisor, Respondent took a breathalyzer test. The breathalyzer test revealed that Respondent had a blood alcohol content of .063 percent at 12:33 p.m. A second test revealed that Respondent's blood alcohol content had fallen to .057 percent at 12:50 p.m., and a third test revealed that Respondent's blood alcohol content had fallen to .036 percent at 12:50 p.m.

10. Respondent Kim represents and warrants that after being made aware of the investigation and/or charges in Case No. 26-084-RPH-N, she has taken the following steps to address concerns about her use of alcohol:

A. In April 2026, Respondent Kim underwent a comprehensive psychological and substance abuse evaluation by Mark Chase, Ph.D., the Executive Director of the Nevada Professionals' Health Program.

B. Based upon his evaluation, Dr. Chase found that Respondent Kim suffers from Mild Alcohol Use Disorder—a condition that is not indicative of a chronic or entrenched pattern of disordered alcohol use.

C. Dr. Chase has opined that Respondent Kim is psychologically fit to practice as a licensed pharmacist, provided that she participates in a formal professional monitoring program for a period of two years, and that she continues engagement with her current treatment providers.

D. Respondent Kim has agreed, at her own expense, to participate in a professional monitoring program from June 1, 2026, to June 30, 2028.

11. Now, therefore, to jointly resolve Case No. 24-370-RPH-N and Case No. 26-084-RPH-N without incurring any further costs or the expenses associated with hearings, the Board and Respondent Kim agree to the following:

A. Respondent Kim's certificate of registration no. 19388 shall be **REVOKED;** however, the imposition of the revocation shall be stayed, and Respondent shall be placed on probation through June 30, 2028. Upon successful completion of the terms and conditions of probation as forth herein, Respondent's certificate of registration shall be automatically reinstated effective July 1, 2028, without conditions or restrictions.

B. Respondent Kim shall participate in a professional monitoring program in accordance with the recommendations of Dr. Mark Chase as discussed above. Respondent Kim shall cause Dr. Chase, or his designee, to transmit to the Board's staff quarterly reports confirming Respondent Kim's continuing participation in the program.

C. If requested by the Board prior to the renewal of her certificate of registration in 2027, Respondent Kim agrees to appear at a meeting of the Board to answer questions concerning her progress and participation in the professional monitoring program.

D. Respondent Kim shall pay an administrative fine of **One Thousand and 00/100 Dollars ($1000.00)** for the violation alleged in Count One of the First Amended Accusation (Case No. 24-370-RPH-N). Respondent Kim shall pay this sum by *business check, certified check* or *money order* payable to **"State of Nevada, Office of the Treasurer."** Payment shall be

remitted in full to the Board's Reno office, located at 985 Damonte Ranch Parkway, Suite 206, Reno, Nevada 89521, by August 31, 2026.

E. Respondent Kim shall pay the sum of **One Thousand and 00/100 Dollars ($1,000.00)** to partially reimburse the Board for recoverable attorney's fees and costs incurred in investigating and prosecuting Case No. 24-370-RPH-N, and Respondent shall pay the sum of **Five Hundred and 00/100 Dollars ($500.00)** to partially reimburse the Board for recoverable attorney's fees and costs incurred in investigating and prosecuting Case No. 26-084-RPH-N. Respondent Kim shall pay these sums by *certified check* or *money order* payable to **"Nevada State Board of Pharmacy."** Payment shall be remitted in full to the Board's Reno office, located at 985 Damonte Ranch Parkway, Suite 206, Reno, Nevada 89521, by August 31, 2026.

F. During the term of probation, Respondent Kim shall not engage in any conduct for which disciplinary action may be imposed pursuant to the provisions of NRS Chapter 639 and/or NAC Chapter 639

12. Upon approval of this Stipulation by the Board, Count Two of the First Amended Accusation (Case No. 24-370-RPH-N) shall be dismissed.

13. The Board's General Counsel will present this Stipulation to the Board for approval pursuant to NRS 622.330 at the Board's regularly scheduled public meeting on June 3, 2026, in Las Vegas, Nevada. The Board Members and Staff may discuss and deliberate regarding this Stipulation even if Respondent Kim fails to appear for the meeting.

14. The Board may accept this Stipulation, but it is not obligated to do so. If this Stipulation is approved by the Board, it shall be a public record pursuant to NRS 622.330 and shall be reported to the National Practitioner Data Bank pursuant to 42 U.S.C. § 1396r–2 and 45 CFR Part 60.

15. If the Board rejects any part or all this Stipulation, and unless the parties reach an alternative agreement on the record during the hearing, the parties agree that the Board may hear a full contested hearing on the merits of all alleged violations as stated in the First Amended Accusation

and/or the Accusation. The terms and admissions herein may not be used, relied upon, or referred to by any party during any such hearing.

16. Subject to the approval of this Stipulation by the Board, the parties agree to release each other from any or all additional claims arising from the facts set forth in the First Amended Accusation and the Accusation.

**AGREED:**

**Signed this 28 day of May 2026.**

**CAMILLA KIM, RPH**
**Registration No. 19388**

**Signed this 28 day of May 2026.**

**NEVADA STATE BOARD OF PHARMACY**

**By**
**GREGORY L. ZUNINO**
**Senior General Counsel**

**APPROVED AS TO FORM:**

**LYN BEGGS, ESQ.**
**Attorney for Respondent Camilla Kim**

## DECISION AND ORDER

The Nevada State Board of Pharmacy hereby adopts the foregoing Stipulation as its final decision in Case No. 24-370-RPH-N and Case No. 26-084-RPH-N, and it hereby orders that the terms of the foregoing Stipulation be made effective upon the date of entry set forth below.

**IT IS SO ORDERED.**

Entered June 3, 2026

Helen Park, President
Nevada State Board of Pharmacy

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**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

**NEVADA STATE BOARD OF PHARMACY,**

**Petitioner,**

**v.**

**ELISE CACCIO, RPH,**
**Certificate of Registration No. 22906,**
**TOMMY DINH, RPH,**
**Certificate of Registration No. 20256,**
**JOSE ESCOBEDO, RPH,**
**Certificate of Registration No. 20782,**
**TAMARA ANGELES, RPH,**
**Certificate of Registration No. 19070,**
**MARIE BARAGA, RPH,**
**Certificate of Registration No. 16851,**
**MARC BARBOSE, RPH,**
**Certificate of Registration No. 14251,**
**MAGDALENA CYBULSKA, RPH,**
**Certificate of Registration No. 22437,**
**SOYOUNG EOM, RPH,**
**Certificate of Registration No. 18126,**
**ARTIN FAKHOR, RPH,**
**Certificate of Registration No. 16225,**
**CHRIS GOODMAN, RPH,**
**Certificate of Registration No. 16422,**
**KENNY LI, RPH,**
**Certificate of Registration No. 19870,**
**PAULINA NGO, RPH,**
**Certificate of Registration No. 18970,**
**JAYMIE PADERO, RPH,**
**Certificate of Registration No. 23846,**
**CHRIS PETERS, RPH,**
**Certificate of Registration No. 16325,**
**CHAD ANTONIE, APRN,**
**Certificate of Registration No. CS33041,**
**TIANA HUBBARD, APRN,**
**Certificate of Registration No. CS25791,**
**MARY MILLER-WILSON, APRN,**
**Certificate of Registration No. CS33703, and**
**ASHLEY THOMAS, PT,**
**Certificate of Registration No. PT17873**

**Respondents.**

**Case Nos. 24-424-RPH-A-S**
**24-424-RPH-B-S**
**24-424-RPH-C-S**
**24-424-RPH-D-S**
**24-424-RPH-E-S**
**24-424-RPH-G-S**
**24-424-RPH-H-S**
**24-424-RPH-I-S**
**24-424-RPH-J-S**
**24-424-RPH-K-S**
**24-424-RPH-L-S**
**24-424-RPH-M-S**
**24-424-RPH-N-S**
**24-424-RPH-O-S**
**24-424-CS-A-S**
**24-424-CS-B-S**
**24-424-CS-C-S**
**24-424-PT-S**

**[PROPOSED] FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER (RESPONDENT HUBBARD ONLY)**

This matter came before the Nevada State Board of Pharmacy at its regularly scheduled meeting on Wednesday, June 3, 2026. Gregory L. Zunino, Senior General Counsel, prosecuted the case before the Board. Respondent Tiana Hubbard, APRN, Certificate of Registration No. CS25791, failed to appear after being properly noticed of the time, date, and place of the hearing. Pursuant to NRS 622A.350(2) and NRS 639.244(2), the Board adopted, as its Findings of Fact and Conclusions of Law, the allegations, averments, and legal conclusions stated in the Notice of Intended Action and Accusation on file herein. Those allegations, averments, and legal conclusions are restated below with conforming changes, as appropriate, to reflect the Board's determination to impose professional discipline in this case.

## JURISDICTION AND SERVICE

1. The Nevada State Board of Pharmacy (the "Board") has jurisdiction over Respondent Tiana Hubbard ("Respondent Hubbard") because, at the time of the events alleged herein, Respondent Hubbard held a certificate of registration issued by the Board authorizing her to prescribe dangerous drugs and controlled substances in Nevada.

2. The Board has jurisdiction over the subject matter of this Accusation because it involves the distribution and sale of dangerous drugs and controlled substances.

3. Respondent Hubbard was properly served with the Notice of Intended Action and Accusation and the Statement to Respondent and Notice of Hearing.

## FINDINGS OF FACT

4. In 2024, Respondent Hubbard was an advanced practice registered nurse licensed by the Nevada State Board of Nursing to practice advanced nursing in Nevada. Respondent Hubbard held a certificate of registration issued by the Board authorizing her to prescribe dangerous drugs and controlled substances.

5. In 2024, Respondent Hubbard was employed by or otherwise working in the service of Helix RHT ("Helix"), a business located at 2625 North Green Valley Parkway, #275, in Henderson, Nevada.

6. In 2024, Helix was owned and/or operated by Jasen Kohli ("Kohli") and Blake Frostad ("Frostad"), both competitive body builders.

7. Neither Kohli nor Frostad, nor anyone else working on site at Helix, held medical credentials or a medical license authorizing them to prescribe dangerous drugs or controlled substances.

8. In 2024, Helix did not employ or contractually engage any practitioners who worked from the Helix business location on North Green Valley Parkway in Henderson.

9. In 2024, while working for Helix, Respondent Hubbard evaluated patients using "telehealth" technology. This means that she worked from home, or from some facility other than the Helix location at 2625 North Green Valley Pkwy. #275, in Henderson, Nevada.

10. Using telehealth technology to evaluate her patients, Respondent Hubbard authorized dangerous drugs and/or controlled substances for her patients. The controlled substances included ketamine, testosterone cypionate, and/or nandrolone decanoate. All three drugs are listed in Schedule III of the regulations promulgated pursuant to the federal and state Controlled Substances Acts. *See* 21 C.F.R. §1308.13; NAC 453.530.

11. Testosterone cypionate and/or nandrolone decanoate are commonly used by body builders to increase muscle mass. Ketamine is also used by body builders prior to workouts.

12. Respondent Hubbard did not transmit her own prescriptions; instead, she authorized Kohli, Frostad and/or Helix to transmit written prescriptions on her behalf using a fill-in-the-blanks form bearing a signature stamp or other signature facsimile denoting the prescriber's approval.

13. The above forms were preprinted with the address and telephone number for Helix. The forms did not contain an address or telephone number for Respondent Hubbard.

14. Respondent Hubbard was generally unfamiliar with the process used by Helix to transmit prescriptions to pharmacies for dispensing.

15. During all of 2024, Respondent Hubbard had access to the database established pursuant to NRS 453.162. This database is known as the Nevada Prescription Monitoring Program or "PMP" database.

16. The PMP database has two functions that must be used by prescribers of controlled substances. The first function (known as the "MyRx" function) enables the prescriber to review his or her own prescribing activity to make sure that someone is not issuing fraudulent prescriptions under his or her name and medical credentials.

17. The second function on the PMP database (known as the "Patient History Report") enables the prescriber to evaluate the patient's history of using controlled substances. This enables the prescriber to determine whether a patient is doctor shopping or potentially abusing controlled substances or using them for recreational purposes.

18. Respondent Hubbard had never used the MyRx function until requested to do so on October 16, 2024. Additionally, she did not run a Patient History Report at any time between January 1, 2024, and October 1, 2024. Within this same time frame, Respondent Hubbard authorized approximately 1,800 prescriptions for controlled substances, most or all transmitted by Helix.

19. In 2024, using the fill-in-the-blanks forms described above, Kohli, Frostad and/or Helix completed and transmitted approximately 7,000 prescriptions for dangerous drugs and controlled substances. Most or all of these prescriptions were transmitted by Helix to either Meta Pharmacy or Partell Specialty Pharmacy, where they were filled.

20. When transmitting prescriptions to Meta Pharmacy or Partell Specialty Pharmacy, as applicable, Kohli, Frostad and/or Helix were not supervised by a prescribing practitioner.

21. Some of the above prescriptions, including prescriptions for ketamine, testosterone cypionate and/or nandrolone decanoate, were not accompanied by medical notes, charts, or other records indicating that corresponding patient evaluations had taken place.

22. When questioned regarding prescriptions without supporting medical records, Respondent Hubbard denied having authorized the prescriptions.

23. Prescriptions for controlled substances were not transmitted electronically in the manner required by NRS 639.23535 and NAC 639.7105, and they did not contain a valid address and telephone number for the prescriber, or a unique prescriber-affixed signature or authenticating notation as required by NRS 639.2353(2).

24. Prescriptions for dangerous drugs did not contain a valid address and telephone number for the prescriber, or a prescriber-affixed signature or other unique identifier for the prescriber, as required by NRS 639.2353 and NRS 454.223.

25. Prescriptions for controlled substances were never approved by the Board to be transmitted in any manner other than via electronic transmission in accordance with NRS 639.23535 and NAC 639.7105.

26. Prescriptions for controlled substances did not meet applicable criteria for an exemption from electronic transmission requirements, as stated in NRS 639.23535(1)(a)-(i).

27. The above prescriptions for controlled substances were not "legal" prescriptions within the meaning of NRS 453.377 and NRS 454.316.

## CONCLUSIONS OF LAW

28. Every practitioner who prescribes controlled substances in Nevada must secure and maintain a certificate of registration issued by the Board pursuant to the Nevada Controlled Substances Act (NRS Chapter 453). *See* NRS 453.226(1)(a); NRS 453.231(3).

29. If an advanced practice registered nurse prescribes dangerous drugs in Nevada, he or she must hold a certificate of registration issued by the Board. See NRS 639.1375; NAC 639.850.

30. If an advanced practice registered nurse prescribes controlled substances in Nevada, he or she must hold a certificate of registration issued by the Board. NRS 453.226(1)(a); NRS 453.231(3).

31. The Board may revoke or suspend the registration of any practitioner who has committed an act that renders his or her registration inconsistent with the public interest. NRS 453.236(1)(e).

32. Noncompliance with state and local law, including noncompliance with the Nevada Pharmacy Act and/or the Nevada Controlled Substances Act, renders a practitioner's registration inconsistent with the public interest. NRS 453.236(1)(e); NRS 453.231(1)(b).

33. Pursuant to NRS 639.100, it is unlawful for a practitioner to permit an unsupervised person to transmit prescriptions for dangerous drugs or controlled substances unless that person holds the appropriate license or certificate issued by the Board.

34. A practitioner has a duty to establish and maintain effective controls and procedures to prevent or guard against theft and misuse of controlled substances. *See* NRS 435.231(1)(a); NAC 453.400.

35. Before issuing an initial prescription for a controlled substance, and at least once every 90 days thereafter for the duration of the course of treatment using the controlled substance, a practitioner must run and evaluate a Patient History Report using the PMP. NRS 639.23507.

36. A practitioner registered with the Board to write prescriptions for controlled substances must use the MyRx function in the PMP database at least once every 6 months to review prescriptions issued by the practitioner and to verify that he or she continues to have access to the PMP. NRS 453.164(7).

37. The Board may revoke or suspend the registration of any practitioner who commits, or who assists or abets in a violation of the Nevada Pharmacy Act or the Nevada Controlled Substances Act. NRS 453.236(1)(e); NRS 453.231(1)(b); NRS 639.210(12).

38. A prescription must contain the telephone number and address of the prescriber and the prescriber's original signature, or if the prescription is transmitted electronically, a unique identifier affixed by the prescriber. NRS 639.2353; NRS 639.23535; NRS 454.223(2).

39. Generally, a prescription for a controlled substance must be electronically transmitted by a practitioner to a pharmacy using a computer system approved by the Board. NRS 639.23535; NAC 639.7102; NAC 639.7105.

40. When transmission by a facsimile machine is permitted, the practitioner, or the practitioner's designated agent, must transmit the prescription directly to the pharmacy. NAC 639.711. The pharmacist must not dispense such a prescription unless it is signed by the practitioner and transmitted to the pharmacy by the practitioner or the designated agent of the practitioner. NAC 639.711(4).

41. The holder of a certificate of registration issued by the Board pursuant to the Nevada Pharmacy Act (NRS Chapter 639) may be disciplined by the Board for engaging in unprofessional conduct or conduct contrary to the public interest. NRS 639.210(4); NRS 639.255.

## FINDINGS OF CULPABILITY

### As To Count Two of the Accusation

42. Respondent Hubbard authorized Helix and its non-practitioner owners, operators, and/or employees to transmit prescriptions on her behalf using a fill-in-the-blanks form bearing a signature stamp or other facsimile signature denoting the prescriber's approval.

43. Prescriptions for controlled substances were not transmitted by Respondent Hubbard in the manner required by NRS 639.23535 and NAC 639.7105.

44. Prescriptions did not contain a valid address or telephone number for the prescriber, or a prescriber-affixed signature as required by NRS 639.2353(2).

45. Respondent Hubbard knew or should have known that prescriptions transmitted by Helix did not comply with NRS 639.23535, NRS 639.2353, and NAC 639.7105.

46. By causing or permitting non-compliant prescriptions to be transmitted by Helix and its non-practitioner owners, managers, and/or employees, Respondent Hubbard assisted or abetted in recurring violations of the Nevada Pharmacy Act regarding the form and content of prescriptions and their manner of transmission. *See* NRS 453.236(1)(e); NRS 453.231(1)(b); NRS 639.210(12).

47. By causing or permitting prescriptions to be issued by Helix and its non-practitioner owners, managers and/or employees, and/or by failing to exercise control over their process for issuing prescriptions, Respondent Hubbard permitted Helix and its non-practitioner owners, managers, and/or employees to engage in unregistered prescribing in violation of NRS 639.100(1).

48. Respondent Hubbard is subject to discipline for having failed to comply with the Nevada Pharmacy Act. *See* NRS 453.236(1)(e); NRS 453.231(1)(b); NRS 639.210(12).

### As to Count Three of the Accusation

49. Respondent Hubbard authorized Helix and its non-practitioner owners, operators, and/or employees to issue prescriptions on her behalf using a fill-in-the-blanks form bearing a signature stamp or other signature facsimile denoting the prescriber's approval.

50. Respondent Hubbard was generally unfamiliar with the process used by Helix to transmit prescriptions to pharmacies for dispensing.

51. Respondent Hubbard failed to monitor and/or supervise the activities of Helix and its non-practitioner owners, operators, and/or employees in regard to their issuance of prescriptions.

52. Respondent Hubbard knew or should have known that Helix and its non-practitioner owners, operators, and/or employees were issuing unauthorized prescriptions and/or prescriptions that did not comply with NRS 639.2353, NRS 639.23535 and NAC 639.7105.

53. Through her acts and omissions as alleged above, Respondent Hubbard failed to establish and maintain effective controls against the diversion of controlled substances.

54. Respondent Hubbard is subject to discipline for having failed to establish and maintain effective controls against the diversion of controlled substances.

**As to Count Four of the Accusation**

55. Respondent Hubbard failed to query the PMP database in the manner required by NRS 639.23507 and NRS 453.164(7).

56. Respondents Hubbard's failure to query the PMP demonstrates an inability to establish and maintain effective controls against diversion of controlled substances into other than legitimate medical, scientific, research or industrial channels.

57. Respondent Hubbard's failure to query the PMP database demonstrates a failure to comply with the Nevada Pharmacy Act and the Nevada Controlled Substances Act.

58. Respondent Hubbard is subject to discipline for having failed to query the PMP database in the manner required by NRS 639.23507 and NRS 453.164(7). *See* NRS 453.236(1)(e); NRS 453.231(1)(a); NRS 453.231(1)(b); NRS 639.210(12); NRS 639.255.

**ORDER**

Based upon the above Findings of Fact and Conclusions of Law, the Board imposes upon **Respondent Tiana Hubbard**, APRN, Certificate of Registration No. CS25791, the following professional discipline, effectively immediately:

1. Respondent Hubbard's Certificate of Registration No. CS25791 is hereby **REVOKED.** Respondent Hubbard shall not be eligible to petition for the reinstatement of her privileges

to prescribe dangerous drugs and controlled substances for a period of one (1) year from the date of entry set forth below.

2. Respondent Hubbard shall pay an administrative fine of $5,000, due in full on or before July 31, 2026.
3. Respondent Hubbard shall reimburse the Board for its costs of investigation and prosecution in the amount of $1,000, due in full on or before July 31, 2026. The Board finds that these costs were reasonable, necessary and actually incurred.
4. This Order constitutes a final decision in a contested case and a public record pursuant to NRS 639.255(5) and shall be reported to the National Practitioner Data Bank pursuant to 42 U.S.C. § 1396r–2 and 45 CFR Part 60.

**IT IS SO ORDERED.**

Entered June 3, 2026.

Helen Park, President
Nevada State Board of Pharmacy

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

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| **NEVADA STATE BOARD OF PHARMACY,**<br>**Petitioner,**<br>**v.**<br>**TIANA HUBBARD, APRN,**<br>**Certificate of Registration No. CS25791,**<br>**Respondent.** | **Case No. 24-424-CS-B-S**<br>**MEMORANDUM OF COSTS AND FEES** |

Pursuant to NRS 622.400, the undersigned hereby submits the following itemized bill of costs and reasonable attorney's fees incurred by the Nevada State Board of Pharmacy in connection with the investigation and prosecution of the above-entitled administrative action.

**Investigation Time (Investigator Dena McClish)**

| Date(s) | Description | Hours | Rate | Amount |
|---|---|---|---|---|
| 2024/2025 | See attached | 39.5 | $53.00 | $2,093.50 |
| Subtotal (Investigation): | | | | $2,093.50 |

**Attorney Time (Gregory Zunino)**

| Date(s) | Description | Hours | Rate | Amount |
|---|---|---|---|---|
| 2/24/26 | Review Investigative File | 2.0 | $60.00 | $120.00 |
| 2/24/26 | Conference with Investigations | 0.5 | $60.00 | $30.00 |
| 2/27/26 | Continue Review of File | 3.5 | $60.00 | $210.00 |
| 3/2/26 | Continue Review of File | 1.25 | $60.00 | $75.00 |
| 3/2/26 | Draft Citations | 1.5 | $90.00 | $90.00 |
| 3/18/26 | Continue Review | 1.5 | $60.00 | $90.00 |
| 3/18/26 | Draft Accusation | 2.5 | $60.00 | $150.00 |

| | | | | |
|---|---|---|---|---|
| 3/23/26 | Draft/Edit Accusation | 3.0 | $60.00 | $180.00 |
| 4/6/26 | Review Accusation | .5 | $60.00 | $30.00 |
| 4/20/26 | Review/Assemble Exhibits | 1.5 | $60.00 | $90.00 |
| 4/23/26 | Review/Assemble Exhibits | 2.5 | $60.00 | $150.00 |
| 5/11/26 | Review Service Documents | 0.5 | $60.00 | $30.00 |
| 5/14/26 | Research Contact Info | 1.5 | $60.00 | $90.00 |
| 5/14/26 | Prepare Notice of Default | 1.5 | $60.00 | $90.00 |
| 5/14/26 | Prepare Proposed Order | 2.0 | $60.00 | $120.00 |
| 5/18/26 | Review Email (Antonie) | 0.5 | $60.00 | $30.00 |
| 5/18/28 | Email to Antonie | 0.5 | $60.00 | $30.00 |
| 5/18/26 | Call w/ Antonie | 0.25 | $60.00 | $15.00 |
| 5/18/26 | Email/Respond (A. Thomas) | 0.25 | $60.00 | $15.00 |
| 5/18/26 | Call w/ Ashley Thomas | 0.25 | $60.00 | $15.00 |
| 5/19/26 | Review Email (Miller-Wilson) | 0.25 | $60.00 | $15.00 |
| 5/19/26 | Respond to Email (Miller-Wilson) | 0.25 | $60.00 | $15.00 |
| 5/21/26 | Email/Respond (Miller-Wilson) | 0.25 | $60.00 | $15.00 |
| 5/27/26 | Edit Proposed Order | 1.5 | $60.00 | $90.00 |
| 6/2/26 | Itemize Costs | 1.0 | $60.00 | $60.00 |
| 6/1/26 | Hearing Prep. | 0.5 | $60.00 | $30.00 |
| 6/3/26 | Default Hearing (Estimate) | 0.5 | $60.00 | $30.00 |
| Subtotal (Attorney Time) | | | | $1,905.00 |
| Postage, Mailing and Processing (estimated): | | | | $50.00 |
| **Total Costs and Fees:** | | | | **$4,048.50** |
| **Allocation to Hubbard** | | | | **$1000.00** |
| **Recoverable Costs/Fees** | | | | **$1000.00** |

I, Gregory L. Zunino, affirm, to the best of my knowledge and belief, that the foregoing is a true and correct statement of costs and reasonable attorney's fees incurred by the Board in the above-entitled action.

DATED this 1st day of June 2026.

/s/ Gregory L. Zunino
Senior General Counsel
Nevada State Board of Pharmacy

Investigation hours

**Case No. 24-424 Helix HRT**
**Investigator Dena McClish**

| Date | Duties | Hours |
|---|---|---|
| 10/3/2024 | pmp reports, site visit, prescriber emails | 4.75 |
| 10/7/2024 | email with np and phone interview | 1.25 |
| 10/8/2024 | np interview in person | 1 |
| 10/15/2024 | prescriber emails and eval | 1.25 |
| 10/16/2024 | np eval and emails | 0.75 |
| 10/21/2024 | np in person interview | 1.25 |
| 10/22/2024 | write up & referral to NDI | 1.5 |
| 11/21/2024 | ndi case discussion | 0.75 |
| 1/21/2025 | ndi meeting | 1.75 |
| 1/22/2025 | ndi meeting | 1.25 |
| 1/29/2025 | pharmacy visit & records | 1.75 |
| 1/30/2025 | search warrant assist | 3.75 |
| 2/11/2025 | case discuss, report pulls, pharmacy records requests | 2.25 |
| 2/19/2025 | pharmacy record receipt and analysis | 1.25 |
| 2/24/2025 | 2nd cmplnt intake, prescriber letters | 1.5 |
| 3/1/2025 | PMP report pulls, ROI | 5.25 |
| 3/10/2025 | ndi/fbi discussion | 0.75 |
| 4/2/2025 | fbi meeting, nursing board referrals, case discuss, ROI | 4.25 |
| 4/30/2025 | roi revisions | 1 |
| 5/5/2025 | pharmacy record receipt and analysis, ROI | 1.5 |
| 5/8/2025 | roi changes and submittal | 0.75 |

| | |
|---|---|
| **Total hrs** | **39.50** |
| **Wage** | **$53.00** |
| **Total Investigative Cost** | **$2,093.50** |

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**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

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| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br>**v.**<br><br>**WALGREENS PHARMACY #03922,**<br>**Pharmacy License No. PH01127,**<br><br>**MONA MATAR, RPH,**<br>**Certificate of Registration No. 20104, and**<br><br>**VIRIDIANA MARTINEZ, RPH,**<br>**Certificate of Registration No. 23854,**<br><br>**Respondents.** | **CASE NOS. 25-362-PH-S**<br>**25-362-RPH-A-S**<br>**25-362-RPH-B-S**<br><br>**STIPULATION AND ORDER [WALGREENS PHARMACY #03922 ONLY]** |

J. David Wuest, in his official capacity as Executive Secretary of the Nevada State Board of Pharmacy, by and through counsel, Laura M. Tucker, Esq., and Walgreens Pharmacy #03922, Pharmacy License No. PH01127, ("Respondent"), by and through counsel, William J. Stilling, Esq., hereby stipulate and agree as follows:

1. The Nevada State Board of Pharmacy ("Board") has jurisdiction over Respondent and this matter.

2. The Board's staff properly served Respondent with the Notice of Intended Action and Accusation ("Accusation") on file in this matter, together with the Statement to Respondent and Notice of Hearing.

3. Respondent is fully aware of the right to seek the advice of counsel in this matter and obtained the advice of counsel prior to entering into this Stipulation.

4. Respondent is aware of the right to a hearing on the matters alleged in the Accusation, the right to reconsideration, the right to appeal and any and all other rights which may be accorded pursuant to NRS Chapter 233B (Nevada Administrative Procedure Act), NRS Chapter 622A (Administrative Procedure Before Certain Regulatory Bodies), and NRS Chapter 639 (Nevada Pharmacy Act).

5. Conditioned on the acceptance of this Stipulation by the Board, and with the exception of the right to challenge any determination that Respondent has failed to comply with the provisions of this Stipulation, Respondent hereby knowingly and voluntarily waives the rights to a hearing, reconsideration, appeal and any and all other rights related to this action that may be accorded by NRS Chapter 233B (Nevada Administrative Procedure Act), NRS Chapter 622A (Administrative Procedure Before Certain Regulatory Bodies), and NRS Chapter 639 (Nevada Pharmacy Act).

6. Without admitting to the alleged facts or legal conclusions, Respondent admits that evidence exists, and that Board's staff prosecuting this case could present such evidence at an administrative hearing, to establish a factual basis for the violations alleged in the Accusation, *to wit*:

A. As the pharmacy/pharmacy owner at which unprofessional conduct and violations of law alleged occurred, Walgreens Pharmacy #03922 is responsible for those violations, including all errors and omissions of employee Mona Matar and any other pharmacy personnel in the course of erroneously filling and dispensing prescription no. 5487765, and is subject to professional discipline pursuant to NRS 639.230(5), NAC 639.702 and/or NAC 639.945(3).

7. Those violations are pled with particularity in the Accusation and grounds for action pursuant to NRS 639.210 and NRS 639.255.

8. Now, therefore, to resolve the allegations stated in Count Three of the Accusation without incurring any further costs or the expenses associated with a hearing, the Board and Respondent agree to the imposition of the following penalties:

A. Respondent shall pay an administrative fine of **Two Thousand and 00/100 Dollars ($2,000.00)**, payable by *personal, business, certified or cashier's check or money order* written to the "**State of Nevada, Office of the Treasurer.**" Respondent shall remit payment in full to the Board's Reno office, located at 985 Damonte Ranch Parkway, Suite 206, Reno, Nevada 89521, within thirty (30) days of the effective date of this Stipulation.

B. Respondent shall pay the sum of **One Thousand and 00/100 Dollars ($1,000.00)** to partially reimburse the Board for recoverable attorney's fees and costs incurred in investigating and prosecuting this matter. This sum shall be payable by *personal, business, certified or cashier's check or money order* written to the "**Nevada State Board of Pharmacy.**" Respondent shall remit payment in full to the Board's Reno office, located at 985 Damonte Ranch Parkway, Suite 206, Reno, Nevada 89521, within thirty (30) days of the effective date of this Stipulation.

9. Any failure by Respondent to comply with the terms of this Order may result in issuance by the Executive Secretary of an order to show cause pursuant to NAC 639.965 directing Respondent to appear before the Board at the next regularly scheduled meeting for a show cause hearing. If such a hearing results in a finding of a violation of this Order by Respondent, the Board may impose additional discipline upon Respondent not inconsistent with the provisions of NRS Chapters 453 and 639.

10. General Counsel will present this Stipulation to the Board for approval pursuant to NRS 622.330 at the Board's regularly scheduled public meeting on June 3, 2026. Respondent will appear at the meeting to answer questions from the Board Members and/or Board Staff. The Board Members and Staff may discuss and deliberate regarding this Stipulation, even if Respondent or counsel are not present at the meeting.

11. The Board has discretion to accept this Stipulation, but it is not obligated to do so. If this Stipulation is approved by the Board, it shall be a public record pursuant to NRS 622.330 and shall be reported to the National Practitioner Data Bank pursuant to 42 USC § 1396r–2 and 45 CFR Part 60, and shall be further reported pursuant to NAC 639.960.

12. If the Board rejects any part or all of this Stipulation, and unless they reach an alternative agreement on the record during the hearing, the parties agree that a full hearing on the merits of this matter may be heard by the Board. The terms and admissions herein may not be used or referred to in a full hearing on the merits of this matter.

13. Subject to the approval of this Stipulation by the Board, the Board and Respondent agree to release each other from any and all additional claims arising from the facts set forth in the Accusation

on file herein, whether known or unknown that might otherwise have existed on or before the effective date of this Order.

**Respondent has fully considered the charges and allegations contained in the *Notice of Intended Action and Accusation* in this matter, and the terms of this Stipulation, and has freely and voluntarily agreed to the terms set forth herein, and waived certain rights, as stated herein.**

**AGREED:**

**Signed this ____ day of _____ 2026**

**Walgreens Pharmacy #03922**

**By:** _____
Name : _____
Title: _____

**Signed this ____ day of _____ 2026**

**Nevada State Board of Pharmacy**

**By**_____
**LAURA M. TUCKER, ESQ.**
**General Counsel**

**Signed this ____ day of _____ 2026**
**Approved as to Form and Content:**

_____
**WILLIAM J. STILLING, ESQ.**
***Attorney for Respondent Walgreens Pharmacy #03922***

## DECISION AND ORDER

As to Walgreens Pharmacy #03922, in Case No. 25-362-PH-S, the Nevada State Board of Pharmacy hereby adopts the foregoing Stipulation as its final decision in the matter and hereby orders that the terms of the foregoing Stipulation be made effective upon the date of entry set forth below.

**IT IS SO ORDERED.**

Entered this ____day of June 2026.

Helen Park, President
Nevada State Board of Pharmacy

# 5S

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

| | |
|---|---|
| **NEVADA STATE BOARD OF PHARMACY,**<br><br>**Petitioner,**<br>**v.**<br><br>**WALGREENS PHARMACY #03922,**<br>**Pharmacy License No. PH01127,**<br><br>**MONA MATAR, RPH,**<br>**Certificate of Registration No. 20104, and**<br><br>**VIRIDIANA MARTINEZ, RPH,**<br>**Certificate of Registration No. 23854,**<br><br>**Respondents.** | **CASE NOS. 25-362-PH-S**<br>**25-362-RPH-A-S**<br>**25-362-RPH-B-S**<br><br>**STIPULATION AND ORDER**<br>**[MONA MATAR ONLY]** |

J. David Wuest, in his official capacity as Executive Secretary of the Nevada State Board of Pharmacy, by and through counsel, Laura M. Tucker, Esq., and Mona Matar, RPH, Certificate of Registration No. 20104, ("Respondent"), by and through counsel, William J. Stilling, Esq., hereby stipulate and agree as follows:

1. The Nevada State Board of Pharmacy ("Board") has jurisdiction over Respondent and this matter.

2. The Board's staff properly served Respondent with the Notice of Intended Action and Accusation ("Accusation") on file in this matter, together with the Statement to Respondent and Notice of Hearing.

3. Respondent is fully aware of the right to seek the advice of counsel in this matter and obtained the advice of counsel prior to entering into this Stipulation.

4. Respondent is aware of the right to a hearing on the matters alleged in the Accusation, the right to reconsideration, the right to appeal and any and all other rights which may be accorded pursuant to NRS Chapter 233B (Nevada Administrative Procedure Act), NRS Chapter 622A (Administrative Procedure Before Certain Regulatory Bodies), and NRS Chapter 639 (Nevada Pharmacy Act).

5. Conditioned on the acceptance of this Stipulation by the Board, and with the exception of the right to challenge any determination that Respondent has failed to comply with the provisions of this Stipulation, Respondent hereby knowingly and voluntarily waives the rights to a hearing, reconsideration, appeal and any and all other rights related to this action that may be accorded by NRS Chapter 233B (Nevada Administrative Procedure Act), NRS Chapter 622A (Administrative Procedure Before Certain Regulatory Bodies), and NRS Chapter 639 (Nevada Pharmacy Act).

6. Without admitting to the alleged facts or legal conclusions, Respondent admits that evidence exists, and that Board's staff prosecuting this case could present such evidence at an administrative hearing, to establish a factual basis for the violations alleged in the Accusation, *to wit*:

A. Respondent Matar engaged in unprofessional conduct as defined in NAC 639.945(1)(d) and (i) when, as the pharmacist on duty at Walgreens #03922, she entered the incorrect drug when preparing prescription no. 5487765, and when she performed final verification for prescription no. 5487765 and failed to observe the error.

B. Having performed her duties in an incompetent, unskillful, or negligent manner, as described above, Respondent is subject to discipline pursuant to NRS 639.210(4).

C. In March 2023, the Board sent a Citation-and-Fine Order to Respondent Matar for an error in filling a prescription with no patient harm, resulting in a $500 fine.

D. In October 2023, the Board disciplined Respondent Matar for verifying the wrong dose of a Hepatitis B vaccine, resulting in a $1,000 fine.

7. Those violations are pled with particularity in the Accusation and grounds for action pursuant to NRS 639.210 and NRS 639.255.

8. Now, therefore, to resolve the allegations stated in Count One of the Accusation without incurring any further costs or the expenses associated with a hearing, the Board and Respondent agree to the imposition of the following penalties:

A. Respondent's certificate of registration no. 20104 shall be **SUSPENDED**; however, the suspension is **STAYED**, and Respondent shall be placed on probation for a period of one year from the effective date of this Order.

B. Respondent shall pay an administrative fine of **Two Thousand and 00/100 Dollars ($2,000.00)**, payable by *personal, business, certified or cashier's check or money order* written to the "**State of Nevada, Office of the Treasurer.**" Respondent shall remit payment in full to the Board's Reno office, located at 985 Damonte Ranch Parkway, Suite 206, Reno, Nevada 89521, within thirty (30) days of the effective date of this Stipulation.

C. Respondent shall pay the sum of **One Thousand and 00/100 Dollars ($1,000.00)** to partially reimburse the Board for recoverable attorney's fees and costs incurred in investigating and prosecuting this matter. This sum shall be payable by *personal, business, certified or cashier's check or money order* written to the "**Nevada State Board of Pharmacy.**" Respondent shall remit payment in full to the Board's Reno office, located at 985 Damonte Ranch Parkway, Suite 206, Reno, Nevada 89521, within thirty (30) days of the effective date of this Stipulation.

D. As a condition of probation, Respondent shall not engage in any conduct for which disciplinary action may be imposed pursuant to the provisions of NRS 639.210 and/or associated regulations.

Upon successful completion of the terms and conditions of probation as forth herein, Respondent's certificate of registration shall be automatically reinstated without conditions or restrictions.

9. Any failure by Respondent to comply with the terms of this Order may result in issuance by the Executive Secretary of an order to show cause pursuant to NAC 639.965 directing Respondent to appear before the Board at the next regularly scheduled meeting for a show cause hearing. If such a hearing results in a finding of a violation of this Order by Respondent, the Board may impose additional discipline upon Respondent not inconsistent with the provisions of NRS Chapters 453 and 639.

10. General Counsel will present this Stipulation to the Board for approval pursuant to NRS 622.330 at the Board's regularly scheduled public meeting on June 3, 2026. Respondent will appear at the meeting to answer questions from the Board Members and/or Board Staff. The Board Members and Staff may discuss and deliberate regarding this Stipulation, even if Respondent or counsel are not present at the meeting.

11. The Board has discretion to accept this Stipulation, but it is not obligated to do so. If this Stipulation is approved by the Board, it shall be a public record pursuant to NRS 622.330 and shall be reported to the National Practitioner Data Bank pursuant to 42 USC § 1396r–2 and 45 CFR Part 60, and shall be further reported pursuant to NAC 639.960.

12. If the Board rejects any part or all of this Stipulation, and unless they reach an alternative agreement on the record during the hearing, the parties agree that a full hearing on the merits of this matter may be heard by the Board. The terms and admissions herein may not be used or referred to in a full hearing on the merits of this matter.

13. Subject to the approval of this Stipulation by the Board, the Board and Respondent agree to release each other from any and all additional claims arising from the facts set forth in the Accusation on file herein, whether known or unknown that might otherwise have existed on or before the effective date of this Order.

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**Respondent has fully considered the charges and allegations contained in the *Notice of Intended Action and Accusation* in this matter, and the terms of this Stipulation, and has freely and voluntarily agreed to the terms set forth herein, and waived certain rights, as stated herein.**

**AGREED:**

**Signed this ____ day of _____ 2026.**

**By_____**
**MONA MATAR, RPH**
**Certificate of Registration No. 20104**

**Signed this ____ day of _____ 2026.**
**Nevada State Board of Pharmacy**

**By_____**
**LAURA M. TUCKER, ESQ.**
**General Counsel**

**Signed this ____ day of _____ 2026**
**Approved as to Form and Content:**

**_____**
**WILLIAM J. STILLING, ESQ.**
**Stilling & Harrison, PLLC.**
***Attorney for Respondent Mona Matar***

## DECISION AND ORDER

As to Mona Matar, in Case No. 25-362-PH-A-S, the Nevada State Board of Pharmacy hereby adopts the foregoing Stipulation as its final decision in the matter and hereby orders that the terms of the foregoing Stipulation be made effective upon the date of entry set forth below.

**IT IS SO ORDERED.**

Entered this ____day of June 2026.

Helen Park, President
Nevada State Board of Pharmacy

6C

# Exhibit 1
# 25-110-V-O
# Prime Plus Lakeview

Rxeed™
Trusted Pharmacy Marketplace

10062 190th place, Suite 205
Mokena, IL, 60448

**Buyer:**
FIRST CHOICE PHARMACY LLC
7260 S CIMARRON RD STE 115
LAS VEGAS, NV 89113

**Seller:**
Prime Plus Lakeview
3156 N Clark
Chicago, IL 60657

**Tracking No#:**
782965339444

**Order No#:**
90181

| NAME | NDC | STRENGTH | Manufacturer | EXP | LOT | PACK COND | PACK QTY | PACK PRICE | QTY | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|
| Vemlidy Oral Tablet | 61958-2301-01 | 25 MG | Gilead Sciences, Inc. | 2/2025 | 034042 | Sealed Original Container | full | $1200 | 1 | $1200 |

**BUYER MEMO:** Upon receipt of delivery go to Rxeed.com immediately and confirm your order.
**PAYMENT METHOD:** ACH, **Account Number Ending With:** *****7706

MGS

**SHIPPING DISCLAIMER/CHECKLIST:**

**FROZEN/REFRIGERATED ITEMS MUST BE SHIPPED MON-THU VIA FedEx PRIORITY OVERNIGHT**

**If you are shipping a frozen or refrigerated item(s), remember to:**

- Refrigerate/freeze products prior to packaging per manufacturer's guidelines.
- Pre-cool an expanded polystyrene (EPS) container.
- Double bag items if shipment contains liquid or perishables that might melt or thaw.
- Arrange items compactly, but leave space around the items for coolant/dry ice.
- Seal properly

NICOLE SY 09/01/23

**FOR ALL SHIPMENTS:**

**SHIPPING AGREEMENT:** Shipping items must comply with the Prescription Drug Marketing Act (PDMA), the 2013 Drug Supply Chain Security Act (DSCSA), other laws and Sellers policies. The pharmacist whose signature appears on the signature block represents and warrants he/she is a representative or the member shown and duly authorized to certify that all salable goods shown: have been stored and handled under manufacturers temperature and storage requirements while in members possession, other than information provided, has not been otherwise damaged and, to the best of his/her knowledge, are salable in accordance with applicable laws and regulations, and were not dispensed or otherwise sold by member or transferred to member from another location. Furthermore, contents and quantity of the prescription drugs agree with this form. Final credit amount may be changed to reflect goods that are damaged or missing or do not conform with Rxeed LLC (DBA Rxeed.com) shipping policy.

**DISCLAIMER:** You agree to indemnify and hold Rxeed LLC (DBA Rxeed.com) safe from any claim asserted by a third party that involves, relates to, or concerns any of your actions or omissions on this order, including but not limited to your breach of the User Agreement, or your violation of any law or the rights of a third party. When shipping your prescription drug(s), it is your responsibility to adhere to all applicable local, state, and federal laws, as well as statutes and regulations and the payment of any taxes.Per Rxeed.com User Agreement, buyer attests that items are for a specific patient need. Questions regarding your order, please contact customer service at Info@Rxeed.com

**Please sign and date Packing Checklist:**

--- This is the exact prescription Drug(s) Ordered
--- This is the actual quantity order for each item
— Item(s) is(are) frozen or refrigerated
— Lot Number, NDC, Expiration Date are legible and visible.
— Please see tracking information for Shipping date and Delivery date.
Seller attests the item(s) has been stored and handled under the manufacturer's temperature and storage requirements, was not purchased using a government discount program (i.e.340b) or preferred pricing, is not restricted to a limited distribution network, and was acquired from a manufacturer or wholesaler in compliance with the Drug Supply Chain Security Act (DSCSA) and posted item is not classified as a controlled substance.

Buyer and seller are advised to document Serial Number for each Bottle if provided on the back of the Paper Purchase Order for Record keeping.

**Signature:** _____ **Print:** _____ **Date:** 08/25/2023

**Include this from with your shipment to confirm order**
***Rxeed LLC prohibits the direct contact of buyers and sellers and require all communication done via Rxeed LLC***

10A

Pill Pack, LLC – Pharmacy Disciplinary Supplemental Disclosure

On November 24, 2025, PillPack LLC dba PillPack by Amazon Pharmacy [OH license number 02-2362400] entered into a Settlement Agreement (Case No. A-2024-0423) with the Ohio Board of Pharmacy. This Agreement is a follow-on to the previously reported settlement between PillPack LLC and the Office of Inspector General (OIG), related to voluntary self-disclosures to the OIG in 2022 and 2023 involving the dispensation of medication in excess of the prescribed quantity. The Ohio Board imposed a written reprimand and a $5,000 monetary penalty. PillPack remains committed to patient safety and operating in full compliance with all applicable rules and regulations. This Agreement is not an admission of liability by PillPack. It should be noted that nothing in this Settlement Agreement impacts PillPack's ability to practice pharmacy or service customers.



SUSAN P. ALVERSON, D.P.A., R.Ph.
Executive Secretary

111 Village Street
Hoover, AL 35242

(205) 981-2260
(205) 981-2330 Fax
www.albop.com

# ALABAMA
## BOARD OF PHARMACY



May 27, 2015

STEPHANIE CROTEAU
PILL PACK
250 Commercial Street – Suite 2012
Manchester, NH 03101

Dear Ms. Croteau:

According to our records and investigation, you have engaged in the selling, offering for sale, compounding or dispensing drugs during 2015 without first having received your permit in violation of Code of Alabama (1975) §34-23-30. Based on this conduct, you are subject to discipline pursuant to Code of Alabama (1975) §34-23-33(7).

As a result, this letter is to inform you of two (2) options. First you can waive various rights to which you are entitled, including but not limited to, a notice of charges, hearing, counsel presentation of evidence against you, cross-examination, etc., admit your guilt and sign a Consent Order. This sanction will be a fine in the amount of Five Hundred Dollars ($500.00) which must be submitted at the same time as the signed Consent Order.

Your second option is to contest the allegations set forth in this letter and in that case the Board will schedule an administrative disciplinary hearing and serve you with a notice of charges.

It should also be understood that you will not be allowed to continue to operate as a pharmacy until a Consent Order is signed or in the event you desire an administrative disciplinary hearing, until a Final Order is issued which may allow you to practice.

If you desire to accept the first option set forth above, please sign where indicated below. By accepting this option, you understand and acknowledge that you are freely and voluntarily waiving certain rights to which you are entitled as set forth in the Alabama Pharmacy Practice Act and the Alabama Administrative Procedure Act, including but not limited to those rights set forth in this letter. If your acceptance of this option is not received within ten (10) days from the date of this letter, the Board will assume you contest

Exhibit A



10A

the referenced allegations and will schedule a hearing.

Sincerely,

FOR THE ALABAMA STATE BOARD OF PHARMACY

Susan P. Alverson

Susan P. Alverson, D.P.A., RPh
Alabama State Board of Pharmacy

I hereby agree to plead guilty to a violation of Code of Alabama (1975) Section 34-23-33(7) and accept the sanctions set forth in this letter. I understand that I will be required to sign a Consent Order which will incorporate my plea of guilt, punishment and other standard provisions, such as a provision acknowledging my waiver of rights and procedures pursuant to the Alabama Pharmacy Practice Act and the Alabama Administrative Act and my release of the Board or its agents from any liability in connection with this matter.

By
ELLIOT COHEN
REPRESENTATIVE
PILL PACK

6/20/2015
(date signed)



IN THE MATTER OF:

PILL PACK
Non- Resident Pharmacy
Permit #114193/202198

BEFORE THE ALABAMA STATE

BOARD OF PHARMACY

**CONSENT ORDER**

THIS case came before the Alabama State Board of Pharmacy (hereinafter referred to as the "Board") on a complaint against PILL PACK (hereinafter referred to as "PILL") relating to engaging in the selling, offering for sale, compounding or dispensing drugs during the year 2015 without first receiving your permit from the Board required by Code of Alabama (1975) §34-23-30 in violation of Code of Alabama (1975), §34-23-33(7) as more specifically set forth in Exhibit "A" hereto:

Prior to a hearing in this case, PILL pled guilty to violating Code of Alabama (1975) §34-23-33(7), based upon engaging in the selling, offering for sale, compounding or dispensing of drugs during the year 2015 without first having your permit with the Board by evidenced by your execution of Exhibit "A". Accordingly, pursuant to Code of Alabama (1975) §§ 34-23-33 and 41-22-12(e), the matters at issue have been resolved informally by the parties and the parties have agreed that this Consent Order can be entered and include the following terms:

1. That PILL is guilty of violating Code of Alabama (1975) §34-23-33 (7) by engaging in the selling, offering for sale, compounding or dispensing drugs during the year 2015 without first having renewed your permit with the Board in violation of Code of Alabama (1975) §34-23-30.

2. That PILL shall pay to the Board simultaneously with the

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execution of this Consent Order a fine in the amount of Five Hundred Dollars ($500.00). This obligation of payment to the Board shall not be dischargeable in bankruptcy and PILL shall not attempt to discharge the same in any bankruptcy proceeding.

3. By execution of this Consent Order PILL hereby releases the Board, its members, agents, representatives, servants and employees from any and all liability, claims, damages, fees or expenses arising out of or made in connection with the matters relating to this Consent Order and complaint.

4. That PILL expressly waives their rights pursuant to the Alabama Pharmacy Practice Act, Code of Alabama (1975) §34-23-1 et seq., and the Alabama Administrative Procedure Act, Code of Alabama (1975) §41-22-1 et seq., including but not limited to Code of Alabama (1975) §§§§§34-23-34, 34-23-92(7) and (12), 34-23-94, 41-22-12 and 41-22-20, and including but not limited to a statement or notice of charges and the opportunity for a hearing before the Board in connection with any charges against PILL. PILL further waives any objection to the attorney for the Board preparing, drafting or making this Order, including the waiver of any objection or right pursuant to Code of Alabama (1975) §41-22-18.

5. That PILL agrees that any future violation of the Alabama Pharmacy Practice Act, the rules and regulations of the Alabama State Board of Pharmacy or any other applicable laws may, upon proof and hearing thereof, result in further disciplinary sanctions against their license.



6. That PILL acknowledges, stipulates and agrees that they have read this Consent Order and that they fully understand the terms, conditions and contents of the same. PILL acknowledges, stipulates and agrees that they voluntarily and of their own free will accepts the terms and conditions set out in this Consent Order and is executing this Consent Order freely and voluntarily without coercion, duress or threats or pursuant to any promises.

DONE this the 20th day of JUNE, 2015.

ELLIOT COHEN
PILL PACK

DONE this the 16th day of July, 2015.

ALABAMA STATE BOARD OF PHARMACY

BY: Dan McConaghy
Dan McConaghy, R.Ph.
Its President

BY:
James S. Ward
Its Attorney

WARD & WILSON, LLC
2100 Southbridge Parkway
Suite 580
Birmingham, Alabama 35209
(205)871-5404

JUL 29 RECD

Source: ~ ALABAMA@NICK Original document #: 176619A Amazon Pharmacy 006 10:00 AM EDT

*AGREED BOARD ORDER #2019-05709*

RE: IN THE MATTER OF PILLPACK BY AMAZON PHARMACY (PHARMACY LICENSE #29030)

BEFORE THE TEXAS STATE BOARD OF PHARMACY

On this day came on to be considered by the Texas State Board of Pharmacy (Board) the matter of pharmacy license number 29030 issued to PillPack by Amazon Pharmacy (Respondent), 250 Commercial Street, Suite 2012, Manchester, New Hampshire 03101.

By letter dated February 4, 2021, the Board gave preliminary notice to Respondent of its intent to take disciplinary action. This action was taken as a result of an investigation which produced evidence indicating that Respondent may have violated:

Sections 565.001(a)(1), (2), (12) and (13); and 565.002(a)(3) of the Texas Pharmacy Act, TEX. OCC. CODE ANN. Title 3, Subtitle J (2019);

Sections 281.7(a)(12) and (13); 291.31(1), (15), (16) and (17); 291.32(c)(1)(E) and (F); 291.32(c)(2)(B) and (D); 291.104(a)(15); and 295.3(b) of the Texas Pharmacy Board Rules, 22 TEX. ADMIN. CODE (2020); and

Section 431.021(r) of the Texas Food, Drug, and Cosmetic Act, TEX. HEALTH & SAFETY CODE ANN. (2017), in that allegedly:

**COUNT**

On or about May 8, 2019, a pharmacist of PillPack by Amazon Pharmacy, 250 Commercial Street, Suite 2012, Manchester, New Hampshire 03101, incorrectly verified the data entry of a new facsimile prescription for patient S.G. calling for clomiphene 50 mg tablets as calling for clomipramine 50 mg capsules. The prescription was incorrectly data entered into the pharmacy's data processing system by a pharmacy technician. The prescription was dispensed to patient S.G. in a prescription vial labeled 30 clomipramine 50 mg capsules with directions to "take 1 capsule by mouth twice daily." Subsequently, on or about June 10, 2019, a refill of the incorrectly verified prescription was dispensed to patient S.G. Patient S.G. took the wrong drug until the error was identified after the prescription was refilled and reported experiencing adverse effects, including vision changes, irritability, and decreased libido. The prescription was assigned prescription number 63432299.

An informal conference was held via videoconference on September 9, 2021, with Emily Haugh, R.Ph.; Christopher Rochon, R.Ph., Senior Pharmacist-in-Charge Manager, Pharmacy Risk Management, on behalf of Respondent; and Robert Wolin, Legal Counsel for Respondent, in attendance. The informal conference was heard by a Board panel comprised of: Donna





Montemayor, R.Ph., Board Member; Rick Tisch, Board Member; and Tim Tucker, Pharm.D., Executive Director/Secretary; with Megan G. Holloway, General Counsel. Mary Martha Murphy, Assistant General Counsel, was also in attendance.

By signing this Order, Timothy Parker, Managing Officer, PillPack LLC, on behalf of Respondent, and Respondent's counsel neither admit nor deny the truth of the matters previously set out in this Order, and agree that the Board has jurisdiction in this matter and waive the right to notice of hearing, formal administrative hearing, and judicial review of this Order.

The parties acknowledge that this Order resolves the allegations set forth herein, and agree to the terms and conditions set forth in the ORDER OF THE BOARD below.

**ORDER OF THE BOARD**

THEREFORE, PREMISES CONSIDERED, the Board does hereby ORDER that:

(1) Respondent's license is reprimanded.

(2) Respondent shall develop and implement policies and procedures for a Continuous Quality Improvement Program for purposes of preventing and handling dispensing errors. The Continuous Quality Improvement Program shall include pharmacist peer review in compliance with guidelines approved by Board staff. In addition, the policies and procedures for pharmacist peer review shall state that:

(a) The peer review committee will:

- review incident reports;
- determine what caused errors;
- make recommendations to correct the problem that caused the errors; and
- monitor the changes to determine if the changes have improved the operation of Respondent and reduced errors.

(b) The peer review committee must be comprised of at least two employees of Respondent, including the pharmacist-in-charge and other pharmacist(s) or personnel who are employees of Respondent. The committee shall not be solely comprised of a district or regional manager/supervisor and the pharmacist-in-charge and shall not be used for personnel evaluation purposes.

(c) The peer review committee will meet regularly, and no less than quarterly.

(d) The peer review committee will make a record indicating:

- date of meeting;
- location of meeting;
- names of persons attending the meeting;

- description of activities;
- discussion of problems in Respondent's operation (e.g., work flow, dispensing process);
- findings;
- description of recommendations; and
- review of actions or changes relating to individuals, systems, or processes made as a result of previous recommendations.

(3) Respondent shall submit a report and/or documentation of such policies and procedures to Board staff within one hundred twenty (120) days after the entry of this Order. Copies of forms used by Respondent to collect the data on errors committed at the pharmacy (i.e., incident report forms) must be submitted to Board staff, as well as any other peer review forms that have been developed by Respondent. Additionally, records of the peer review committee, as described in subparagraph (d) above, shall be maintained for two (2) years at the location of Respondent and made available for inspection by Board employees.

(4) Respondent shall be responsible for all costs relating to compliance with the requirements of this Order.

(5) Respondent shall allow Board staff to directly contact Respondent on any matter regarding the enforcement of this Order.

(6) Failure to comply with any of the requirements in this Order constitutes a violation and shall be grounds for further disciplinary action. The requirements of this Order are subject to the Texas Pharmacy Act, TEX. OCC. CODE ANN., Title 3, Subtitle J (2021), and Texas Pharmacy Board Rules, 22 TEX. ADMIN. CODE (2021).



DocuSign Envelope ID: 19D459B7-869B-43F2-B853-D298F062623E

CC OTH 00689807 2021 TR



And it is so ORDERED.

THIS ORDER IS A PUBLIC RECORD.

SIGNED AND ENTERED ON THIS 2nd day of November, 2021.

MEMBER, TEXAS STATE BOARD OF PHARMACY

ATTEST:

Tim Tucker, Pharm.D.
Executive Director/Secretary
Texas State Board of Pharmacy

APPROVED AS TO FORM AND AGREED TO:

DocuSigned by:
TJ Parker
87B21A1922FD4E8...

Timothy Parker, Managing Officer, PillPack LLC
On behalf of PillPack by Amazon Pharmacy

DocuSigned by:
Bob Wolin
B8FC80AA0124481...

Robert Wolin, Legal Counsel for PillPack by Amazon Pharmacy
Baker Hostetler
811 Main, Suite 1100
Houston, Texas 77002

APPROVED AS TO FORM:

Megan G. Holloway, General Counsel
Texas State Board of Pharmacy

DAMIAN WILLIAMS
United States Attorney for the
Southern District of New York
By: DANIELLE J. LEVINE
PIERRE G. ARMAND
Assistant United States Attorneys
86 Chambers Street, 3rd Floor
New York, New York 10007
Tel: (212) 637-2689/2724

**UNITED STATES DISTRICT COURT**
**SOUTHERN DISTRICT OF NEW YORK**

UNITED STATES OF AMERICA, ALASKA, CALIFORNIA, COLORADO, CONNECTICUT, DELAWARE, FLORIDA, GEORGIA, HAWAII ILLINOIS, INDIANA, IOWA, LOUISIANA, MARYLAND, MASSACHUSETTS, MICHIGAN, MINNESOTA, MONTANA, NEVADA, NEW HAMPSHIRE, NEW JERSEY, NEW MEXICO, NEW YORK, NORTH CAROLINA, OKLAHOMA, RHODE ISLAND, TENNESSEE, TEXAS, VERMONT, VIRGINIA, WASHINGTON and the DISTRICT OF COLUMBIA *ex rel.* JOHN ERICKSON and DAVID BARRY,

Plaintiffs-Relators,

v.

AMAZON.COM, INC. and AMAZON PILLPACK f/k/a PILLPACK, LLC,

Defendants.

UNITED STATES OF AMERICA,

Plaintiff-Intervenor,

v.

PILLPACK LLC,

Defendant.

No. 19 Civ. 6717 (GHW)

**COMPLAINT-IN INTERVENTION OF THE UNITED STATES**





The United States, by its attorney, Damian Williams, the United States Attorney for the Southern District of New York, alleges for its complaint-in-intervention as follows:

## PRELIMINARY STATEMENT

1. This is a civil fraud action brought by plaintiff-intervenor the United States of America (the "Government") against defendant PillPack LLC ("PillPack"), an online pharmacy that is a wholly-owned subsidiary of Amazon.com, Inc,. to recover damages and civil penalties arising from PillPack's violations of the False Claims Act (the "FCA"), 31 U.S.C. § 3729 *et seq.*, in connection with dispensing insulin pens, such as the Lantus Solostar and Levemir Flextouch brands, to beneficiaries of federal healthcare programs.

2. From April 2014 through November 2019, PillPack violated the FCA by submitting to Government Healthcare Programs, including Medicare, Medicaid, TRICARE, and the Federal Employees Health Benefits Program ("FEHBP," and collectively, "GHPs"), reimbursement claims for insulin pens that falsely under-reported the days-of-supply (*i.e.*, the number of days that insulin pens should last if the patient used insulin according to the prescriber's directions for use) and were dispensed substantially earlier than the patients actually needed insulin pen refills according to the prescribers' instructions. Due to this practice, the GHPs reimbursed Defendant for more insulin than certain patients needed.[1]

3. When pharmacies like PillPack seek reimbursement from GHPs or payors working on their behalf for insulin pens dispensed to GHP beneficiaries, they are required to submit accurate data concerning, among other things, the days-of-supply for each prescription

[1] A table of the brands of insulin pens relevant to this complaint-in-intervention, along with their associated national drug codes, is attached hereto as Exhibit A.

filled. In pharmacy practice, days-of-supply typically means the number of days that the amount of insulin being dispensed should last if the patient used the insulin according to her prescriber's directions for use. Having accurate days-of-supply data is critical to the GHPs and the payors working on their behalf because these programs rely on the days-of-supply data reported by pharmacies like PillPack to decide whether to pay for a refill or to deny a refill claim as premature.

4. PillPack was aware that GHPs and the payors working on their behalf had established dispensing limits for prescription drug products, including insulin pens, in terms of quantity and days-of-supply and that the GHPs or payors would deny a claim if the reported days-of-supply exceeded the days-of-supply limit, unless PillPack obtained an override from the GHP or payor authorizing PillPack to dispense the quantity of medication exceeding the days-of-supply limit.

5. PillPack's insulin pen dispensing practice was to supply patients with a full carton of insulin pens, which typically contained five insulin pens. This often resulted in exceeding the relevant federal program's applicable days-of-supply limit. Instead of accurately reporting the days-of-supply and contacting the GHP or its agent to attain the requisite override, PillPack would dispense and bill for the full carton, and falsely under-report the days-of-supply to the GHP or payor to conform to the days-of-supply limit.

6. PillPack also prematurely refilled insulin pen prescriptions before beneficiaries actually needed refills and improperly billed GHPs for these refills. This was because PillPack determined refill dates based on the inaccurate days-of-supply it reported to GHPs and payors working on their behalf for a given prescription. PillPack pharmacists frequently dispensed insulin pen refills days or weeks before patients actually needed them according to their prescriptions.





7. PillPack submitted numerous false insulin pen claims that falsely under-stated days-of-supply data to GHPs and payors working on their behalf. Further, by under-reporting days-of-supply data, PillPack prevented the automated checks established by GHPs and their payors from identifying and denying reimbursement claims for premature refills. This, in turn, caused GHPs to pay for more insulin than many beneficiaries actually needed. Finally, PillPack's routine dispensing of unnecessary insulin pens led to a substantial waste of valuable medications and produced the potential for fraud and abuse involving insulin pens.

## JURISDICTION AND VENUE

8. This Court has subject matter jurisdiction over the Government's claims under the FCA pursuant to 28 U.S.C §§ 1331 and 1345.

9. This Court may exercise personal jurisdiction over PillPack. Further, because PillPack transacts business in this District and, in furtherance of the fraud alleged, submitted false claims in this District, venue is proper in this District pursuant to 31 U.S.C. § 3732(a) as well as 28 U.S.C. §§ 1391(b) and 1391(c).

## THE PARTIES

10. Plaintiff is the United States of America. Through its agencies, the Government administers the GHPs. More specifically, the U.S. Department of Health and Human Services ("HHS") administers the Medicare and Medicaid programs; the U.S. Department of Defense ("DOD") administers the TRICARE program; and the U.S. Office of Personnel Management ("OPM") administers the Federal Employees Health Benefits Program on behalf of federal employees.

11. Defendant PillPack was founded in 2013 and is a Delaware limited liability company that is a full-service online pharmacy licensed in all 50 states and the District of

Columbia. During all relevant times, PillPack had its headquarters in Manchester, New Hampshire. Amazon.com, Inc. acquired PillPack on September 11, 2018.

**THE FALSE CLAIMS ACT**

12. The False Claims Act was originally enacted in 1863 to address fraud on the Government in the midst of the Civil War, and it reflects Congress's objective to "enhance the Government's ability to recover losses sustained as a result of fraud against the Government." *See* S. Rep. No. 99-345, at 1 (1986), *reprinted in* 1986 U.S.C.C.A.N. 5266.

13. As relevant here, the FCA establishes treble damages liability to the Government where an individual or entity:

(A) "knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval," 31 U.S.C. § 3729(a)(1)(A); or

(B) "knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim, *id.* § 3729(a)(1)(B).

In addition to treble damages, the FCA also provides for assessment of a civil penalty for each violation or each false claim.

14. "Knowing," within the meaning of the FCA, is defined to include a defendant acting in reckless disregard or deliberate indifference of the truth or falsity of information, as well as actual knowledge of such falsity by defendant. *See id.* § 3729(b)(1).

**THE RELEVANT FEDERAL HEALTHCARE PROGRAMS**

15. ***Medicare Part D.*** Medicare is a federal program that provides federally subsidized health insurance for persons who are 65 or older or are disabled. *See* 42 U.S.C. §§ 1395 *et seq.* ("Medicare Program"). As relevant here, Part D of Medicare, which was enacted as part of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. No. 108-173, provides prescription drug benefits for Medicare beneficiaries. All





persons enrolled in Medicare Parts A or B are eligible to enroll in a prescription drug plan under Part D.

16. Under Medicare Part D, HHS, through its component the Centers for Medicare and Medicaid Services ("CMS"), contracts with private companies (or "Part D sponsors") to administer prescription drug plans. The Part D sponsors are regulated and subsidized by CMS pursuant to one-year, annually renewable contracts. Part D sponsors, in turn, subcontract with pharmacies to provide drugs to the Medicare Part D beneficiaries enrolled in their plans.

17. Generally, after a physician writes a prescription for a Medicare Part D beneficiary, the patient will have the prescription filled by a pharmacy, such as PillPack. When the pharmacy dispenses drugs to that Part D beneficiary, the pharmacy submits a claim electronically to the beneficiary's Part D sponsor (sometimes through a pharmacy benefit manager, or "PBM"). The pharmacy receives reimbursement from the Part D sponsor (or the PBM) for the portion of the drug cost not paid by the beneficiary.

18. The Part D sponsor then is required to submit to CMS an electronic notification of the drug dispensing event, called the Prescription Drug Event ("PDE"), which contains data regarding the prescription claim, including the service provider of the drug, the prescriber of the drug, the quantity dispensed, the amount paid to the pharmacy, and whether the drug is covered under Medicare Part D. Each PDE that is submitted to CMS is a summary record that documents the final adjudication of a dispensing event based upon claims received from pharmacies and serves as the request for payment for each individual prescription submitted to Medicare under the Part D program. Submitting PDE claims data to CMS, which is necessary for CMS to administer the Part D program and make payments to Part

D sponsors for qualified drug coverage, is a condition of payment for CMS's provision of Medicare funds to Part D sponsors. *See* 42 C.F.R. § 423.322.

19. Under Medicare Part D, CMS gives each Part D sponsor advance monthly payments consisting of the Part D sponsor's direct subsidy per enrollee (which is based on a standardized bid made by the Part D sponsor), estimated reinsurance subsidies for catastrophic coverage, and estimated low-income subsidies. *See* 42 C.F.R. §§ 423.315, 423.329. At the end of the payment year, CMS then reconciles the advance payments paid to each Part D sponsor with the actual costs the sponsor has incurred. In this reconciliation process, CMS uses the PDE claims data submitted by the Part D sponsor during the prior payment year to calculate the costs the Part D sponsor has actually incurred for prescriptions filled for Medicare beneficiaries under Part D. If CMS determines that it underpaid the sponsor for low-income subsidies or reinsurance costs, it will make up the difference; and if CMS determines that it overpaid the sponsor, it will recoup the overpayment from the Part D sponsor.[2] The payments made by CMS to the Part D sponsor come from the Medicare Prescription Drug Account, an account within the Federal Supplementary Medical Insurance Trust Fund. *See* 42 C.F.R. § 423.315(a).

20. In order to receive Part D funds from CMS, the Part D Plan sponsors, as well as their authorized agents, employees, and contractors (including pharmacies), are required to comply with all applicable federal laws, regulations, and CMS instructions. By statute, all contracts between a Part D sponsor and HHS must include a provision whereby the sponsor agrees to comply with the applicable requirements and standards of the Part D program as

[2] After CMS reconciles a plan's low-income subsidy and reinsurance costs, it then determines risk-sharing amounts owed by the plan to CMS or by CMS to the plan related to the plan's direct subsidy bid. Risk-sharing amounts involve calculations based on whether and to what degree a plan's allowable costs exceeded or fell below a target amount for the plan by certain threshold percentages. *See* 42 C.F.R. § 423.336.





well as the terms and conditions of payment governing the Part D program. 42 U.S.C. § 1395w-112. Further, CMS regulations expressly require Part D sponsors to certify, in their contracts with CMS, that they agree to comply with all federal laws and regulations designed to prevent fraud, waste, and abuse, including the FCA. *See* 42 C.F.R. § 423.505(h)(1).

21. Accordingly, all contracts entered into between CMS and Part Plan D sponsors from 2006 through the present include a provision in which the sponsor "agrees to comply with . . . federal laws and regulations designed to prevent . . . fraud, waste, and abuse, including, but not limited to, applicable provisions of Federal criminal law [and] the False Claims Act (31 U.S.C. §§ 3729, *et seq.*)[.]" Further, CMS regulations also expressly require that all subcontracts between Part D sponsors and downstream entities – including pharmacies – contain language obligating the pharmacies to comply with all applicable federal laws, regulations, and CMS instructions. *See* 42 C.F.R. § 423.505(i)(4)(iv).

22. ***Medicaid***. Medicaid is a joint federal-state program created in 1965 that provides health care benefits for certain groups, primarily the poor and disabled. The federal portion of each state's Medicaid payments, known as the Federal Medical Assistance Percentage ("FMAP"), is based on the state's per capita income compared to the national average. *See* 42 U.S.C. § 1396d(b). Among the states, FMAP is at least 50 percent and as high as 83 percent.

23. The Medicaid programs in all 50 states and the District of Columbia reimburse for prescription drugs. The majority of states award contracts to private companies to evaluate and process claims for payment on behalf of Medicaid recipients. Typically, after processing the claims, these private companies then generate funding requests to the state Medicaid programs. Before the beginning of each calendar quarter, each state submits to

CMS an estimate of its Medicaid federal funding needs for the quarter. CMS reviews and adjusts the quarterly estimate as necessary, and determines the amount of federal funding each state will be permitted to draw down as it incurs expenditures during the quarter. The state then draws down federal funding as actual provider claims, including claims from pharmacies seeking payment for drugs, are presented for payment. After the end of each quarter, the state then submits to CMS a final expenditure report, which provides the basis for adjustment to the quarterly federal funding amount (to reconcile the estimated expenditures to actual expenditures). *See* 42 C.F.R. § 430.30.

24. ***TRICARE and FEHBP.*** The Government, through DOD and OPM, administers TRICARE and the FEHBP, respectively. More specifically, TRICARE provides healthcare benefits, including pharmacy benefits, for certain current and former members of the armed services and their dependents. *See* 10 U.S.C. § 1071 *et seq*. To qualify for TRICARE coverage, services, including pharmacy services, must be medically necessary. *See* 32 C.F.R. § 199.4(a). Similarly, the FEHBP provides coverage for pharmacy services for federal employees when they are medically necessary. *See* 5 U.S.C. §§ 8901, *et seq*.

25. "All pharmacies that provide services to TRICARE beneficiaries are required to comply with TRICARE's program requirements, including its anti-abuse provisions. 32 C.F.R. § 199.9(a)(4). TRICARE regulations provide that claims submitted in violation of TRICARE's anti-abuse provisions can be denied. Id. § 199.9(b). More specifically, under TRICARE regulations, "[m]isrepresentations of dates, frequency, duration, or description of services rendered, or of the identity of the recipient of the services or the individual who rendered the services" are "presumed to be fraud." Id. § 199.2(c)(6).





**THE USE OF INSULIN PENS TO TREAT DIABETES**

26. ***Insulin Therapy***. Insulin is a peptide hormone secreted by the pancreas that controls blood sugar levels. Patients with Type 1 and Type 2 diabetes often need insulin injections because they cannot generate enough insulin themselves.

27. To obtain the types of insulin pens at issue here from pharmacies like PillPack, diabetic patients must obtain prescriptions from their physicians. When a physician prescribes insulin to a patient, the physician must provide directions specifying how frequently the patient should inject insulin and much insulin to inject each time.

28. The directions of use provided by physicians typically indicate the amount of insulin that patients need to inject in terms of a certain number of "units" of insulin. For example, an insulin prescription might direct a patient to inject 10 units subcutaneously every morning and 15 units every evening.

29. When they prescribe insulin, physicians emphasize to their patients the importance of following the prescribed directions for insulin usage. It is critical for patients to understand the importance of following their prescribed insulin regimen because, among other reasons, overusing insulin can exacerbate the risk of hypoglycemia (*i.e.*, excessively low blood sugar levels), which can lead to coma and other serious health consequences.

30. ***Insulin Pens***. Insulin pens are reusable devices (shaped like pens) that patients can use to inject themselves periodically with insulin. Each type of insulin pen relevant here consists of a syringe, which contains insulin solution, inside a hard plastic case.[3] These types of insulin pens are all designed and manufactured to allow diabetic patients to select the amount of insulin to inject by turning a dial at the end of the pen.

[3] Insulin pen cartons do not include the needles that patients use to inject insulin. Instead, the needles are sold separately by pharmacies. Further, unlike the insulin pens, the needles for injecting insulin are *not* reusable and are intended to be discarded after each injection.

31. Since at least 2000, insulin pens have become a common way for diabetic patients to receive insulin therapy. During the relevant times, the most popular brands of insulin pens include Lantus Solostar, Humalog Kwikpen, Levemir FlexTouch, and Novolog FlexPen.

32. Each of these common brands of insulin pens contains 3 milliliters of insulin solution. Each milliliter of insulin solution, in turn, contains 100 units of insulin. In other words, each individual insulin pen contains 300 units of insulin.

33. For purposes of distributing insulin pens to wholesalers and pharmacies, the insulin manufacturers package the insulin pens in tamper-evident cartons containing between two and five pens and with labeling approved by the U.S. Food and Drug Administration ("FDA"). Insulin pens are most frequently marketed in carton sizes containing five 300 unit/3ml pens. Thus, a full carton of Lantus Solostar, Humalog Kwikpen or Levemir FlexTouch insulin pens provides 1,500 units (15 mL) of insulin.

## FEDERAL PROGRAMS RELY ON PHARMACIES LIKE PILLPACK TO REPORT ACCURATE DAYS-OF-SUPPLY DATA IN ORDER TO PROCESS REIMBURSEMENT CLAIMS

### A. The Importance of Accurate Days-of-Supply Data for Pharmacy Claim Processing

34. To seek reimbursement from payors like Medicare for dispensing medications like insulin pens, pharmacies like PillPack are required to submit claims containing a standard set of data that have accepted definitions in the pharmacy billing context.

35. Payors, or the PBMs acting on their behalf, rely on the accuracy of the claims data submitted by pharmacies to make reimbursement decisions.

36. Among the types of claims data that PillPack must submit to payors or PBMs to obtain reimbursement for insulin pens are the "quantity dispensed" and the "days-of-supply" fields. In the pharmacy billing context, "quantity dispensed" means the total amount of insulin dispensed to a patient when she fills her prescription, and "days-of-





supply" mean the number of days that the quantity of insulin dispensed will last if the patient uses the insulin according to the directions for use provided by her insulin prescriber.

37. Pharmacies typically follow a standard formula to calculate days-of-supply. Specifically, a pharmacist divides the total quantity of medication being dispensed to a particular patient by that patient's "daily dose," *i.e.*, the specific quantity of medication that the prescription directs the patient to take each day. Further, at the times relevant here, PillPack's internal systems utilized the following formula to determine how many days one carton of insulin pens will last: (total units per package) / (units prescribed per day) = days supply.

38. Executives and managers at PillPack understood how important it was for PillPack to accurately report days-of-supply data to payors. For example, a 2017 internal policy advised employees at PillPack that the "Billing Department must update the dispensed quantity to match the correct days' supply for each fill and re-submit the claim." In 2019, that same policy was updated to advise employees that "improper billing practices" "may cause several downstream issues," including fraud, waste, and abuse:

> **(a) Fraud:** The intentional use of deception or misrepresentation that an individual or organization knows to be false and used for unauthorized benefit(s) to him/himself or others.
> **(b) Waste:** The overutilization of services that result in unnecessary costs to the Medicare program.
> **(c) Abuse:** When health care providers or suppliers provide actions that directly (or indirectly) result in unnecessary costs to any health care benefit program. Abuse includes payment for services when there is not a legal entitlement without intentional misrepresentation.

39. Payors and PBMs also regularly emphasize the importance of the requirement for pharmacies to accurately report the days-of-supply data in the claims they submit for

reimbursement. For example, one national PBM instructed pharmacies that "[t]he days supply should accurately reflect the documented directions and quantity dispensed."

40. A key reason that payors and PBMs require pharmacies to report accurate days-of-supply data is that payors and PBMs typically rely on this data to decide whether to reimburse refill claims or to deny such claims as premature. Specifically, payors and PBMs typically calculate the date on which a prescription refill would be needed (the "refill due date") based on the date when a patient last filled a prescription and the days-of-supply reported by the pharmacy for that prior fill. Payors and PBMs also typically have automated processes that deny as premature refill claims that are submitted too far in advance of the refill due dates.

**B. The Relevant Federal Programs Required Pharmacies to Report Days-of-Supply Data Accurately in Their Reimbursement Claims**

41. During the relevant times, Medicare Part D, Medicaid, TRICARE, and FEHBP all required participating pharmacies like PillPack to report days-of-supply data accurately in the claims they submitted to these programs for reimbursement.

42. ***Medicare Part D***: Under Medicare Part D, for example, CMS regulations have required Part D sponsors to certify to the accuracy, completeness and truthfulness of the PDE claims data submitted to CMS. Specifically, the relevant regulatory provision, entitled "Certification of data that determine payment," has provided in relevant part:

> (1) General rule. As a condition for receiving a monthly payment under subpart G of this part (or for fallback entities, payment under subpart Q of this part), the Part D plan sponsor agrees that its chief executive officer (CEO), chief financial officer (CFO), or an individual delegated the authority to sign on behalf of one of these officers, and who reports directly to the officer, must request payment under the contract on a document that certifies (based on best knowledge, information, and belief) the accuracy, completeness, and truthfulness of all data related to payment. The data may include specified enrollment information, claims data, bid submission data, and other data that CMS specifies.
> . . .





> (3) Certification of claims data. The CEO, CFO, or an individual delegated with the authority to sign on behalf of one of these officers, and who reports directly to the officer, must certify (based on best knowledge, information, and belief) that the claims data it submits under § 423.329(b)(3) (or for fallback entities, under § 423.871(f)) are accurate, complete, and truthful and acknowledge that the claims data will be used for the purpose of obtaining Federal reimbursement.
> . . .

42 C.F.R. § 423.505(k). Compliance with the regulatory requirement that PDE data submitted to CMS is "true, accurate, and complete" is a condition of payment under Medicare Part D.

43. In accordance with this regulatory requirement, and since the Part D program began, CMS has required each Part D sponsor to sign annually an Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor ("Attestation"), which states:

> Pursuant to the contract(s) between the [CMS] and the Medicare Part D Organization(s) listed above, hereafter referred to as the Part D Organization, governing the operation of the contract numbers listed above, the Part D Organization hereby makes the following attestations concerning CMS payments to the Part D Organization:
>
> The Part D Organization attests that based on its best knowledge, information, and belief, the final Prescription Drug Event (PDE) data that have been submitted to and accepted by CMS as of [date] with respect to the Part D plans offered under the above-stated contract(s) for the dates of service of January 1, [prior year] to December 31, [prior year], are accurate, complete, and truthful and reflect all retroactive adjustments of which the Part D organization has been informed by May 30, [current year]. In addition, the Part D Organization attests that based on best knowledge, information, and belief, the payments that have been made by the Part D organization for the claims summarized by the aforementioned PDE data were made in accordance with the coordination of benefits guidance in Chapter 14 of the Medicare Prescription Drug Benefit Manual and other applicable CMS guidance. The Part D Organization attests that based on its best knowledge, information, and belief as of the date(s) of last successful DIR [Direct and Indirect Remuneration Data] [prior year] data submission(s) via the Health Plan Management System (HPMS) as listed above, the final direct and indirect remuneration data submitted to CMS for the Part D plans offered under the above-stated contract(s) for the [prior] coverage year are accurate, complete, and truthful and fully conform to the requirements in the Medicare Part D program regulations and the Final Medicare Part D DIR Reporting Requirements for [the prior year]. The Part D Organization also

> certifies that based on its best knowledge, information, and belief as of the date indicated below, all other required information provided to CMS to support the determination of allowable reinsurance and risk corridor costs for the Part D plans offered under the above-stated contract(s) is accurate, complete, and truthful. With regards to the information described in the above paragraphs, the Part D Organization attests that it has required all entities, contractors, or subcontractors, which have generated or submitted said information (PDE and DIR data) on the Part D Organization's behalf, to certify that this information is accurate, complete, and truthful based on its best knowledge, information, and belief. In addition, the Part D Organization attests that it will maintain records and documentation supporting said information. The Part D Organization acknowledges that the information described in the above paragraphs will be used for the purposes of obtaining federal reimbursement and that misrepresentations or omissions in information provided to CMS may result in Federal civil action and/or criminal prosecution.

All approved Part D sponsors who received payment under Medicare Part D after 2006 submitted these required Attestations in the same or similar format.

44. For pharmacies like PillPack that participate in Medicare Part D, CMS regulations further provide: "If the claims data are generated by a related entity, contractor, or subcontractor of a Part D plan sponsor, the entity, contractor, or subcontractor must similarly certify (based on best knowledge, information, and belief) the accuracy, completeness, and truthfulness of the data and acknowledge that the claims data will be used for the purposes of obtaining Federal reimbursement." 42 C.F.R. § 423.505(k)(3).

45. The pharmacy manuals and other published guidance issued by PBMs that adjudicate pharmacy claims for Medicare Part D plans also have consistently indicated that PBMs rely on the days-of-supply submitted by the participating pharmacies to determine whether the PBMs would pay or deny claims. Finally, the Medicare Part D PBMs also conduct audits of pharmacy claims on an ongoing basis, and the accuracy of days-of-supply reporting has typically been one of the essential components of such audits.





46. ***Medicaid***. Similarly, pharmacies like PillPack that participate in Medicaid have typically been required to sign enrollment agreements with state Medicaid programs certifying compliance with the state and federal Medicaid requirements, including the requirement to submit accurate claims data. In New York, for example, pharmacies have been required to periodically sign a "Certification Statement for Provider Billing Medicaid," in which they certify that "ALL STATEMENTS, DATA AND INFORMATION TRANSMITTED ARE TRUE, ACCURATE AND COMPLETE TO THE BEST OF MY KNOWLEDGE" and that "NO MATERIAL FACT HAS BEEN OMITTED[.]" (capitalization in original).

47. Like CMS in the Medicare Part D context, state Medicaid programs also have issued guidance to pharmacies like PillPack explaining that Medicaid relies on the accuracy of the days-of-supply data submitted by pharmacies to decide whether to pay or deny refill claims. In January 2015, for example, New York Medicaid issued an update notifying pharmacies that an "early fill edit will be implemented that will tighten early fill parameters based on days' supply on hand in an effort to further reduce overutilization, stockpiling and/or diversion of drugs. This new enhanced edit will deny a claim if more than a 10 day supply of medication is remaining of the cumulative amount that has been dispensed over the previous 90 days, and will augment current editing where claims are denied when less than 75% of the previously dispensed amount has been used (the more stringent rule will apply).""

48. Further, like Medicare Part D PBMs, state Medicaid programs—or PBMs acting on their behalf—have regularly audited claims submitted by participating pharmacies to determine whether they accurately reported days-of-supply data.

49. Finally, TRICARE and the FEHBP, or the PBMs acting on their behalf, have similar requirements for participating pharmacies to submit claims that accurately report the days-of-supply for the quantities of medication being dispensed.

## PillPack Systematically Under-Reported the Days-of-Supply for Insulin Pens in Claims Submitted to Government Healthcare Programs

### A. PillPack's Dispensing Practices for Insulin Pens Resulted in the Submission of False Claims and the Under-Reporting of Days-of-Supply Data to GHPs

50. From April 2014 until November 2019, PillPack frequently submitted to the relevant federal programs false insulin pen claims that under-reported the days-of-supply for the insulin pens dispensed.

51. PillPack was aware that GHPs and payors working on their behalf had established dispensing limits for prescription drug products, including insulin pens, in terms of quantity and days-of-supply and that such payors would deny a claim if the reported days-of-supply exceeded the payor's days-of-supply limit, unless PillPack obtained an override from the payor authorizing PillPack to dispense the quantity of medication exceeding the days-of-supply limit.

52. In 2019, for example, a national PBM's pharmacy manual unambiguously instructed pharmacies to report days-of-supply data accurately and to seek overrides when the days-of-supply would exceed the plan limit:

> "[a]ny Claim submitted . . . exceeding Benefit Plan limitation for the days' supply or quantity dispensed will reject with messaging indicative of actual plan limits such as: MAXIMUM DAYS SUPPLY - thirty-four (34) or QUANTITY LIMIT - 100. Resubmitted Claims must include the accurate days' supply and quantity. If a Claim submitted has a quantity representative of the smallest commercially available package size or represents a single course of therapy . . . and rejects as stated, the Network Pharmacy Provider must request an override through the Pharmacy Help Desk and resubmit the Claim utilizing the quantity and the accurate days' supply.





53. PillPack's general practice during the relevant period was to dispense insulin pens to patients using full cartons, which typically contained five insulin pens. As a result, the amount dispensed often exceeded the relevant federal program's applicable days-of-supply limit. Instead of accurately reporting the days-of-supply and contacting the relevant GHP or its agent to attain the requisite override, PillPack would dispense and bill for the full carton, and falsely under-report the days-of-supply to the federal program to make it appear as if the dispensing did not violate the program's days-of-supply limit.

### B. Falsely Under-Reporting Days-of-Supply Data for Insulin Pens Also Resulted in PillPack Dispensing Premature Refills to GHP Beneficiaries

54. The practice of under-reporting days-of-supply for insulin pens also led PillPack to dispense premature refills to GHP beneficiaries. PillPack improperly billed the relevant federal programs for these premature refills.

55. PillPack was aware that its practice of falsely reporting lower days-of-supply calculations could cause its pharmacists to dispense insulin refills to patients prematurely.

56. PBMs that adjudicate claims for Medicare Part D plans and Medicaid programs have issued guidance to pharmacies specifically instructing them that, in the event they are not able to obtain an override, pharmacies should still record the days-of-supply accurately to prevent premature refill dispensation. For example, the same national PBM pharmacy manual cited above expressly provides:

> If an override is not available and the Network Pharmacy Provider is not able to submit a claim for the accurate days' supply, the Network Pharmacy Provider must document what the actual days supply is for the claim in the system to prevent early refills and potential waste.

57. Notwithstanding the foregoing, PillPack repeatedly used inaccurate days-of-supply data to generate premature refill due dates. During the relevant times, PillPack utilized prescription management and dispensing software, including a technology called Refill

Logic, to determine refill due dates for medications. The Refill Logic program was designed to prevent PillPack pharmacists from prematurely dispensing refills to patients, and to ensure that refills were not dispensed before patients should have taken approximately 80% of the medication dispensed through the last fill.

58. However, prior to April 2019, Refill Logic determined refill dates based on the *reported* days-of-supply. Thus, whenever PillPack recorded in Refill Logic the inaccurate lower days-of-supply that were submitted to conform with the GHPs' days-of-supply limits, Refill Logic would generate a premature refill due date. As a result, PillPack pharmacists frequently dispensed insulin pen refills days or weeks before patients actually needed them according to their prescriptions. Over time, some patients accumulated multiple extra insulin pens that they did not need.

59. PillPack's practice of under-reporting days-of-supply also undermined the GHPs' ability to identify and deny premature refills because their tracking procedures rely on the accuracy of the reported days-of-supply data. Because PillPack falsely underreported the days' supply to the GHPs, those programs were unable to identify refill claims as premature and deny those claims. Instead, the GHPs were misled to approve and pay the refill claims.

60. PillPack's practice of falsely under-reporting days-of-supply data and prematurely refilling insulin pens caused substantial losses to the United States.

**C. PillPack Knew That Its Staff Were Falsely Under-Reporting the Days-of-Supply for Insulin Pens and That This Practice Caused Premature Refills**

61. PBMs regularly audited the claims submitted by pharmacies. During the relevant period, audit findings from multiple PBMs provided ample notice to PillPack that its staff were not only regularly under-reporting the days-of-supply for insulin pens, but also that





this practice frequently led to repeated premature refills on the same insulin pen prescriptions.

62. PillPack received multiple audit reports in which PBMs, acting on behalf of the relevant GHPs sought repayment for insulin pen prescription claims due to inaccurate days-of-supply reporting.

**D. PillPack's False Reporting of Days-of-Supply Was Material to the Relevant Federal Programs' Payment Decisions**

63. Accurate reporting of days-of-supply is material to GHPs' payment decisions. Accurate reporting of days-of-supply is material because it ensures that beneficiaries do not receive premature refills, which are not medically necessary and can lead to waste and abuse.

64. The GHPs and payors working on their behalf approved and paid claims submitted by PillPack for insulin pen refills that they would not have approved if PillPack had accurately reported the days-of-supply for previous fills according to the standard pharmacy billing formula of dividing the quantity dispensed by the daily dose. Specifically, PillPack's practice of dispensing insulin pen refills based on the inaccurate lower days-of-supply prevented GHPs and payors working on their behalf from reliably calculating refill due dates and confirming that refills had not been prematurely dispensed before approving PillPack's claims for reimbursement.

**FIRST CLAIM**

**Violations of the False Claims Act: Presenting False Claims for Payment**

**(31 U.S.C. § 3729(a)(1)(A))**

65. The Government incorporates by reference paragraphs 1 through 64 above as if fully set forth in this paragraph.

66. The Government asserts claims against PillPack under 31 U.S.C. § 3729(a)(1)(A).

67. As a result of its improper dispensing practices in connection with the sale of insulin pens to beneficiaries of the GHPs and its false reporting of days-of-supply information, PillPack knowingly, or acting with deliberate ignorance or reckless disregard of the truth, presented, or caused to be presented, false or fraudulent claims for payment or approval in violation of 31 U.S.C. § 3729(a)(1)(A).

68. The GHPs made payments because of the false or fraudulent claims.

69. By reason of the false or fraudulent insulin pen claims that PillPack knowingly presented, or caused to be presented, for payment or approval, the Government has been damaged in a substantial amount to be determined at trial, and is entitled to recover treble damages plus a civil monetary penalty for each false claim.

**SECOND CLAIM**

**Violations of the False Claims Act: Use of False Statements**

**(31 U.S.C. § 3729(a)(1)(B))**

70. The Government incorporates by reference paragraphs 1 through 69 above as if fully set forth in this paragraph.

71. The Government asserts claims against PillPack under 31 U.S.C. § 3729(a)(1)(B).

72. As a result of its improper dispensing practices in connection with the sale of insulin pens to beneficiaries of the GHPs and its false reporting of days-of-supply information, PillPack knowingly, or acting with deliberate ignorance or reckless disregard of the truth, made, used, or caused to be made or used, false records or statements that were material to getting false or fraudulent claims paid by the GHPs.

73. By reason of these false records or statements, the Government has been damaged in a substantial amount to be determined at trial and is entitled to recover treble damages plus a civil monetary penalty for each false record or statement.





**PRAYER FOR RELIEF**

WHEREFORE, plaintiff, the Government, requests that judgment be entered in its favor as follows:

1. On the First and Second Claims for relief (violations of the FCA, 31 U.S.C. §§ 31 U.S.C. §§ 3729(a)(1)(A) and 3729(a)(1)(B)), a judgment against PillPack for treble the Government's damages, in an amount to be determined at trial, plus a civil penalty in the maximum applicable amount for each violation of the FCA by PillPack;
2. An award of costs incurred by the Government pursuant to 31 U.S.C. § 3729(a)(3); and
3. such further relief as is proper.

Dated: New York, New York
April 21, 2022

DAMIAN WILLIAMS
United States Attorney for the
Southern District of New York

By: */s/ Pierre G. Armand*
DANIELLE J. LEVINE
PIERRE G. ARMAND
Assistant United States Attorneys
United States Attorney's Office, Civil Division
86 Chambers Street, 3rd Floor
New York, NY 10007
Tel: (212) 637-2689/2724
Email: danielle.levine@usdoj.gov
pierre.armand@usdoj.gov

*Attorneys for the Government*

**Exhibit A**

**Insulin Pen Brands Relevant to the Complaint-in-Intervention**

| National Drug Code | Brand Name |
|---|---|
| 00024592505 | ADMELOG |
| 00088250205 | APIDRA |
| 00002771559 | BASAGLAR |
| 00169320415 | FIASP |
| 00002751659 | HUMALOG |
| 00002771459 | HUMALOG |
| 00002771227 | HUMALOG |
| 00002879959 | HUMALOG |
| 00002879859 | HUMALOG |
| 00002879759 | HUMALOG |
| 00002880359 | HUMULIN |
| 00002880559 | HUMULIN N |
| 00002882427 | HUMULIN R |
| 66733082259 | INSULIN LISPRO |
| 00088221905 | LANTUS |
| 00169643910 | LEVEMIR |
| 00169643810 | LEVEMIR |
| 00169300715 | NOVOLIN |
| 00169633910 | NOVOLOG |
| 00169369619 | NOVOLOG |
| 00169330312 | NOVOLOG |
| 00024576105 | SOLIQUA |

DAWNIE ICHIMURA 6990
Regulated Industries Complaints Office
Department of Commerce and Consumer Affairs
State of Hawaii
Leiopapa A Kamehameha Building
235 South Beretania Street, Suite 900
Honolulu, Hawaii 96813
Telephone: (808) 586-2660

REVISED
ORIGINAL



Attorney for Department of Commerce and Consumer Affairs



BOARD OF PHARMACY
DEPARTMENT OF COMMERCE AND CONSUMER
STATE OF HAWAII

| | | |
|---|---|---|
| In the Matter of the Miscellaneous Permit of | ) | PHA 2022-17-L |
| | ) | |
| PILLPACK LLC, | ) | SETTLEMENT AGREEMENT PRIOR TO |
| | ) | FILING OF PETITION FOR |
| Respondent. | ) | DISCIPLINARY ACTION AND BOARD'S |
| | ) | FINAL ORDER |
| | ) | |
| | ) | |

SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION
FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS' REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"), through its undersigned attorney(s), and Respondent PILLPACK LLC (hereinafter "Respondent"), enter into this Settlement Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent was permitted by the Board of Pharmacy (hereinafter the "Board") as a miscellaneous permit holder under permit number PMP 891. The miscellaneous permit was issued on or about October 10, 2013. The miscellaneous permit is set to expire or forfeit on or about December 31, 2023.

2. Respondent's mailing address for purposes of this action is c/o Rafael del Castillo & Associates, AAL, LLLC, 289 Kawaihae Street No. 222, Honolulu, Hawaii 96825-1901.





3. On or about November 2, 2021, Respondent entered into an Agreed Board Order #2019-05709 ("Agreed Order") with the Texas Board of Pharmacy resolving allegations that a Pillpack pharmacist incorrectly verified data entry for a new facsimile prescription order for one patient, the incorrect prescription was dispensed to a patient, and the prescription was later refilled with the same incorrect prescription

4. Respondent reported the Texas Agreed Order to the Hawaii Board of Pharmacy on or about November 5, 2021.

5. The foregoing allegation, if proven at an administrative hearing before the Board, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes (hereinafter "HRS") § 436B-19(13) (disciplinary action by another state).

6. The Board has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENT:

1. Respondent is represented by Rafael del Castillo, Esq., c/o Rafael del Castillo & Associates, AAL, LLLC, 289 Kawaihae Street #222, Honolulu, Hawaii 96825.

2. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. PHA 2022-17-L.

3. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress, as a compromise of the claims, and to conserve on the expenses of proceeding at an administrative hearing.

4. Respondent is aware of the right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives the right to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

5. Respondent understands that any false or untrue statement or any material misrepresentation or omission of fact by Respondent in this Settlement Agreement may be grounds for further disciplinary action under HRS Chapters 436B and 461.

6. Respondent does not admit to violating any law or rule but acknowledges that RICO alleges that it has sufficient cause to file a Petition for Disciplinary Action against Respondent's miscellaneous permit.

7. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. PHA 2022-17-L, specifically, the Settlement Agreement with the Texas Board of Pharmacy (Case No. ABO #2019-05709) and all allegations contained therein.

8. Respondent understands that this Settlement Agreement may be subject to reporting requirements.

9. Respondent understands this Settlement Agreement is public record pursuant to HRS Chapter 92F.

C. TERMS OF SETTLEMENT:

1. Administrative Fine. Respondent agrees to pay a fine in the amount of FIVE HUNDRED AND NO/100 DOLLARS ($500.00). Payment shall be made by **cashier's check or money order made payable to "DCCA - Compliance Resolution Fund"** and mailed to the Regulated Industries Complaints Office, Attn.: Dawnie Ichimura, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment shall be made before RICO submits this Settlement Agreement executed by Respondent's authorized representative(s) to the Board, but no more than thirty (30) calendar days from the date this Settlement Agreement is submitted to RICO by Respondent.

2. Failure to Comply with Settlement Agreement. If Respondent fails to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph C.1 above, Respondent's miscellaneous permit shall be automatically revoked upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondent shall turn in all indicia of the miscellaneous permit to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation. In case of such revocation, Respondent understands Respondent cannot apply for a new miscellaneous permit until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become permitted again, Respondent must apply to the Board for a new miscellaneous permit pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

3. Settlement Agreement Conclusively Resolves the Board's Claims Arising from the Texas Agreed Board Order #2019-05709. The Board hereby acknowledges that following the conclusion of this action, the Texas Agreed Board Order may trigger, or may have already triggered, actions in additional states, and the Board hereby agrees that these actions shall not be deemed to constitute any additional or separate violations of the statutes or administrative rules governing the conduct of miscellaneous permit holders in the state of Hawaii; and that this Settlement Agreement conclusively resolves all claims the Board has or may have in connection with the Texas Agreed Board Order together with any actions arising as a result or directly therefrom in any other state or jurisdiction.

4. Possible Further Sanction. The Board, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Board may deem appropriate if Respondent violates any provision of the statutes or rules governing the conduct of miscellaneous permit holders in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

5. Approval of the Board. Respondent agrees that, except for the representations,





agreements and covenants contained in Paragraphs C.6, C.7, C.8 and C.9 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

6. No Objection if Board Fails to Approve. If the Board does not approve this Settlement Agreement, does not issue an order pursuant thereto, or does not approve a lesser remedy, but instead an administrative hearing is conducted against Respondent in the Board's usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondent on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

7. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.

8. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

9. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly executed by all parties hereto.

D. ADDITIONAL REPRESENTATIONS BY RESPONDENT[1]

1. No Coercion or Duress; No Representations By RICO. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

[1] The term "Respondent" shall mean a single person, but, if more than one person is subject to and executes this Settlement Agreement than the term shall include all such persons unless stated otherwise.

2. Right to Hearing. Respondent is aware Respondent has a right to a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives Respondent's right to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

3. Consent to Settlement Agreement. Respondent acknowledges Respondent is subject to penalties including but not limited to, revocation, suspension or limitation of the license and administrative fines, were the allegations set forth in the Settlement Agreement to be proven at hearing, and enters into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter.

4. Procedure for Approval of Settlement Agreement. Upon filing, this Settlement Agreement will be submitted to the Board. Respondent agrees this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

5. Effect of Rejection of Settlement Agreement. Respondent agrees if the Board does not approve this Settlement Agreement, neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondent on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

6. Grounds for Further Disciplinary Action. Respondent understands the Board may pursue additional disciplinary action as provided by law to include further fines and other sanctions if Respondent violates any provision of applicable licensing statutes or rules or if Respondent fails to abide by the terms of this Settlement Agreement.

7. Reporting. Respondent understands that this Settlement Agreement may be subject to reporting requirements and that this Settlement Agreement is public record pursuant to Hawaii Revised Statutes chapter 92F.

8. Disciplinary Action. Respondent acknowledges that upon its approval, this Settlement Agreement shall constitute disciplinary action.

9 Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.







IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below. Each signatory to this Agreement hereby represents and warrants that he/she is authorized to execute and deliver this Agreement in the capacity shown below.

DATED: Hopkinton (City), New Hampshire (State), June 20, 2022 (Date).

PILLPACK LLC
Respondent

By: _____ (Signature)
Chris Pickering (Print Name)
Its Vice President, Treasure and Secretary (Title)

DATED: Honolulu, Hawaii, _____.

DAWNIE ICHIMURA
Attorney for Department of Commerce and Consumer Affairs

APPROVED AS TO FORM:

Rafael Del Castillo

RAFAEL DEL CASTILLO, ESQ.
Attorney for Respondent

IN THE MATTER OF THE MISCELLANEOUS PERMIT OF PILLPACK LLC;
SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER; RICO CASE NO. PHA 2022-17-L

APPROVED AND SO ORDERED:
BOARD OF PHARMACY
STATE OF HAWAII

| | |
|---|---|
| ALANNA ISOBE<br>Chair | July 14, 2022<br>DATE |
| PATRICK ADAMS<br>Vice Chair | KENT KIKUCHI |
| SHERI TOKUMARU | MARK BROWN |
| CATALINA CROSS | |

PVL 07/2022





CC OTH 00732348 2022 TR

**STATE OF MISSOURI**
**MISSOURI BOARD OF PHARMACY**

IN RE:

PILLPACK, L.L.C.
dba PILLPACK BY AMAZON PHARMACY
Permit No. 2018043786
250 Commercial St., Ste. 2012.
Manchester, NH 03101

Complaint No. 2022-001721

**SETTLEMENT AGREEMENT BETWEEN STATE BOARD OF PHARMACY AND PILLPACK, L.L.C. DBA PILLPACK BY AMAZON PHARMACY**

COME NOW Pillpack, L.L.C. dba Pillpack By Amazon Pharmacy ("Respondent" or "Pillpack" or "the Pharmacy") and the Missouri Board of Pharmacy ("Board" or "Petitioner") and enter into this Settlement Agreement for the purpose of resolving the question of whether Respondent's permit to operate as a pharmacy will be subject to discipline.

Pursuant to the terms of Section 536.060, RSMo, the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri ("AHC") and, additionally, the right to a disciplinary hearing before the Board under Section 621.110, RSMo, and stipulate and agree that a final disposition of this matter may be effectuated as described below.

Respondent acknowledges that it understands the various rights and privileges afforded it by law, including the right to a hearing of the charges against it; the right to appear and be represented by legal counsel; the right to have all charges against it proved upon the record by competent and substantial evidence; the right to cross-examine any witness appearing at the hearing against it; the right to a decision upon the record by a fair and impartial administrative hearing commissioner concerning the charges pending against it and, subsequently, the right to a disciplinary hearing before the Board at which time it may present evidence in mitigation of discipline; and the right to recover attorney's fees incurred in defending this action against its

permit. Being aware of these rights provided it by operation of law, Respondent knowingly and voluntarily waives each and every one of these rights and freely enters into his Settlement Agreement and agrees to abide by the terms of this document as they pertain to it.

Respondent acknowledges that it has received a copy of the draft complaint to be filed with the Administrative Hearing Commission, the investigative report, and other documents relied upon by the Board in determining there was cause for discipline against Respondent's permit.

For purposes of settling this dispute, Respondent stipulates that the factual allegations contained in this Settlement Agreement are true, stipulates with the Board that Respondent's permit as a pharmacy, numbered 2018043786, is subject to disciplinary action by the Board in accordance with the provisions of Chapter 621 and Chapter 338, RSMo.

**JOINT STIPULATION OF FACTS**

1. The Board is an agency of the State of Missouri created and established pursuant to §338.110, RSMo[1], for the purpose of executing and enforcing the provisions of Chapter 338, RSMo.

2. Respondent Pillpack, L.L.C. dba Pillpack By Amazon Pharmacy, is an online retail pharmacy headquartered in Manchester, New Hampshire, that is licensed by the Board under permit number 2018043786. Respondent's permit was at all times relevant herein current and active.

3. On or about July 18, 2019, a complaint was filed in the Southern District of New York, case no. 1:19-cv-06717, under the *qui tam* provisions of the False Claims Act ("FCA"), 31 U.S.C. § 3729 *et seq.*, and comparable state false claims and insurance fraud laws, against parties including Respondent, alleging, among other things, that they engaged in a pattern of submitting

[1] All statutory references are to the Revised Statutes of Missouri 2016, as amended, unless otherwise stated





false claims to Medicare and Medicaid seeking reimbursement for insulin pens dispensed to patients that exceeded the amounts prescribed by the patients' physicians for the time periods specified in the claims.

4. The parties entered into a Stipulated Settlement under which Respondent admitted, acknowledged and accepted responsibility for certain conduct ("the Admitted Conduct") and agreed that it "shall not, through its attorneys, agents, officers, or employees, make any public statement. . . that contradicts or is inconsistent with the Admitted Conduct or suggests that the Admitted Conduct is not wrongful."

5. Under the Stipulated Settlement, Respondent also agreed to pay the sum of $5,616,136.85 to the United States along with a total of $175,522.55 to the States who were named Plaintiffs in the complaint.

6. The Admitted Conduct is as follows:

A. Insulin "pens" are a common way for diabetic patients, including GHP beneficiaries, to self-administer insulin. Manufacturers distribute the insulin pens relevant here in tamper-evident cartons containing between two and five pens and with labeling approved by the U.S. Food and Drug Administration ("FDA"). Insulin pens are most frequently marketed in carton sizes containing five 100 unit/mL pens. In the five-pen boxes, each pen consists of a syringe, which contains 300 units (3 mL) of insulin solution, inside a hard plastic case. A box of five pens contains 1500 (15 mL) units of insulin solution.

B. FDA classifies the insulin pens relevant here as prescription drug products. Pharmacies can dispense such pens to patients only with valid prescriptions from licensed prescribers. Valid insulin prescriptions must set forth the "directions for use," which

typically designate both how much insulin to administer (*e.g.*, 10 units) and the frequency and/or timing of when to administer it (*e.g.*, once a day at bedtime).

C. At all relevant times, when PillPack sought reimbursement for insulin pens from GHPs, it was required to report, among other data fields, the quantity dispensed and the days-of-supply. In pharmacy billing, "quantity dispensed" specifies the amount of medication being dispensed to a patient when they fill their prescription, and "days-of-supply" refers to the number of days that the quantity of medication dispensed should last if the patient uses the medication according to the directions for use. Typically, to calculate days-of-supply, a pharmacist divides the total quantity of medication being dispensed to a particular patient by that patient's "daily dose," *i.e.*, the amount of medication that the prescriber directs the patient to use each day.

D. GHPs, or pharmacy benefit managers ("PBMs") working on their behalf, typically establish procedures to calculate the date on which a prescription refill would be needed (the "refill due date") based on the date when a patient last filled a prescription and the days-of-supply reported by the pharmacy for that prior fill. GHPs, and the PBMs working on their behalf, also typically establish automated processes to deny claims for reimbursement for refills that are submitted too far in advance of the refill due dates. The reliability of these procedures and processes depends on the accuracy of the days-of-supply reported by pharmacies.

E. PillPack was aware that GHPs and payors working on their behalf had established dispensing limits for prescription drug products in terms of quantity and days-of-supply and that such GHPs and payors would deny a claim if the reported days-of-supply exceeded those days-of-supply limits, unless PillPack obtained an override from the





GHP or payor authorizing PillPack to dispense the quantity of medication exceeding the days-of-supply limit.

F. During the Covered Period, PillPack's insulin pen dispensing practice was to supply patients with a full carton of insulin pens. In many instances, this resulted in exceeding the GHP's applicable days-of-supply limit. Instead of accurately reporting the days-of-supply and contacting the GHP or its agent to attain the requisite override, in many instances PillPack would dispense and bill for the full carton, and reduce the days-of-supply reported to the GHP to conform to the GHP's days-of-supply limit. As a result, for those claims, PillPack reported days-of-supply data to GHPs that were different from, and lower than, the days-of-supply that should have been reported had PillPack calculated days-of-supply according to the typical pharmacy billing formula of dividing the quantity of insulin dispensed by the daily dose.

G. PillPack utilizes prescription management and dispensing software, including a technology called the Refill Logic, to determine refill due dates for medications. The Refill Logic program is designed to prevent PillPack pharmacists from prematurely dispensing refills to patients, and to ensure that refills are not dispensed before patients should have taken approximately 80% of the medication dispensed through the last fill. Prior to April 2019, PillPack's Refill Logic program determined refill dates based on the reported days-of-supply. Thus, during this time period, when PillPack pharmacists reported inaccurate lower days-of-supply data to GHPs and payors working on their behalf, the Refill Logic program used this inaccurate data to generate premature refill due dates, causing PillPack pharmacists to dispense insulin pen refills to patients days or weeks before the patients actually needed them according to their prescriptions.

H. During the Covered Period, PillPack received audit reports from PBMs, acting on behalf of GHPs, requesting that PillPack repay the overpayments it had received for insulin pen prescription claims due to inaccurate days-of-supply reporting.

I. GHPs and payors working on their behalf approved and paid claims submitted by PillPack for insulin pen refills that they would not have approved if PillPack had accurately reported the days-of-supply for previous fills according to the typical pharmacy billing formula of dividing the quantity dispensed by the daily dose. Specifically, PillPack's practice of dispensing and submitting reimbursement claims for insulin pen refills using inaccurate lower days-of-supply data prevented GHPs and payors working on their behalf from reliably calculating refill due dates and confirming that refills had not been prematurely dispensed before approving PillPack's claims for reimbursement.

J. In certain instances, over time, patients accumulated multiple extra insulin pens that they did not need according to their prescriptions.

**JOINT CONCLUSIONS OF LAW**

7. Cause exists for Petitioner to take disciplinary action against Respondent's pharmacy permit under§ 338.210.5, RSMo, which provides:

> 5. If a violation of this chapter or other relevant law occurs in connection with or adjunct to the preparation or dispensing of a prescription or drug order, any permit holder or pharmacist-in-charge at any facility participating in the preparation, dispensing, or distribution of a prescription or drug order may be deemed liable for such violation.

8. As a result of the foregoing, cause exists for Petitioner to take disciplinary action against Respondent's Missouri pharmacy permit under § 338.055.2(5) and (13), RSMo, which provides:

> 2. The board may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621, RSMo, against any holder





> of any certificate of registration or authority, permit or license required by this chapter or any person who has failed to renew or has surrendered his or her certificate of registration or authority, permit or license for any one or any combination of the following causes:
>
> * * *
>
> (5) . . .misconduct,. . . fraud, misrepresentation or dishonesty in the performance of the functions or duties of any profession licensed or regulated by this chapter;
>
> * * *
>
> (13) Violation of any professional trust or confidence;

**JOINT AGREED DISCIPLINARY ORDER**

Based upon the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the Board in this matter under the authority of Section 621.045.3, RSMo:

A. Respondent's permit numbered 2018043786, is hereby **PUBLICLY CENSURED.**

B. The terms of this Settlement Agreement are contractual, legally enforceable, binding, and not merely recitals. Except as otherwise contained herein, neither this Settlement Agreement nor any of its provisions may be changed, waived, discharged, or terminated, except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, discharge, or termination is sought.

C. Respondent hereby waives and releases the Board, its members and any of its employees, agents, or attorneys, including any former board members, employees, agents, and attorneys, of, or from, any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including, but not limited to any claims for attorney's fees and expenses, including any claims pursuant to Section 536.087, RSMo, or any claim arising under 42 U.S.C. Section 1983, which may be based upon, arise out of, or relate to any of the matters raised in this litigation, or

from the negotiation or execution of this Settlement Agreement. The parties acknowledge that this paragraph is severable from the remaining portions of this Settlement Agreement in that it survives in perpetuity even in the event that any court of law deems this Settlement Agreement or any portion thereof void or unenforceable.

**RESPONDENT, AS EVIDENCED BY THE INITIALS ON THE APPROPRIATE LINE,**

_____ **REQUESTS**

KD **DOES NOT REQUEST**

**THE ADMINISTRATIVE HEARING COMMISSION TO DETERMINE IF THE FACTS SET FORTH HEREIN ARE GROUNDS FOR DISCIPLINING RESPONDENT'S PHARMACY PERMIT.**

The parties to this Agreement understand that the Board of Pharmacy will maintain this Agreement as an open record of the Board as provided in Chapters 324, 338, 610, RSMo.

If Respondent has requested review, Respondent and Board jointly request that the Administrative Hearing Commission determine whether the facts set forth herein are grounds for disciplining Respondent's license and issue findings of fact and conclusions of law stating that the facts agreed to by the parties are grounds for disciplining Respondent's license. Effective fifteen (15) days from the date the Administrative Hearing Commission determines that the Settlement Agreement sets forth cause for disciplining Respondent's permit, the agreed upon discipline set forth herein shall go into effect.

If Respondent has not requested review by the Administrative Hearing Commission, the Settlement Agreement goes into effect fifteen (15) days after the document is signed by the Board's Executive Director.





RESPONDENT
Pillpack, L.L.C. dba Pillpack By Amazon Pharmacy

DocuSigned by:
Kelvin Downes

As authorized Agent for
Pillpack, L.L.C. dba Pillpack By Amazon Pharmacy

Printed: Kelvin Downes

Date: December 2, 2022

PETITIONER
Missouri Board of Pharmacy

By:

Kimberly Grinston
Executive Director

Date: 12.9.2022

NEWMAN, COMLEY & RUTH P.C.

By:

Alicia Embley Turner #48675
601 Monroe Street, Suite 301
P.O. Box 537
Jefferson City, MO 65102-0537
Telephone: (573) 634-2266
Fax: (573) 636-3306
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Attorney for Department of Commerce
and Consumer Affairs

BOARD OF PHARMACY
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
STATE OF HAWAII

| | | |
|---|---|---|
| In the Matter of the Miscellaneous Permit of | ) | PHA 2022-57-L |
| | ) | |
| PILLPACK LLC doing business as | ) | SETTLEMENT AGREEMENT PRIOR TO |
| PILLPACK BY AMAZON PHARMACY, | ) | FILING OF PETITION FOR |
| | ) | DISCIPLINARY ACTION AND BOARD'S |
| Respondent. | ) | FINAL ORDER |
| | ) | |
| | ) | |

SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION
FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS' REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"), through its undersigned attorney(s), and Respondent PILLPACK LLC doing business as PILLPACK BY AMAZON PHARMACY (hereinafter "Respondent"), enter into this Settlement Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent was permitted by the Board of Pharmacy (hereinafter the "Board") as a miscellaneous permit holder under permit number PMP 891. The miscellaneous permit was issued on or about October 10, 2013. The miscellaneous permit is set to expire or forfeit on or about December 31, 2023.

2. Respondent's mailing address for purposes of this action is c/o Rafael del Castillo & Associates, AAL, LLLC, 289 Kawaihae Street, #222, Honolulu, Hawaii 96825-1901.



3. On or about May 6, 2022, Amazon.com, Inc. and Amazon Pillpack f/k/a/ Pillpack, LLC entered into a Stipulation of Settlement Agreement ("Stipulation") with the United States of America resolving allegations that from April of 2014 to November of 2019, Amazon.com, Inc. and Amazon Pillpack f/k/a/ Pillpack, LLC submitted reimbursement claims for insulin pens that falsely under-reported the days-of-supply (the number of days the insulin pen should last) and were dispensed substantially earlier that the patients actually needed the refills. This resulted in reimbursement for more insulin than certain patients needed.

4. Respondent reported the Stipulation to the Hawaii Board of Pharmacy in a timely manner.

5. The foregoing allegation, if proven at an administrative hearing before the Board, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes (hereinafter "HRS") § 436B-19(13) (disciplinary action by another state) and § 461-21(a)(2) (professional misconduct), and § 461-21(a)(7) (fraudulent and dishonest dealings).

6. The Board has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENT:

1. Respondent is represented by Rafael del Castillo, Esq., c/o Rafael del Castillo & Associates, AAL, LLLC, 289 Kawaihae Street, #222, Honolulu, Hawaii 96825.

2. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. PHA 2022-57-L.

3. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress, as a compromise of the claims, and to conserve on the expenses of proceeding at an administrative hearing.

4. Respondent is aware of the right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives the right to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

5. Respondent understands that any false or untrue statement or any material misrepresentation or omission of fact by Respondent in this Settlement Agreement may be grounds for further disciplinary action under HRS Chapters 436B and 461.

6. Respondent does not admit to violating any law or rule but acknowledges that RICO alleges that it has sufficient cause to file a Petition for Disciplinary Action against Respondent's miscellaneous permit.

7. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. PHA 2022-57-L, specifically, the Stipulated Settlement with the United States District Court, Southern District of New York (Case 1:19-cv-06717-GHW) and all allegations contained therein.

8. Respondent understands that this Settlement Agreement may be subject to reporting requirements.

9. Respondent understands this Settlement Agreement is public record pursuant to HRS Chapter 92F.

C. TERMS OF SETTLEMENT:

1. Administrative Fine. Respondent agrees to pay a fine in the amount of FIVE HUNDRED AND NO/100 DOLLARS ($500.00). Payment shall be made by **cashier's check or money order made payable to "DCCA - Compliance Resolution Fund"** and mailed to the Regulated Industries Complaints Office, Attn.: Dawnie Ichimura, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment shall be made before RICO submits this Settlement Agreement executed by Respondent's authorized representative(s) to the Board, but no more than thirty (30) calendar days from the date this Settlement Agreement is submitted to RICO by Respondent.

2. Failure to Comply with Settlement Agreement. If Respondent fails to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph C.1 above, Respondent's miscellaneous permit shall be automatically revoked upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondent shall turn in all indicia of the miscellaneous permit to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation. In case of such revocation, Respondent understands Respondent cannot apply for a new miscellaneous permit until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become permitted again, Respondent must apply to the Board for a new miscellaneous permit pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

3. Settlement Agreement Conclusively Resolves the Board's Claims Arising from the Stipulated Settlement (Case No. 1:19-cv-06717-GHW). The Board hereby acknowledges that following the conclusion of this action, the Stipulated Settlement may trigger, or may have already triggered, actions in additional states, and the Board hereby agrees that these actions shall not be deemed to constitute any additional or separate violations of the statutes or administrative rules governing the conduct of miscellaneous permit holders in the state of Hawaii; and that this Settlement Agreement conclusively resolves all claims the Board has or may have in connection with the Stipulated Settlement together with any actions arising as a result or directly therefrom in any other state or jurisdiction.

4. Possible Further Sanction. The Board, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Board



may deem appropriate if Respondent violates any provision of the statutes or rules governing the conduct of miscellaneous permit holders in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

5. Approval of the Board. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.6, C.7, C.8 and C.9 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

6. No Objection if Board Fails to Approve. If the Board does not approve this Settlement Agreement, does not issue an order pursuant thereto, or does not approve a lesser remedy, but instead an administrative hearing is conducted against Respondent in the Board's usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondent on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

7. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.

8. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

9. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly executed by all parties hereto.

D. ADDITIONAL REPRESENTATIONS BY RESPONDENT[1]

1. No Coercion or Duress; No Representations By RICO. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondent to

[1] The term "Respondent" shall mean a single person, but, if more than one person is subject to and executes this Settlement Agreement than the term shall include all such persons unless stated otherwise.

induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

2. Right to Hearing. Respondent is aware Respondent has a right to a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives Respondent's right to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

3. Consent to Settlement Agreement. Respondent acknowledges Respondent is subject to penalties including but not limited to, revocation, suspension or limitation of the license and administrative fines, were the allegations set forth in the Settlement Agreement to be proven at hearing, and enters into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter.

4. Procedure for Approval of Settlement Agreement. Upon filing, this Settlement Agreement will be submitted to the Board. Respondent agrees this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

5. Effect of Rejection of Settlement Agreement. Respondent agrees if the Board does not approve this Settlement Agreement, neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondent on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

6. Grounds for Further Disciplinary Action. Respondent understands the Board may pursue additional disciplinary action as provided by law to include further fines and other sanctions if Respondent violates any provision of applicable licensing statutes or rules or if Respondent fails to abide by the terms of this Settlement Agreement.

7. Corrections to Board Member Names and Titles. Respondent understands this Settlement Agreement will be reviewed by the Board, agrees the Board or RICO staff may update or correct the Board members' name, and waives notice of any such changes.

8. Reporting. Respondent understands that this Settlement Agreement may be subject to reporting requirements and that this Settlement Agreement is public record pursuant to Hawaii Revised Statutes chapter 92F.

9. Disciplinary Action. Respondent acknowledges that upon its approval, this Settlement Agreement shall constitute disciplinary action.

10. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.



IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below. Each signatory to this Agreement hereby represents and warrants that he/she is authorized to execute and deliver this Agreement in the capacity shown below.

DATED: _____ (City), _____ (State), _____ (Date).

PILLPACK LLC
doing business as
PILLPACK BY AMAZON PHARMACY
Respondent

By: _____ (Signature)
_____ (Print Name)
Its _____ (Title)

DATED: Honolulu, Hawaii, _____.

_____
DAWNIE ICHIMURA
Attorney for Department of Commerce
and Consumer Affairs

APPROVED AS TO FORM:

_____
RAFAEL DEL CASTILLO, ESQ.
Attorney for Respondent

IN THE MATTER OF THE MISCELLANEOUS PERMIT OF PILLPACK LLC DOING BUSINESS AS AMAZON PHARMACY; SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER;
RICO CASE NO. PHA 2022-57-L

APPROVED AND SO ORDERED:
BOARD OF PHARMACY
STATE OF HAWAII

| | |
|---|---|
| ALANNA ISOBE<br>Chair | DATE |
| PATRICK ADAMS<br>Vice Chair | MARK BROWN |
| SHERI TOKUMARU | KENT KIKUCHI |
| CATALINA CROSS | BRANDON RABANG |

PVL 11/09/22







## SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into by and between the United States of America, acting through the United States Department of Justice and its Drug Enforcement Administration ("DEA") (collectively, the "United States"), and PILLPACK LLC DBA PILLPACK BY AMAZON PHARMACY ("PILLPACK") (collectively the "Parties").

**Recitals**

A. PILLPACK is an online pharmacy located at 250 Commercial Street, Suite 2012, Manchester, NH 03101 and has been assigned DEA# FP4013633 and registrant category "Retail Pharmacy."

B. Each DEA registrant is required to conduct its operations in accordance with the Controlled Substances Act (the "CSA"), 21 U.S.C. § 801, *et seq.*, and the regulations promulgated thereunder.

C. The DEA is the Department of Justice component agency primarily responsible for enforcing the CSA and is vested with the responsibility for investigating violations of the CSA.

D. The United States contends that, during the period from February 9, 2019, through October 28, 2020 (the "Covered Time Period"), PILLPACK violated the CSA and its implementing regulations by engaging in the alleged conduct described in the United States' Statement of Relevant Conduct set forth in Attachment 1. The conduct alleged in Attachment 1 is referred to below as the "Covered Conduct." The Covered Conduct does not involve any Schedule II controlled substances.

E. PILLPACK contends that, notwithstanding the allegations of Covered Conduct in Attachment 1, PILLPACK is dedicated to compliance with the CSA and maintains

significant protocols to ensure such compliance. These protocols include, without limitation: requiring employees to receive comprehensive training on controlled substances compliance; proactive monitoring of PILLPACK's controlled substance inventory through regular audits; robust recordkeeping policies for controlled substances; and policies requiring prompt investigation and reporting of any theft or significant loss of controlled substances in writing to the DEA and any other required state authorities.

F. This Agreement shall not be construed as an admission of liability by PILLPACK, nor a concession by the United States that its claims are not well founded.

G. In consideration of the mutual promises and obligations of this Agreement, the Parties agree and covenant as follows:

**Terms of Agreement**

1. No later than 10 days after the date on which this Agreement is signed by all Parties, PILLPACK shall pay the United States Three Hundred Thousand Dollars ($300,000.00) (the "Settlement Amount"). Payment of the Settlement Amount shall be by electronic funds transfer in accordance with written instructions from the United States Attorney's Office for the District of New Hampshire.

2. Subject to the exceptions in Paragraph 5 (concerning excluded claims), and conditioned upon the United States' receipt of the Settlement Amount, the United States releases PILLPACK, including its parents, subsidiaries and corporate predecessors, successors and assigns, and all of its current and former officers, directors, agents, employees, and attorneys from any civil or administrative claims the United States has, could have, or may assert in the future related to the Covered Conduct under the CSA.

3. PILLPACK releases the United States and its agencies, officers, agents,





employees, and servants, from any claims (including for attorney's fees, costs, and expenses of every kind and however denominated) that PILLPACK has asserted, could have asserted, or may assert in the future against the United States or its agencies, officers, agents, employees, or servants, related to the Covered Conduct and the United States' investigation and prosecution thereof.

4. Nothing in this Agreement derogates the requirements imposed upon PILLPACK pursuant to all applicable federal, state, and local laws and regulations, including but not limited to the requirements set forth in Title 21 of the United States Code and the regulations promulgated thereunder.

5. Notwithstanding the releases given in Paragraph 3 of this Agreement, or any other term of this Agreement, the following claims of the United States are specifically reserved and are not released by this Agreement:

a. Any liability arising under Title 26 of the United States Code (Internal Revenue Code);

b. Any criminal liability;

c. Any administrative claim or enforcement right of any federal agency other than the DEA, including any suspension or debarment rights (to the extent applicable);

d. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;

e. Any liability based upon obligations created by this Agreement;

e. Any personal liability of individuals based on conduct outside of their official capacities.

6. The United States reserves the right to seek injunctive relief pursuant to Section 843(f) of Title 21 of the United States Code if PILLPACK fails to pay the Settlement Amount.

7. PILLPACK waives and shall not assert any defenses it might have to any

criminal prosecution or to any administrative action brought by a federal agency other than the DEA relating to the Covered Conduct that are based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment or the Excessive Fines Clause in the Eighth Amendment of the United States Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action.

8. The parties and signatories to this Agreement represent that they freely and voluntarily enter into this Agreement without any degree of duress or compulsion.

9. This Agreement is intended to be for the benefit of PILLPACK only; it does not create any rights or benefits as to third parties. PILLPACK does not release any claims against any other person or entity.

10. This Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the District of New Hampshire. This Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

11. This Agreement constitutes the complete agreement between the Parties. This Agreement may be amended only by a writing signed by all Parties.

12. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the Parties.

13. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same agreement.

14. This Agreement is binding on PILLPACK's successors, transferees, and assigns.



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15. Nothing in this Agreement constitutes an agreement by the United States concerning the characterization of the Settlement Amount for purposes of the Internal Revenue laws, Title 26 of the United States Code.

16. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

17. All parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public, except that any names and contact information of individuals and DEA registration numbers shall be redacted and shall not be disclosed to the public.

18. The Parties may execute this Agreement via facsimile and/or by portable document format (.pdf), both of which shall be deemed the equivalent of an original signature.

[*Rest of page intentionally left blank*]

19. When this Agreement requires notice to the DEA, the persons to be notified will be Frank Borelli (571-362-8810, frank.j.borelli@dea.gov), and Sarah McMenimen (571-362-1286, sarah.e.mcmenimen@dea.gov). When this Agreement requires notice to PILLPACK, the person to be notified will be Christopher J. Morvillo (212-878-3437, Christopher.Morvillo@cliffordchance.com). Either party may change the name and/or contact information of its contact person(s) by so notifying the other party's contact person(s). This Agreement shall be effective on the date of signature of the last signatory to the Agreement ("Effective Date").

**THE UNITED STATES OF AMERICA**

JANE E. YOUNG
United States Attorney

Dated: 6-20, 2023

By: _____
Raphael Katz
Assistant U.S. Attorney
U.S. Attorney's Office
District of New Hampshire

**PILLPACK LLC (DBA PILLPACK BY AMAZON PHARMACY)**

Dated: June 28, 2023

By: DocuSigned by: John Love
95C1D2CA6AB84E7...

Dated: June 28, 2023

By: Glen Donath M.R.
Glen Donath, Esq.
Clifford Chance US LLP
Counsel for PillPack LLC



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M.R. RK ~~DRAFT - FOR SETTLEMENT PURPOSES ONLY - RULE 408~~

**Attachment 1**

**United States' Statement of Covered Conduct**

The United States contends as follows:

1. During the Covered Time Period, PILLPACK stored inventories and records of Schedules III-V controlled substances with other non-controlled substances records, in violation of 21 C.F.R. § 1304.04(h)(3).

2. As of October 28, 2020, PILLPACK's records did not accurately reflect PILLPACK's inventory of certain Schedules III-V controlled substances, in violation of 21 CFR § 1304.21(a). Specifically, PILLPACK possessed fewer quantities of Acetaminophen with Codeine #4, Tramadol, Zolpidem, Butalbital, and Alprazolam than PILLPACK's records indicated and greater quantities of Acetaminophen with Codeine #3, Clonazepam, Lorazepam Carisoprodol, and Lyrica than PILLPACK's records indicated.

## SETTLEMENT AGREEMENT

### I. Recitals

1. Parties. The Parties to this Settlement Agreement (Agreement) are the Office of Inspector General (OIG) of the United States Department of Health and Human Services (HHS) and PillPack LLC (Respondent).[1] OIG and Respondent shall hereafter collectively be referred to as the "Parties."

2. Factual Background and Covered Conduct.

a. On July 19, 2022, Respondent made a submission pursuant to OIG's Self Disclosure Protocol (Protocol), and OIG accepted Respondent into the Protocol on August 11, 2022. The OIG contends that during the period from January 1, 2017, through June 30, 2022, Respondent accepted and honored pharmaceutical manufacturers' copayment coupons and other copayment assistance programs for Federal health care payers. The OIG contends that Respondent offered and paid the remuneration described above in violation of 42 U.S.C. § 1320a-7b(b)(2).

b. On July 27, 2023, Respondent made a second submission pursuant to the Protocol, and OIG accepted Respondent into the Protocol on August 11, 2023. The OIG contends that Respondent knowingly presented to Medicare, Medicaid, and TRICARE claims for items or services that Respondent knew or should have known were not provided as claimed and were false or fraudulent. Specifically, the OIG contends that during the period from November 2, 2017, through January 2, 2023, Respondent provided prescription drugs exceeding the prescribed amount in certain circumstances and billed Medicare, Medicaid, and TRICARE for those prescription drugs.

c. The OIG contends that the conduct described in Sub-paragraphs 2.a and 2.b (hereinafter referred to as the "Covered Conduct") subjects Respondent to civil monetary penalties, assessments, and exclusion under 42 U.S.C. §§ 1320a-7a and 1320a-7(b)(7).

3. No Admission or Concession. This Agreement is neither an admission of liability by Respondent nor a concession by the OIG that its claims are not well-founded.

1 The definition of Respondents includes: Amazon.com, Inc.; Amazon.com Sales, Inc.; Amazon.com Services LLC; Picasso Holdco 2 LLC; Picasso Holdco 1 LLC; PillPack LLC dba PillPack by Amazon Pharmacy; TPEC, LLC; A.E. Pharmacy, LLC dba Amazon Pharmacy #001; AZ Pharmacy, LLC dba Amazon Pharmacy #002; M.N. Pharmacy, LLC dba Amazon Pharmacy #003; I.C. Pharmacy, LLC dba Amazon Pharmacy #004; PillPack LLC dba Amazon #005 (PSE1); PillPack LLC dba Amazon #006 (PIN2); and PillPack LLC dba Amazon Pharmacy #007.



4. Intention of Parties to Effect Settlement. In order to avoid the uncertainty and expense of litigation, the Parties agree to resolve this matter according to the Terms and Conditions below.

### II. Terms and Conditions

5. Payment. Respondent agrees to pay to the OIG $646,096.06 (Settlement Amount) of which $408,979.37 is attributable to the conduct described in Sub-paragraph 2.a, and $237,116.69 (including $158,077.79 in restitution) is attributable to the conduct described in Sub-paragraph 2.b. This payment shall be made by electronic funds transfer pursuant to written instructions to be provided by the OIG to Respondent. Respondent shall make full payment no later than twenty days after the Effective Date.

6. Release by the OIG. In consideration of the obligations of Respondent under this Agreement and conditioned upon Respondent's full payment of the Settlement Amount, the OIG releases Respondent from any claims or causes of action it may have against Respondent under 1320a-7a, and 1320a-7(b)(7) for the Covered Conduct. The OIG and HHS do not agree to waive any rights, obligations, or causes of action other than those specifically referred to in this Paragraph. This release is applicable only to the Respondent and is not applicable in any manner to any other individual, partnership, corporation, or entity.

7. Agreement by Released Parties. Respondent shall not contest the Settlement Amount or any other term of this Agreement in any federal, state, or administrative forum. Respondent waives all procedural rights granted under the exclusion statute (42 U.S.C. § 1320a-7), the CMPL (42 U.S.C. § 1320a-7a) and related regulations (42 C.F.R. Parts 1001, 1003, and 1005), and HHS claims collection regulations (45 C.F.R. Part 30), including, but not limited to, notice, hearing, and appeal with respect to the Settlement Amount.

8. Reservation of Claims. Notwithstanding any term of this Agreement, specifically reserved and excluded from the scope and terms of this Agreement as to any entity or person (including Respondent) are the following:

a. Any criminal, civil, or administrative claims arising under Title 26 U.S. Code (Internal Revenue Code);

b. Any criminal liability;

c. Except as explicitly stated in this Agreement, any administrative liability, including mandatory exclusion from Federal health care programs; and

d. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct.

9. Binding on Successors. This Agreement is binding on Respondent and its successors, heirs, transferees, and assigns.

10. Costs. Each Party to this Agreement shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

11. No Additional Releases. This Agreement is intended to be for the benefit of the Parties only, and by this instrument the Parties do not release any claims against any other person or entity, except as provided in Paragraph 12.

12. Claims Against Beneficiaries. Respondent waives and shall not seek payment, including copay and deductible amounts, for any of the health care billings covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third-party payors based upon the claims defined as Covered Conduct.

13. Effect of Agreement. This Agreement constitutes the complete agreement between the Parties. All material representations, understandings, and promises of the Parties are contained in this Agreement. Any modifications to this Agreement shall be set forth in writing and signed by all Parties. Respondent represents that this Agreement is entered into with advice of counsel and knowledge of the events described herein. Respondent further represents that this Agreement is voluntarily entered into in order to avoid litigation, without any degree of duress or compulsion.

14. Effective Date. The Effective Date of this Agreement shall be the date of signing by the last signatory.

15. Disclosure. Respondent consents to the OIG's disclosure of this Agreement, and information about this Agreement, to the public.

16. Execution in Counterparts. This Agreement may be executed in counterparts, each of which constitutes an original, and all of which shall constitute one and the same agreement.

17. Authorizations. The individuals signing this Agreement on behalf of the Respondent represent and warrant that they are authorized by Respondent to execute this Agreement. The individuals signing this Agreement on behalf of the OIG represent and warrant that they are signing this Agreement in their official capacities and that they are authorized to execute this Agreement.





**RESPONDENTS**

DocuSigned by:
John Love

JOHN LOVE
Vice President of Amazon Pharmacy
On behalf of All Respondents

February 6, 2024
Date

Glen Donath /EG

GLEN DONATH
Clifford Chance US LLP
Counsel for PillPack LLC and
All Respondents

February 6, 2024
Date

**FOR THE OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES**

SUSAN E. GILLIN
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services

Date

ANDREA L. TREESE BERLIN
Senior Counsel
Administrative and Civil Remedies Branch
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services

2/7/2024
Date



**Wire Transfer Instructions for CMS**

| | |
|---|---|
| Subtype/Type Code: | 10 00 |
| Amount: | $646,096.06 |
| Sending Bank Routing Number: | ***(insert the sending bank routing number)*** |
| ABA Number of Receiving Institution: | 021 030 004 |
| Receiver Name: | Treasury NYC |
| Receiving Institution Name: | Federal Reserve Bank of New York |
| Receiving Institution Address: | 33 Liberty Street, New York, NY 10045 |
| Beneficiary Account Number: | 875050080000 |
| Beneficiary Name: | Centers for Medicare & Medicaid Services (CMS) |
| Beneficiary Physical Address: | 7500 Security Blvd., Baltimore, MD 21244 |
| CMS Tax ID Number: | 52-0883104 |
| Federal Reserve Assistance Number: | (212) 720-6130 |
| Re: | PillPack LLC OIG CMP Settlement Payment |

**ACH Transfer Instructions for CMS**

| | |
|---|---|
| Subtype/Type Code: | 10 00 |
| Amount: | $646,096.06 |
| Sending Bank Routing Number: | ***(insert the sending bank routing number)*** |
| ABA Number of Receiving Institution: | 051036706 |
| Receiver Name: | Treasury NYC |
| Receiving Institution Name: | Federal Reserve Bank of New York |
| Receiving Institution Address: | 33 Liberty Street, New York, NY 10045 |
| Beneficiary Account Number: | 875050080000 |
| Beneficiary Name: | Centers for Medicare & Medicaid Services (CMS) |
| Beneficiary Physical Address: | 7500 Security Blvd., Baltimore, MD 21244 |
| CMS Tax ID Number: | 52-0883104 |
| Credit Gateway Customer Care Number: | 1-877-815-1206 |
| Remarks/Explanation of Payment: | PillPack LLC OIG CMP Settlement Payment |

RINA C.Y. CHUNG 8016
Regulated Industries Complaints Office
Department of Commerce and Consumer Affairs
State of Hawaii
Leiopapa A Kamehameha Building
235 South Beretania Street, 9th Floor
Honolulu, Hawaii 96813
Telephone: (808) 586-2660

Attorney for Department of Commerce
and Consumer Affairs



BOARD OF PHARMACY
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
STATE OF HAWAII

| | |
|---|---|
| In the Matter of the Miscellaneous Permit of) | PHA 2023-38-L |
| PILLPACK LLC, doing business as PILLPACK BY AMAZON PHARMACY, | SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER |
| Respondent. | |

SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION
FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS' REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"), through its undersigned attorney(s), and Respondent PILLPACK LLC, doing business as PILLPACK BY AMAZON PHARMACY (hereinafter "Respondent"), enter into this Settlement Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent was permitted by the Hawaii Board of Pharmacy (hereinafter the "Board") as a miscellaneous permit holder under permit number PMP 891. The miscellaneous permit was originally issued on or about October 10, 2013. The miscellaneous permit is set to expire or forfeit on or about December 31, 2025.

2. Respondent's mailing address for purposes of this action is c/o Rafael del Castillo & Associates, AAL, LLLC, 289 Kawaihae Street, #222, Honolulu, Hawaii 96825-1901.







3. On or about June 28, 2023, Respondent Pillpack LLC dba Pillpack by Amazon Pharmacy entered into a Settlement Agreement (hereinafter "Prior Settlement") with the United States of America resolving allegations that from February 9, 2019, through October 28, 2020, Pillpack LLC dba Pillpack by Amazon Pharmacy violated the Controlled Substances Act, 21 U.S.C. § 801 *et seq.*, because Respondent's records did not accurately reflect Respondent's inventory of certain Schedule III-V controlled substances: Acetaminophen with Codeine #4; Tramadol; Zolpidem; Butalbital; Alprazolam; Acetaminophen with Codeine #3; Clonazepam; Lorazepam; Carisoprodol; and Lyrica. The alleged conduct does not involve any Schedule II substances. The Prior Settlement is not an admission of liability by Respondent.

4. Respondent reported the Prior Settlement to the Board in a timely manner.

5. The foregoing allegation, if proven at an administrative hearing before the Board, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes (hereinafter "HRS") § 436B-19(13) (disciplinary action by a federal agency); HRS § 461-21(a)(5) (violation of a federal controlled substance law); and Hawaii Administrative Rules (hereinafter "HAR") § 16-95-110(a)(12) (violation of a federal controlled substance law).

6. The Board has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENT:

1. Respondent is represented by Rafael del Castillo, Esq., c/o Rafael del Castillo & Associates, AAL, LLLC, 289 Kawaihae Street, #222, Honolulu, Hawaii 96825.

2. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. PHA 2023-38-L.

3. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress, as a compromise of the claims, and to conserve on the expenses of proceeding at an administrative hearing.

4. Respondent is aware of the right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives the right to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

5. Respondent understands that any false or untrue statement or any material misrepresentation or omission of fact by Respondent in this Settlement Agreement may be grounds for further disciplinary action under HRS Chapters 436B and 461.

6. Respondent does not admit to violating any law or rule but acknowledges that RICO alleges that it has sufficient cause to file a Petition for Disciplinary Action against

Respondent's miscellaneous permit.

7. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. PHA 2023-38-L, specifically, the Prior Settlement with the United States Department of Justice through the United States Attorney's Office for the District of New Hampshire and all allegations contained therein.

8. Respondent understands that this Settlement Agreement may be subject to reporting requirements.

9. Respondent understands this Settlement Agreement is a public record pursuant to HRS Chapter 92F.

C. TERMS OF SETTLEMENT:

1. Administrative Fine. Respondent agrees to pay a fine in the amount of FIVE HUNDRED AND NO/100 DOLLARS ($500.00). Payment shall be made by **cashier's check or money order made payable to "DCCA - Compliance Resolution Fund"** and mailed to the Regulated Industries Complaints Office, Attn.: Rina C.Y. Chung, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment shall be made before RICO submits this Settlement Agreement executed by Respondent's authorized representative(s) to the Board, but no more than thirty (30) calendar days from the date this Settlement Agreement is submitted to RICO by Respondent.

2. Failure to Comply with Settlement Agreement. If Respondent fails to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph C.1 above, Respondent's miscellaneous permit shall be automatically revoked upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondent shall turn in all indicia of the miscellaneous permit to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation. In case of such revocation, Respondent understands that Respondent cannot apply for a new miscellaneous permit until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become permitted again, Respondent must apply to the Board for a new miscellaneous permit pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at that time.

3. Settlement Agreement Conclusively Resolves the Board's Claims Arising from the Prior Settlement with the United States Department of Justice through the United States Attorney's Office for the District of New Hampshire. The Board hereby acknowledges that following the conclusion of this action, the Prior Settlement may trigger, or may have already triggered, actions in additional states, and the Board hereby agrees that these actions shall not be deemed to constitute any additional or separate violations of the statutes or administrative rules governing the conduct of miscellaneous permit holders in the state of Hawaii; and that this Settlement Agreement conclusively resolves all claims the Board has or may have in connection with the Prior Settlement together with any actions arising as a result or directly therefrom in any





other state or jurisdiction.

4. Possible Further Sanction. The Board, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Board may deem appropriate if Respondent violates any provision of the statutes or rules governing the conduct of miscellaneous permit holders in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

5. Approval of the Board. Respondent agrees that, except for the representations, agreements, and covenants contained in Paragraphs C.6, C.7, C.8, and C.9, below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

6. No Objection if Board Fails to Approve. If the Board does not approve this Settlement Agreement, does not issue an order pursuant thereto, or does not approve a lesser remedy, but instead an administrative hearing is conducted against Respondent in the Board's usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondent on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

7. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.

8. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion, or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation, opinion, or promise made by RICO or any of its agents, employees, representatives, or attorneys concerning the nature, extent, or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

9. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities, and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed, or amended by written instrument duly executed by all parties hereto.

D. ADDITIONAL REPRESENTATIONS BY RESPONDENT[1]

1. No Coercion or Duress; No Representations By RICO. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress.

[1] The term "Respondent" shall mean a single person; but if more than one person is subject to and executes this Settlement Agreement, then the term shall include all such persons unless stated otherwise.

Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion, or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation, opinion, or promise made by RICO or any of its agents, employees, representatives, or attorneys concerning the nature, extent, or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

2. Right to Hearing. Respondent is aware that Respondent has a right to a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives Respondent's right to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

3. Consent to Settlement Agreement. Respondent acknowledges that Respondent is subject to penalties, including but not limited to revocation, suspension, or limitation of the license, and administrative fines, were the allegations set forth in this Settlement Agreement to be proven at hearing, and enters into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter.

4. Procedure for Approval of Settlement Agreement. Upon filing, this Settlement Agreement will be submitted to the Board. Respondent agrees that this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

5. Effect of Rejection of Settlement Agreement. Respondent agrees that if the Board does not approve this Settlement Agreement, neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondent on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

6. Grounds for Further Disciplinary Action. Respondent understands that the Board may pursue additional disciplinary action as provided by law to include further fines and other sanctions if Respondent violates any provision of applicable licensing statutes or rules or if Respondent fails to abide by the terms of this Settlement Agreement.

7. Corrections to Board Member Names and Titles. Respondent understands that this Settlement Agreement will be reviewed by the Board, agrees that the Board or RICO staff may update or correct a Board member's name as appropriate, and waives notice of any such changes.

8. Reporting. Respondent understands that this Settlement Agreement may be subject to reporting requirements and that this Settlement Agreement is a public record pursuant to HRS Chapter 92F.

9. Disciplinary Action. Respondent acknowledges that upon its approval, this Settlement Agreement shall constitute disciplinary action.





10. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.

IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below. Each signatory to this Agreement hereby represents and warrants that he/she is authorized to execute and deliver this Agreement in the capacity shown below.

DATED: Danville (City), California (State), January 7, 2024 (Date).

PILLPACK LLC doing business as
PILLPACK BY AMAZON PHARMACY
Respondent

By: DocuSigned by: Kelvin Downes (he/him) (Signature)

Kelvin Downes (he/him)
(Print Name)

Its Director

DATED: Honolulu, Hawaii, FEB 16 2024.

RINA C.Y. CHUNG
Attorney for Department of Commerce
and Consumer Affairs

APPROVED AS TO FORM:

RAFAEL DEL CASTILLO, ESQ.
Attorney for Respondent

IN THE MATTER OF THE MISCELLANEOUS PERMIT OF PILLPACK LLC DOING BUSINESS AS PILLPACK BY AMAZON PHAMACY ; SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER; RICO CASE NO. PHA 2023-38-L

IN THE MATTER OF THE MISCELLANEOUS PERMIT OF PILLPACK LLC
DOING BUSINESS AS PILLPACK BY AMAZON PHARMACY ;
SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR
DISCIPLINARY ACTION AND BOARD'S FINAL ORDER; RICO CASE NO. PHA 2023-38-L

APPROVED AND SO ORDERED:
BOARD OF PHARMACY
STATE OF HAWAII

ALANNA ISOBE
Chair

4/18/24
DATE

PATRICK ADAMS
Vice Chair

MARK BROWN

SHERI TOKUMARU

KENT KIKUCHI

CATALINA CROSS

BRANDON RABANG

PVL 11/09/22



**STATE OF ILLINOIS**
**DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION**
**DIVISION OF PROFESSIONAL REGULATION**

| | | |
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| DIVISION OF PROFESSIONAL REGULATION OF THE ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, COMPLAINANT, | ) | |
| V. | ) | NO. 2023-00231 |
| PILLPACK, LLC, DBA PILLPACK BY AMAZON PHARMACY, LICENSE NO. 054.021076, RESPONDENT. | ) | |

**CONSENT ORDER**

The Division of Professional Regulation of the Illinois Department of Financial and Professional Regulation ("Department"), by its attorney Sean O'Connell, and Respondent PillPack LLC d/b/a PillPack by Amazon Pharmacy ("Respondent"), by its attorney Alex Cooper, hereby agree to the following:

**STIPULATIONS**

Respondent holds Illinois licensed pharmacy license. no. 054.021076 issued by the Department which is presently in Active status. On or about November 2, 2021, Respondent entered an agreed order with the Texas Board of Pharmacy which resulted in the reprimand of Respondent's Texas pharmacy license after an investigation revealed Respondent incorrectly verified the data entry for a patient's new facsimile prescription. On April 29, 2022, Respondent entered into a stipulated agreement with the United States Southern District of New York resolving allegations that Respondent violated the False Claims Act by submitting to Government Healthcare Programs, including Medicare, Medicaid, TRICARE, and the Federal Employers Health Benefits Program, reimbursement claims for insulin pens that falsely under-reported the days-of-supply that were dispensed substantially earlier than the patients actually needed insulin

pen refills according to the prescribers' instructions; and that, due to this practice, the Government Healthcare Programs reimbursed Defendant for more than certain patients needed. Under this stipulated agreement, Respondent agreed to pay the sum of $5,616,136.85 to the United States and a total of $175,522.55 to the certain states. On or about June 29, 2023, Respondent entered into a Settlement Agreement with the United States Government in which Respondent agreed to pay the United States $300,000 to resolve allegations that Respondent stored inventories and records of Schedules III-V controlled substances with other non-controlled substances and that Respondent's records did not accurately reflect its inventory of certain Schedule III-V controlled substances. Respondent did not admit liability as part of this agreement. In order to resolve this case without proceeding to hearing, Respondent does not contest the Department's position that the above actions against Respondent constitute grounds for disciplinary action against Respondent's Illinois licensed pharmacy license no. 054.021076 on the authority of the Illinois Pharmacy Practice Act ("Act") at 225 ILCS 85/30(a)(8),225 ILCS 85/30(a)(7),225 ILCS 85/30(a)(2), and 225 ILCS 85/30(a)(19).

Pursuant to 68 IAC 1130.300(b) the following factors are considered in mitigation: (a) Respondent cooperated with the Department and (b) Respondent properly self-reported all of the aforementioned agreements to the Department.

At all times material to the matter set forth in this Consent Order, the Department had jurisdiction over the subject matter and the parties herein. Respondent has been advised of the right to have any allegation(s) reduced to written charges, to an attorney, to a hearing where the Department bears the burden to prove its allegations by clear and convincing evidence, to contest any charges brought and present mitigating evidence, and to administrative review of any order resulting from a hearing. Respondent knowingly waives each of these rights, as well as any right





to administrative review of this Consent Order. Such waiver ceases if this Consent Order is rejected by the Director or the Illinois State Board of Pharmacy ("Board"). Respondent acknowledges that it has entered into this Consent Order freely and of Respondent's own will without threat or coercion by the Department or any person, and has not relied upon any representation made by or on behalf of the Department other than those specifically included herein. Respondent acknowledges that the Department attorney may be requested to communicate with the Board or Director in furtherance of the approval of this Consent Order. Respondent acknowledges that this Consent Order will be presented to the Director. If this Consent Order is not approved, Respondent waives any right to raise any prejudice resulting from the Director's consideration of this Consent Order. Respondent understands that this Consent Order is not effective unless and until it is adopted by the Director. A copy of any original signature(s) affixed to this Consent Order shall be given the full force and effect of an original signature(s) affixed to this Consent Order.

Respondent and the Department agree, in order to resolve this case, that the Respondent be permitted to enter into a Consent Order with the Department, on behalf of the State of Illinois, providing for the terms and conditions contained herein which are fair and equitable in the circumstances and which are consistent with the best interests of the people of the State of Illinois.

**CONDITIONS**

Wherefore, the Department, by its attorney Sean O'Connell, and PillPack LLC d/b/a PillPack by Amazon Pharmacy, by its attorney Alex Cooper, agree:

A. Respondent's licensed pharmacy license no. 054.021076 shall be reprimanded.

B. Respondent shall pay a one hundred and twenty-five thousand dollars ($125,000.00 USD) disciplinary fine within sixty (60) days of the effective date of this Consent Order. The fine is to be paid by personal check, cashier's check, company check, or personal money order. Said

monetary instrument shall be made payable to "Illinois Department of Financial and Professional Regulation," clearly indicate on the face of the monetary instrument Respondent's license number of 054.021076 and this case number of 2023-00231, and be mailed to the following address:

Illinois Department of Financial and Professional Regulation
SSC – Accounts Receivable Section - Fines
P.O. Box 7086
Springfield, IL 62791-7086

C. Respondent agrees that any violation of this Consent Order permits the Director to issue an Order forthwith mandating the automatic, indefinite, and immediate suspension of Respondent's license for a minimum period of twelve (12) months. This suspension shall not preclude the Department from taking any other disciplinary or other action it deems appropriate related to violations of this Consent Order. In the event Respondent contests in writing (by the filing with the Department within thirty (30) days the effective date of the suspension a Petition complying with the Department's Rules of Practice in Administrative Hearings) the factual basis underlying said suspension, then Respondent shall be afforded a hearing on the merits in accordance with the Department's Rules of Practice in Administrative Hearings, 68 Ill. Admin. Code 1110/*et seq.*

D. Respondent acknowledges that this Consent Order is a public disciplinary action and will be made available to the public. It will be reported to all applicable reporting databases.

E. Except for violations of this Consent Order pursuant to Paragraph C, the Department, as well as the Illinois State Board of Pharmacy, shall be precluded from taking any additional disciplinary action against Respondent related to the conduct covered by this Consent Order.

F. This Consent Order is a final administrative order. The effective date of this Consent Order is the date the Director signs unless otherwise stated herein.





*Signatures on the following page.*

1/23/25
Date

Sean O'Connell
Department Attorney Sean O'Connell

12/31/24
Date

PillPack LLC d/b/a PillPack by Amazon Pharmacy
Respondent

12/30/24
Date

Respondent's Attorney

1/15/25
Date

Denise Scapelli
Illinois State Board of Pharmacy Member

The foregoing Consent Order is approved in full.

DATED THIS 19th day of February 2025

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
SECRETARY MARIO TRETO, JR.

Camile Lindsay
Director Camile Lindsay
Division of Professional Regulation

Case No. 2023-00231
License No.: 054.021076







**IN THE MATTER OF:**

**Pillpack by Amazon Pharmacy**
250 Commercial Street, Suite 2012
Manchester, NH 03101

**CASE NO. A-2024-0423**

**License No. 02-2362400**

**SETTLEMENT AGREEMENT WITH THE OHIO BOARD OF PHARMACY**

This Settlement Agreement (Agreement) is entered into by the Ohio Board of Pharmacy (Board) and Pillpack by Amazon Pharmacy (Pillpack) for the purpose of resolving all issues between the parties relating to the Board investigation of a settlement agreement between Pillpack and the Office of the Inspector General (OIG) of the U.S. Department of Health and Human Services (HHS) involving the dispensation of medication in excess of the prescribed quantity. Together, the Board and Pillpack are referred to hereinafter as "the parties."

**JURISDICTION**

1. Pursuant to Section 4729.57 of the Ohio Revised Code and the rules adopted thereunder, the Board has the authority to suspend, revoke, restrict, limit or refuse to grant or renew any license issued pursuant to Section 4729.54 of the Ohio Revised Code.

2. Pillpack by Amazon Pharmacy is a licensed Terminal Distributor of Dangerous Drugs under license number 02-2362400.

**FACTS**

1. The Board initiated an investigation of Pillpack by Amazon Pharmacy, Terminal Distributor of Dangerous Drugs license number 02-2362400, related to Pillpack's settlement agreement with the OIG of HHS involving the dispensation of medication in excess of the prescribed quantity.

2. On or about February 20, 2025, the Board sent a Notice of Opportunity for Hearing to Pillpack, which outlined the allegations and provided notice of its right to a hearing, its rights in such hearing, and its right to submit contentions in writing.

3. On or about March 21, 2025, Pillpack, through counsel Hunter G. DeKoninck, timely requested an administrative hearing, which was subsequently scheduled for August 5, 2025. WHEREFORE,

77 S. High Street, 17th Floor
Columbus, OH 43215 U.S.A.
Phone: 614 | 466 4143
Fax: 614 | 752 4836

the parties desire to resolve the issues relating to the above-referenced findings without resorting to further administrative proceedings.

**TERMS**

NOW THEREFORE, in consideration of the mutual promises herein expressed, the parties knowingly and voluntarily agree as follows:

1. The recitals set forth above are incorporated in this Settlement Agreement as though fully set forth herein.

2. Pillpack neither admits nor denies the allegations stated in the Notice of Opportunity for Hearing letter dated February 20, 2025; however, the Board has evidence sufficient to sustain the allegations, finds them to violate Ohio's pharmacy law as set forth in the Notice, and hereby adjudicates the same.

3. Pillpack agrees to pay to the Board a monetary penalty the amount of $5,000. This fine will be attached to your license record and must be paid no later than 180 days from the effective date of this Agreement. To pay this fine you must login to www.elicense.ohio.gov and process the items in your cart.

4. The Board hereby imposes a written reprimand on Pillpack's TDDD license, number 02-2362400.

5. Pillpack agrees and acknowledges that this Board action must be disclosed to the proper licensing authority of any state or jurisdiction, as required by any such state or jurisdiction, in which it currently holds a professional license, including the Board on renewal applications or applications for a new license.

6. Pillpack agrees to comply with all federal and state requirements related to Terminal Distributors of Dangerous Drugs, including but not limited to, Ohio Revised Code Chapter 4729. and the Rules adopted thereunder, Chapter 3719. and the Rules adopted thereunder, Chapter 3715. and the Rules adopted thereunder as well as the "Federal Food, Drug, and Cosmetic Act," 52 Stat. 1040 (1938), 21 U.S.C.A. 301 and Chapter 21, Section 360 of the United States Code, and Section 207.20 of the Code of Federal Regulations. Any violation by Pillpack of the terms of one or more federal or state requirements may constitute sufficient grounds for further enforcement action related to any licenses granted Pillpack by the Board and will NOT discharge Pillpack from any obligation under the terms of this Agreement.

7. Pillpack agrees to pay all reasonable costs associated with the collection of any payment, and of the prosecution of any violation of this Agreement.

8. Pillpack understands that it has the right to be represented by counsel for review and execution of this agreement.

9. This Agreement is binding upon any and all successors, assigns, affiliates, and subsidiaries of the parties or any other corporation through whom or with whom Pillpack will operate.



10. Pillpack explicitly withdraws its request for a hearing, waives its right to a hearing and an opportunity to be heard pursuant to Chapter 119. of the Ohio Revised Code, and waives any right to an appeal.

11. This Agreement may be executed in counterparts or facsimiles, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

12. All parties to this Agreement understand that this document is a public record pursuant to Ohio Revised Code Section 149.43.

13. This Agreement contains the entire agreement between the parties, there being no other agreement of any kind, verbal or otherwise, which varies the terms of this Agreement.

14. If any of the provisions, terms, or clauses of this Agreement are declared illegal, unenforceable, or ineffective by an authority of competent jurisdiction, those provisions, terms, and clauses shall be deemed severable, such that all other provisions, terms, and clauses of this Agreement shall remain valid and binding upon both Parties.

15. This Agreement shall become effective upon the date of the Board President's signature below.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the parties to this Agreement have executed it and/or cause it to be executed by their duly authorized representatives.

Approved by:

Bethany Francis

Bethany Francis, RPh, on behalf of Pillpack by Amazon, Respondent

11/21/25

Date of Signature

Robert P. Giacalone, Attorney for Respondent

11/21/25

Date of Signature

Jeff Huston, RPh, President, Ohio Board of Pharmacy

11/24/2025

Date of Signature



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Agenda Book Submission: Proposed Amendment to NAC 639
TO: Nevada State Board of Pharmacy
FROM: Patient Advocate

SUBJECT: Concentrated Proposal for Agenda Book - Amending Delivery Protections

1. Objective: To extend the existing temperature-monitoring safeguards currently mandated inside physical pharmacy departments to the "last-mile" delivery of life-sustaining, temperature-sensitive biological medications to Nevada patients.

2. Proposed Regulatory Amending Language: The Petitioner requests that the Board amend Nevada Administrative Code (NAC) 639 by adding a new subsection to the existing regulatory framework established under NAC 639.426 to read as follows: "Upon the request of a patient or a caregiver, an Internet or specialty pharmacy delivering a prescription drug requiring refrigeration to a location within the State of Nevada must include an objective physical temperature-monitoring device (such as a chemical temperature indicator tag, strip, or digital log) within the individual shipment. The device must provide immediate visual verification to the recipient that the medication has maintained proper cold chain integrity during the entire duration of transit."

1. Rationale & Statutory Precedent

- Consistency in Existing Law: Under NAC 639.525, the Board already recognizes that physical temperature storage controls—specifically requiring a functional refrigerator equipped with a thermometer—are non-negotiable standards required to protect drug safety inside physical pharmacy facilities [NAC 639.525]. Extending this exact same principle to the patient's doorstep is a logical and necessary public health step; an Internet pharmacy operating via delivery fulfills the same medical purpose as a brick-and-mortar facility, and must be held to the same rigorous safety standards to ensure continuity of care up until the moment the patient or caregiver receives the drug.
- The "Texas Compromise" Framework: During the rulemaking process for Texas Rule §291.12, major pharmaceutical networks and delivery stakeholders initially expressed valid concerns regarding the operational bottlenecks and high costs of universal electronic tracking requirements. However, through collaboration, the industry agreed that a flexible approach—incorporating low-cost, drop-in chemical temperature tags or strips—is a highly positive, viable standard of care that protects public health without disrupting high-volume fulfillment workflows.
- Addressing the "Out of Scope" Reality: Certified Internet pharmacies utilize excellent, laboratory-tested "pre-qualified" box configurations. However, United States Pharmacopeia (USP) guidelines explicitly acknowledge that "...in cases when monitoring was not implemented due to qualifications and risk assessments, these delays might be out of scope due to the qualification parameters." When an unpreventable courier transit delay occurs, the packaging's laboratory certification becomes null and void through no fault of the pharmacy. At that exact moment, a physical indicator serves as a critical safety net, providing empirical data when static box qualifications expire.
- A Balanced, Choice-Based Model (Zero Corporate Burden): Shifting to an opt-in model ensures that pharmacies face no universal or mandatory overhead for standard shipments. Because the safeguard applies strictly at the request of the patient or caregiver, it places zero financial or operational burden on routine, high-volume pharmacy operations. It limits the use of indicators to high-risk, high-dollar biological shipments where families require strict safety verification,

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while remaining completely cost-neutral for standard Internet workflows.

- Preventing Clinical Harm and Adverse Reactions: When complex biological proteins denature due to extreme heat exposure, they do not merely lose effectiveness; they can chemically alter. Administering a degraded biologic to a vulnerable patient can trigger severe adverse immune responses, ranging from sudden therapeutic failure to acute anaphylaxis. Because these molecular changes are invisible to the naked eye, a visual temperature indicator is a necessary clinical tool to protect the patient from severe health risks and ensure that caregivers are never placed in a position where they are expected to make a clinical decision that is entirely out of their scope. Caregivers and patients are not pharmacists, nor are they drug manufacturers; they should never be left guessing whether or not a compromised medication is safe to administer.
- Relieving the Burden of Proof & Reducing Waste: Currently, when an expensive biological drug faces a shipping delay and arrives with soft gel packs, the burden of proving the medication is safe falls entirely on the caregiver based on visual guesswork. A low-cost visual sticker eliminates the guesswork. If the sticker remains clear, the patient can confidently use the medication, preventing the catastrophic waste of a highly expensive drug. If it triggers, both the patient and the pharmacy have immediate, objective proof of a threshold breach.

(ii) for a single dose of a controlled substance that is for administration to the patient in the prescriber's office;

(B) residence of the person for whom the prescription was issued;

(C) place of employment of the person for whom the prescription was issued, if the person is present to accept delivery; or

(D) hospital or medical care facility in which the patient is receiving treatment.

(c) A pharmacist or pharmacy by use of unmanned aircraft systems (i.e., "drones"), at the request of a patient or patient's agent, may deliver prescription drugs, excluding controlled substances or sterile compounded preparations, to a selected delivery location mutually agreed upon by the patient and the pharmacist using the pharmacist's professional judgment.

**§291.10 Pharmacy Balance Registration/Inspection**

(a) Definitions. The following words and terms, when used in this section, shall have the following meanings, unless the context clearly indicates otherwise. Pharmacy balance--An instrument for weighing including balances and scales.

(b) Registration.

(1) A pharmacy shall annually or biennially register each pharmacy balance. The fee for the annual registration shall be $12.50 per pharmacy balance. The fee for the biennial registration shall be $25.00 per pharmacy balance.

(2) The expiration date for pharmacy balance registrations shall coincide with the pharmacy license expiration date.

(c) Inspection.

(1) The Board shall periodically inspect pharmacy balances to verify accuracy.

(2) If a pharmacy balance fails the accuracy inspection, the following is applicable.

(A) The pharmacy balance may not be used until it is repaired by an authorized repair person.

(B) A tag indicating that the pharmacy balance failed the inspection and may not be used shall be placed on the pharmacy balance.

**§291.11 Operation of a Pharmacy**

(a) For the purposes of §565.002(a)(7) of the Texas Pharmacy Act, the following words and terms shall be defined as follows.

(1) "Failure to engage in the business described in the application for a license" means the holder of a pharmacy license has not commenced operating the pharmacy within six months of the date of issuance of the license.

(2) "Ceased to engage in the business described in the application for a license" means the holder of a pharmacy license, once it has been in operation, discontinues operating the pharmacy for a period of 30 days or longer unless the pharmacy experiences a fire or disaster, in which case the pharmacy must comply with §291.3(g) of this title (relating to Required Notifications).

(b) For the purposes of this section, the term "operating the pharmacy" means the pharmacy shall demonstrate observable pharmacy business activity on a regular, routine basis, including a sufficient number of transactions of receiving, processing, or dispensing prescription drug orders or medication drug orders.

(c) No person may operate a pharmacy in a personal residence.

**§291.12 Delivery of Prescription Drugs**

(a) Applicability. This section applies to the delivery of prescription drugs by a pharmacy licensed by the board as a Class A, Class A-S, Class E, or Class E-S pharmacy.

(b) Definitions.

(1) Common carrier--A person or entity who holds out to the general public a willingness to provide transportation of property from place to place for compensation in the normal course of business.

(2) Contract carrier--A person or entity who provides to industrial customers, pursuant to the terms of a bilateral agreement, the transportation of property for compensation in the normal course of business.

(c) Delivery by common or contract carrier. A pharmacy may deliver prescription drugs by use of a common or contract carrier as provided in §291.9 of this title (relating to Prescription Pick Up Locations) on request of the patient or patient's agent. A pharmacy that delivers prescription drugs by use of a common or contract carrier providing a same-day courier service is not subject to subsection (c) of this section and shall comply with subsection (d) of this section.

(1) Standards. The pharmacy shall ensure that all prescription drugs are delivered to the patient or patient's agent in accordance with nationally recognized standards, such as those of the manufacturer or the United States Pharmacopeia. The pharmacy is responsible for any problems in the delivery of a prescription drug by a contract carrier.

(2) Packaging. The pharmacy shall ensure that prescription drugs are packaged in commercially available tamper evident packaging.

(3) Temperature. The pharmacy shall ensure that any prescription drug delivered by a common or contract carrier is packaged in a manner that maintains a temperature range appropriate for the drug. This may include, without limitation, use of temperature tags, time temperature strips, insulated packaging, gel ice packs, or a combination of these as necessary.

(4) Irregularity in delivery. The pharmacy shall provide a method by which a patient or patient's agent can notify the pharmacy as to any irregularity in the delivery of the patient's prescription, to include but not be limited to:

(A) timeliness of delivery;

(B) condition of the prescription drug upon delivery; and

(C) failure to receive the proper prescription drug.

(5) Refusal to deliver. The pharmacy shall refuse to deliver by common or contract carrier a prescription drug which in the professional opinion of the dispensing pharmacist may be clinically compromised by delivery by common or contract carrier.

(d) Delivery by pharmacy employee or common or contract carrier providing a same-day courier service. A pharmacy may deliver prescription drugs by means of its employee or a common or contract carrier providing a same-day courier service as provided in §291.9 of this title on request of the patient or patient's agent.

(1) Standards. The pharmacy is responsible for any problems in the delivery of the prescription drug.

(2) Temperature. The prescription drug shall be maintained within the temperature range allowed by the United States Pharmacopeia or recommended by the manufacturer until the delivery has been received by the patient or patient's agent.

(e) Delivery by unmanned aircraft systems (i.e., "drones"). A pharmacy may deliver prescription drugs, excluding controlled substances or sterile compounded preparations, by use of a common or contract carrier providing an unmanned aircraft system delivery service as provided in §291.9 of this title on request of the patient or patient's agent.

(1) Standards. Unmanned aircraft systems shall maintain appropriate federal registration and comply with all state and federal laws and rules. The pharmacy shall ensure that all prescription drugs are delivered to the patient or patient's agent in accordance with nationally recognized standards, such as those of the manufacturer or the United States Pharmacopeia. The pharmacy is responsible for any problems in the delivery of the prescription drug.

(2) The pharmacist-in-charge is responsible for developing written policies and procedures regarding prescription drug delivery in accordance with this subsection to be used by pharmacy personnel to include, but not be limited to, the following:

(A) training pharmacy personnel engaged in preparing and packaging prescription drugs for delivery;

(B) packaging prescription drugs for delivery;

(C) verification of the correct recipient and delivery address;

(D) maintaining the confidentiality of prescription records;

(E) secure transfer of prescription drugs from the pharmacy;

(F) provision of patient counseling;

(G) remediation of errors in delivery or adverse events; and

(H) recordkeeping.

(3) Packaging. The pharmacy shall ensure that prescription drugs are packaged in commercially available tamper evident packaging.

(4) Temperature. The pharmacy shall ensure that any prescription drug delivered by a common or contract carrier providing an unmanned aircraft system delivery service is packaged in a manner that maintains a temperature range appropriate for the drug. This may include, without limitation, use of temperature tags, time temperature strips, insulated packaging, gel ice packs, or a combination of these as necessary.

(5) Records. The pharmacy shall document each change in the chain of custody of a prescription drug, including departure of the prescription drug from the pharmacy, transfer to the person or entity fulfilling delivery, and delivery to the patient.

(6) Confirmation of presence at selected delivery location. The pharmacy shall receive confirmation from the patient or patient's agent that the patient or patient's agent is present at the selected delivery location before unmanned aircraft system delivery is initiated.

(7) Security. The pharmacy must ensure that delivery is made to a reasonably secure location at the selected delivery location that minimizes the opportunity for unauthorized access to prescription drugs and confidential prescription records.

(f) All deliveries. A pharmacy that delivers prescription drugs by common or contract carrier, by pharmacy employee or common or contract carrier providing a same-day courier service, or by common or contract carrier providing an unmanned aircraft system delivery service shall also comply with the following:

(1) Counseling information. The pharmacy shall comply with the requirements of §291.33(c)(1)(F) of this title (relating to Operational Standards).

(2) Notification of delivery. The pharmacy shall notify the patient or patient's agent of the delivery of a prescription drug.

(3) Compromised delivery. If a pharmacist determines a prescription drug is in any way compromised during delivery, the pharmacy shall replace the drug or arrange for the drug to be replaced, either by promptly delivering a replacement to the patient or by promptly contacting the prescriber to arrange for the drug to be dispensed to the patient by a pharmacy of the patient's or patient's agent's choice.

(4) Records. The pharmacy shall maintain records for two years on the following events:

(A) when a prescription drug was sent and delivered to the patient or patient's agent; and

(B) patient complaints regarding compromised deliveries, which may be documented in the patient profile.

(5) Controlled substances. A pharmacy shall comply with all state and federal laws and rules relating to the delivery of controlled substances.

**§291.14 Pharmacy License Renewal**

(a) Renewal requirements.

(1) A license to operate a pharmacy expires on the last day of the assigned expiration month.

(2) The provision of the Act, §561.005, shall apply if the completed application and a renewal fee is not received in the board's office on or before the last day of the assigned expiration month.

(3) An expired license may be renewed according to the following schedule:

(A) If the license has been expired for 90 days or less, the license may be renewed by paying to the board a renewal fee that is equal to one and one-half times the required renewal fee as specified in §291.6 of this title (relating to Pharmacy License Fees).

(B) If the license has been expired for 91 days or more, the license may not be renewed. The pharmacy may apply for a new license as specified in §291.1 of this title (relating to Pharmacy License Application), including, as required by §560.052(b) of the Act, the submission of a sworn disclosure statement as specified in §291.4 of this title (relating to Sworn Disclosure Statement).

hims & hers

June 1, 2026

**Via Electronic Mail**

Dave Wuest, R.Ph.
Nevada State Board of Pharmacy
985 Damonte Ranch Pkwy, Ste 206
Reno, NV 89521

dwuest@pharmacy.nv.gov

**Re:** Comments Related to Proposed Regulation Workshop Agenda Item 14b

Dear Executive Secretary Wuest, President Park, and Members of the Nevada State Board of Pharmacy,

I am writing to you today in my capacity as Director, Government Relations for Hims & Hers Health, Inc. Hims & Hers is a digital health platform dedicated to offering millions of people access to care, regardless of where they live or what hour of the day they're available. Patients are connected with licensed providers who utilize medical expertise, clinical data, patient history, and treatment goals to develop customized treatment plans.

Hims & Hers maintains a steadfast commitment to the secure transit and delivery of prescription pharmaceuticals to patients within the State of Nevada and throughout the United States. It is our understanding that the current workshop language has been submitted to the Board in response to a rulemaking petition initiated by a Nevada resident, during which verbal testimony cited Texas Administrative Code (TAC) 291.12.

While we appreciate the Board's initiative in addressing this complex matter, we consider it essential to propose amendments to the workshop language to ensure alignment with national standards and established regulations in states such as Georgia and Texas. We respectfully request that the Board prioritize packaging requirements and incorporate language encompassing other nationally recognized standards, analogous to TAC 291.12(c)(1).[1] Furthermore, given the emergence of evolving standards and proprietary data regarding patient safety and shipping integrity, we urge the Board to allow pharmacies to adhere to alternative validated standards for the shipping of prescriptions. Hims & Hers is also providing language detailing specific methodologies for protecting prescriptions from adverse temperature, light, and humidity conditions, including provisions specifically tailored for compounded prescriptions.

Furthermore, we recommend the inclusion of provisions to enhance transparency within the transit process by requiring patient notification upon the shipping of a prescription. Finally, we respectfully request that the Board incorporate language establishing requirements for patient communication regarding shipment concerns, including the criteria for resolution and the

14B

acknowledgment of pharmacist professional judgment in determining the necessity of prescription replacement.

**Suggested Language**

Section 1. NAC 639.

a. A pharmacy that ships a prescription to a patient must use packaging that is reasonably designed to protect ~~or devices which will ensure that~~ the prescription ~~is maintained within appropriate standards pertaining to~~ from conditions of temperature, light and humidity during transit, in accordance with nationally recognized standards, such as those of the manufacturer or ~~listed in the manufacturer's package insert and as described~~ in the United States Pharmacopeia - National Formulary, as adopted by reference in paragraph (c) of subsection 1 of NAC 639.670. This may include, without limitation, use of temperature tags, time temperature strips, insulated packaging, gel ice packs, or a combination of these as necessary. For compounded preparations, the pharmacy shall ensure that packaging is appropriate for the dosage form and storage requirements established in the pharmacy's master formulation record.

b. ~~At the request of the patient or legal guardian, the pharmacy must include a device in the shipping container which monitors the temperature of the prescription and alerts the patient if the prescription is exposed to temperatures outside the temperature range listed in the manufacturer's package insert.~~ The pharmacy shall notify the patient or patient's agent when the prescription is shipped.

c. The pharmacy shall provide a method by which a patient or patient's agent can notify the pharmacy as to any irregularity in the shipment of the patient's prescription, to include but not be limited to:

(1) timeliness of delivery;

(2) condition of the prescription upon receipt; and

(3) failure to receive the proper prescription drug.

d. If a pharmacist determines a prescription drug was compromised during delivery, the pharmacy shall promptly replace the drug ,

We appreciate the Board's consideration of these suggested amendments.

Sincerely,

Lauren Paul, Pharm.D.,

M.S., R.Ph.
Director, State Govt Affairs
Hims & Hers Health, Inc

References

1. Texas Secretary of State. *Texas Administrative Code – Rule Summary*. Record ID 225952. Accessed May 28, 2026. https://texas-sos.appianportalsgov.com/rules-and-meetings?$locale=en_US&interface=VIEW_TAC_SUMMARY&queryAsDate=05%2F28%2F2026&recordId=225952

June 1st , 2026

David Wuest
Executive Secretary
Nevada Board of Pharmacy
985 Damonte Ranch Pkwy Ste 206
Reno, Nevada 89521

Dear Executive Secretary Wuest and Members of the Board,

Empower Pharmacy's core mission is to provide access to personalized, affordable medication through innovation with a commitment to quality, service, and people. Since 2009, we have grown into the nation's largest, most advanced compounding pharmacy and outsourcing facility serving healthcare markets across the country. We proudly serve patients across the state of Nevada and play a pivotal role in providing critical access to medications. I am writing to you as Director of Government Affairs to work collaboratively with the Board and to help continue our efforts to support safe and quality access to medications for Nevada patients.

We thank the Board for its efforts in updating regulations to keep pace with industry advancements while protecting patient safety. On behalf of Empower, I am writing to propose changes to share industry insights for the proposed rules that are scheduled for Public Hearing at the June 4th, 2026, meeting. Our goal is to work collaboratively with the Board to ensure the proposed language is strengthened, clear, and data driven. We respectfully submit the following recommendations to improve clarity, avoid unintended regulatory consequences, and support patient access while maintaining safety.

**Proposed Rule Section 1 NAC 639**

**Recommendations:**

*a. A pharmacy that ships a* ***temperature sensitive*** *prescription to a patient must use packaging,* ~~*or*~~ *devices,* ***or other scientifically supported measures*** *which will ensure that the prescription is maintained within appropriate standards pertaining to temperature, light and humidity listed in the manufacturer's package insert and as described in the United States Pharmacopeia - National Formulary, as adopted by reference in paragraph (c) of subsection 1 of NAC 639.670.* ***The pharmacy shall implement shipping controls commensurate with the risk to the prescription, taking into consideration the nature of the drug, its temperature sensitivity, anticipated transit time, and seasonal conditions.***

*b.* ***The pharmacy shall utilize a shipping system or other documented controls demonstrating that the prescription will be maintained within the required temperature range during shipment.*** ~~*At the request of the patient or legal guardian, the pharmacy must include a device in the shipping container which monitors the temperature of the prescription and alerts the patient if the prescription is exposed to temperatures outside the temperature range listed in the manufacturer's package insert.*~~

**Rationale/Comment:**
The proposed regulation appropriately emphasizes adherence to manufacturer labeling and USP standards for shipping and transporting drugs. However, as drafted, it may unintentionally limit pharmacies to a narrow set of compliance methods, even where alternative, scientifically supported approaches provide the same level of patient protection.

Allowing additional compliance options and pharmacist discretion does not weaken patient safety. Instead, it enhances it by encouraging risk-based decision making, accountability, and documentation tailored to the

specific prescription and shipping conditions. A framework that allows pharmacies to tailor controls based on product risk helps ensure safeguards are meaningful and consistently applied, rather than diluted by one-size-fits-all requirements.

Mandating the inclusion of a temperature monitoring device at the request of a patient in mail-order prescription containers conflates the appearance of oversight with actual patient protection. Chemical indicators, the only economically feasible option at the individual package level, cannot be calibrated, have not been shown to meet accuracy and documentation standards required by pharmaceutical quality guidelines, and produce ambiguous and often subjective readings. They also generate a high rate of false excursions, and place an unfair burden on patients to interpret complex pharmaceutical information without adequate training or guidance.[1] Research suggests approximately half of all recorded excursion events may be attributable to handling errors at the destination rather than true cold-chain failures.[2] Furthermore, once activated, chemical indicators cannot be stopped, making it impossible to distinguish a genuine transit excursion from post-delivery ambient exposure.[3] These devices shift interpretive responsibility to patients, even though research shows more than half a million Americans misread prescription labels each year and half of outpatients misunderstand at least some medication instructions.[4]

The Board could instead adopt language that holds pharmacies accountable for using shipping systems and documented controls designed to prevent excursions before they occur. This approach is aligned with USP <1079> guidance, creates a clearer compliance standard, and is more likely to achieve the Board's intended goal of protecting patient safety.[5]

Empower Pharmacy fully supports the Board's mission to protect the public through the advancement of quality and safety in compounding practice. We believe that regulations grounded in validated data and science-based risk assessment best serve this mission. We stand ready to collaborate with the Board, compounding experts, and other stakeholders to design a framework that promotes both innovation and patient safety as the Board develops regulations.

Sincerely,

Spencer Roach, Esq.
Director of Government Affairs
Empower Pharmacy
sroach@empowerpharmacy.com

Empower Pharmacy
7601 N Sam Houston Pkwy W, Ste 100
Houston, TX 77064

Citations:

1. Applied Clinical Trials. (2022). A new approach to temperature monitoring in a changing clinical supply chain environment. *Applied Clinical Trials Online*. https://www.appliedclinicaltrialsonline.com/view/new-approach-temperature-monitoring-changing-clinical-supply-chain-environment

2. ELPRO. (2025). *Documenting temperature excursions*. https://www.elpro.com/en/learn/documenting-temperature-excursions
3. Cryopak. (2016, November). *The problem with chemical-based temperature indicators*. https://blog.cryopak.com/blog/2016/11/problem-chemical-based-temperature-indicators
4. Consumer Reports. (2011, June). Can you read this drug label? *Consumer Reports*. https://www.consumerreports.org/cro/2011/06/can-you-read-this-drug-label/index.htm
5. United States Pharmacopeial Convention. (2017). *USP General Chapter <1079>: Risks and mitigation strategies for the storage and transportation of finished drug products*. https://www.usp.org/sites/default/files/usp/document/supply-chain/apec-toolkit/USP%20GC1079.pdf

17A

SFY26 BUDGET REPORT
NEVADA STATE BOARD OF PHARMACY
CURRENT MONTH: 04/30/2026

| REVENUES | APPROVED BUDGET | BUDGET AMMENDMENTS | REVISED BUDGET | CURRNET MONTH REVENUE/EXPENSE | YTD REVENUE/EXPENSE | PROJECTIONS THROUGH 6/30/2026 | TOTAL REVENUE/EXPENSE SFY26 | DIFFERENCE |
|---|---|---|---|---|---|---|---|---|
| **Beginning Balance** | $ 7,680,671 | | $ 7,680,671 | $ - | $ - | $ 7,680,671 | $ 7,680,671 | $ - |
| **Renewal Fees** | $ 1,800,000 | | $ 1,800,000 | $ 2,650 | $ 1,843,270 | $ - | $ 1,845,920 | $ 45,920 |
| **Registration Fees** | $ 1,209,020 | | $ 1,209,020 | $ 142,095 | $ 991,280 | $ 75,645 | $ 1,209,020 | $ - |
| **Recovered Costs** | $ 30,000 | | $ 30,000 | $ 14,969 | $ 51,508 | $ - | $ 66,477 | $ 36,477 |
| **CC Processing Fees** | $ 155,000 | | $ 155,000 | $ 4,263 | $ 117,588 | $ 33,150 | $ 155,000 | $ - |
| **Change MGR RPh** | $ 22,800 | | $ 22,800 | $ 2,400 | $ 14,600 | $ 5,800 | $ 22,800 | $ - |
| **Inspections** | $ 5,000 | | $ 5,000 | $ 225 | $ 8,975 | $ - | $ 9,200 | $ 4,200 |
| **Interest Income** | $ 20,000 | | $ 20,000 | $ - | $ 79,632 | $ - | $ 79,632 | $ 59,632 |
| **Late Fees** | $ 15,000 | | $ 15,000 | $ 1,200 | $ 16,026 | $ (2,226) | $ 15,000 | $ - |
| **Total Revenues** | **$ 10,937,491** | $ - | **$ 10,937,491** | **$ 167,802** | **$ 3,122,877** | **$ 7,793,040** | **$ 11,083,719** | **$ 146,228** |

| EXPENSES | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Payroll** | $ 4,299,317 | | $ 4,299,317 | $ 356,928 | $ 3,106,448 | $ 835,940 | $ 4,299,317 | $ - |
| **Operating** | $ 1,442,170 | | $ 1,442,170 | $ 107,847 | $ 1,215,217 | $ 119,106 | $ 1,442,170 | $ - |
| **Equipment** | $ 25,000 | | $ 25,000 | $ 326 | $ 7,914 | $ 16,760 | $ 25,000 | $ - |
| **In-State Travel** | $ 110,000 | | $ 110,000 | $ 15,886 | $ 59,932 | $ 34,183 | $ 110,000 | $ - |
| **Out-of-State Travel** | $ 65,000 | | $ 65,000 | $ 900 | $ 5,263 | $ 58,836 | $ 65,000 | $ - |
| **DAG Cost** | $ 40,000 | | $ 40,000 | $ 5,112 | $ 20,053 | $ 14,835 | $ 40,000 | $ - |
| **Reserve** | $ 4,956,004 | | $ 4,956,004 | $ - | $ - | $ - | $ 5,102,232 | **$ 146,228** |
| **Total Expenses** | **$ 10,937,491** | $ - | **$ 10,937,491** | **$ 487,000** | **$ 4,414,827** | **$ 1,079,660** | **$ 11,083,719** | **$ 146,228** |
| Balance | **$ -** | $ - | **$ -** | | | | **$ -** | **$ -** |