

BEFORE THE IOWA BOARD OF PHARMACY

RE:

WOODFIELD DISTRIBUTION LLC, now known as **RELIABLE HEALTHCARE LOGISTICS LLC**, as holder of the following third-party logistics provider (3PL) licenses and submitter of the following 3PL license applications:

5653 Creekside Pkwy, Ste B
Lockbourne, OH 43137
License #80027
Pending Application
("Lockbourne")

15 Stults Rd
Dayton, NJ 08810
License #80028
("Dayton")

951 Clint Moore Rd, Ste A
Boca Raton, FL 33487
License#80040
Pending Application
("Boca Raton")

1113 Gillingham Ln, Ste A
Sugar Land, TX 77478
License #80059
Pending Application
("Sugar Land")

750 NW 33rd St, Ste B
Pompano Beach, FL 33064
License #80060
Pending Application
("Pompano Beach")

CASE NO. 2022-0229

NOTICE OF HEARING, STATEMENT OF CHARGES, AND EMERGENCY ADJUDICATIVE ORDER FOR ALL LICENSES

AND

NOTICE OF INTENT TO DENY 3PL LICENSES FOR ALL PENDING APPLICATIONS

COMES NOW the Iowa Board of Pharmacy ("Board") and files this Notice of Hearing, Statement of Charges, and Emergency Adjudicative Order against Woodfield Distribution LLC,

now known as Reliable Healthcare Logistics LLC (“Respondent”) pursuant to Iowa Code sections 17A.12(2), 17A.18(3), 17A.18A, and 272C.3(1)(e), and 657 Iowa Administrative Code (IAC) 35.6, 35.7, and 35.35. The Board also files this Notice of Intent to Deny 3PL Licenses for all pending applications submitted by Respondent, pursuant to Iowa Code sections 17A.18(1) and 155A.17A(4).

A. TIME, PLACE, AND NATURE OF HEARING

1. Hearing. A contested case hearing shall be held on May 2, 2023, before the Board. The hearing shall begin at 9:00 a.m. and will be held in the Board conference room located at the Iowa Board of Pharmacy Office, 400 SW 8th St, Ste E, Des Moines, IA 50309. You may choose to attend the hearing in-person at the Board office or may attend electronically through the Zoom platform. Contact the Board office to obtain participation instructions if you wish to attend electronically.

2. Answer. Within twenty (20) days of the date you are served this Notice of Hearing, Statement of Charges, and Emergency Adjudicative Order you may file an Answer pursuant to 657 IAC 35.16. The Answer should specifically admit, deny, or otherwise answer all allegations contained in sections C and D of this Notice of Hearing, Statement of Charges, and Emergency Adjudicative Order.

3. Filing of Pleadings. Pleadings shall be filed with the Board by e-mail, if done in compliance with 657 IAC 35.17(2), to Amanda.Woltz@iowa.gov; by mail/delivery to the following address: Iowa Board of Pharmacy, 400 SW 8th St, Ste E, Des Moines IA 50309; or electronically using the Administrative Electronic Document Management System (adminhearings.iowa.gov/efile/).

4. Presiding Officer. The Board shall serve as presiding officer at the contested case hearing, but the Board hereby delegates to an Administrative Law Judge from the Department of Inspections and Appeals the authority to make initial rulings on prehearing matters and requests the administrative law judge be present to assist and advise the Board at the contested case hearing.

5. Hearing Procedures. The procedural rules governing the conduct of the contested case hearing, including prehearing matters, are found at 657 IAC chapter 35. At the hearing, you may appear personally or be represented by counsel at your own expense. You will be allowed the opportunity to respond to the charges against you, to produce evidence on your behalf on issues of material fact, cross-examine witnesses present at the hearing, and examine and respond to any documents introduced at the hearing. The hearing may be open to the public or closed to the public at your discretion, pursuant to Iowa Code section 272C.6(1) and 657 IAC 35.25(10).

6. Prosecution. The Office of Attorney General of Iowa is responsible for representing the public interest (the State) in this proceeding. Counsel for the State in this matter is Assistant Attorney General Laura Steffensmeier. Ms. Steffensmeier can be reached by phone at (515) 281-6690. Copies of pleadings should be provided to counsel for the State either by email to Laura.Steffensmeier@ag.iowa.gov, or by mail/delivery to the following address: Laura

Steffensmeier, Assistant Attorney General, Hoover State Office Building—2nd Floor, 1305 E Walnut St., Des Moines, IA 50319.

7. Communications. You may not contact individual Board members in any manner, including by phone, letter, or e-mail, regarding this Notice of Hearing, Statement of Charges, and Emergency Adjudicative Order. Board members may only receive information about the case when all parties have notice and the opportunity to participate, such as at the hearing or in pleadings you file and serve upon all parties in the case.

B. LEGAL AUTHORITY AND JURISDICTION

8. Jurisdiction. The Board has jurisdiction in this matter pursuant to Iowa Code chapters 17A, 155A, and 272C.

9. Legal Authority. If any of the allegations against you are founded, the Board has authority to take disciplinary action against you pursuant to Iowa Code sections 155A.17A(4) and 272C.3, and 657 IAC 36 and 43.10.

10. Default. If you fail to appear at the hearing, the Board may enter a default decision or proceed with the hearing and render a decision in your absence, in accordance with Iowa Code section 17A.12(3) and 657 IAC 35.27.

C. STATEMENT OF CHARGES

COUNTS I-V

11. Respondent is charged under 657 IAC 36.6(1) with fraud in procuring a license.

COUNTS VI-X

12. Respondent is charged under 657 IAC 43.10(2) with any conviction of a crime related to the distribution of prescription drugs or devices committed by the 3PL, its owners, or the facility manager.

COUNTS XI-XV

13. Respondent is charged under 657 IAC 36.6(21) with violating a rule of the Board, specifically 657 IAC 43.9.

COUNTS XVI-XXII

14. Respondent is charged under 657 IAC 36.6(21) with violating a rule of the Board, specifically 657 IAC 43.3(5)“d”.

COUNTS XXIII-XXVI

15. Respondent is charged under 657 IAC 36.6(21) with violating a rule of the Board, specifically 657 IAC 43.3(5)“b”.

D. FACTUAL CIRCUMSTANCES

[REDACTED]

[REDACTED]

[REDACTED]

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E. EMERGENCY ADJUDICATIVE ORDER

FINDINGS OF FACT

72. The Board finds sufficient evidence to support each factual circumstance identified in section D, above.

CONCLUSIONS OF LAW

73. Based on these findings of fact, the Board concludes Respondent has violated the laws cited in Counts I-XXVI, identified in section C, above.

POLICY REASONS

74. Respondent is not eligible to hold 3PL licenses for facilities that lack drug distributor accreditation. [REDACTED]

[REDACTED]

[REDACTED] Respondent should not be allowed to continue to operate in violation of the applicable laws.

ORDER

75. Respondent’s 3PL licenses for Lockbourne, Dayton, Boca Raton, Sugar Land, and Pompano Beach are **SUSPENDED**, effective March 5, 2023, and until further order of the Board.

F. SETTLEMENT

76. This matter may be resolved by settlement agreement. The procedural rules governing the Board’s settlement process are found at 657 IAC 35.24. To cancel a scheduled hearing, an executed settlement agreement must be received by the Board at least one (1) week prior to the scheduled hearing. If you are interested in pursuing settlement in this matter, please contact the Assistant Attorney General identified above.

G. FINDING OF PROBABLE CAUSE

77. On February 28, 2023, the Board found probable cause to file this Notice of Hearing, Statement of Charges, and Emergency Adjudicative Order.

H. NOTICE OF INTENT TO DENY LICENSES

78. Applicants for a 3PL license must apply for a license in accordance with Iowa Code section 155A.17A and 657 IAC 43.

79. Pursuant to Iowa Code section 155A.17A, the Board may deny a 3PL license for failure to meet the applicable standards or for a violation of the laws of this state, or the United States, or for a violation of a rule of the Board.

80. Pursuant to 657 IAC 43.3(1), the applicant shall provide evidence of current drug distributor accreditation.

81. None of the facilities with pending applications for a 3PL license have current drug distributor accreditation and therefore fail to meet the applicable standard for licensure.

82. In addition, based on the violations set forth in sections C and D, above, the Board has the authority to deny the pending applications for 3PL licenses.

83. Respondent cannot disentangle itself from the violations set forth in sections C and D, above, simply by filing new applications for the same facilities that committed the violations.

84. The hearing regarding license denial will be held in conjunction with the contested case hearing scheduled in section A, above.

85. Respondent should file a notice in this matter if it prefers for the pending applications to be deemed denied.

86. On February 28, 2023, the Board voted to deny the pending applications for 3PL licenses submitted by Respondent.



Chairperson
Iowa Board of Pharmacy

PLEASE NOTE: If you require the assistance of auxiliary aids or services to participate in this matter because of a disability, immediately call 515-281-5944. (If you are hearing impaired, call Relay Iowa TTY at 1-800-735-2942).