BEFORE THE BOARD OF PHARMACY EXAMINERS
OF THE STATE OF IOWA

In the Matter of the Complaint and Statement of Charges Against
APOTHECARY 24, INC., BARRY A. GENG, Pharmacist-Manager and Corporation President
Respondent

COMES NOW, Norman C. Johnson, Executive Secretary of the Iowa Board of Pharmacy Examiners on the 16th day of May 1985, and files this Complaint and Statement of Charges against Apothecary 24, Inc., a pharmacy licensed pursuant to Iowa Code Chapter 155, and against Barry A. Geng, President and Pharmacist-Manager of Apothecary 24, Inc., and alleges:

1. That John F. Rode, chairperson; Margo L. Underwood, vice chairperson; Rollin C. Bridge; Jerry M. Hartleip; Melba L. Scaglione; Alan M. Shepley; and Gale W. Stapp are duly appointed, qualified members of the Iowa Board of Pharmacy Examiners.

2. That Respondent is licensed to do business at 6th and Spring Street, Burlington, Iowa, and was issued license #475 on February 7, 1985.

3. That pharmacy business license #475 issued in the name of Apothecary 24, Inc., with Barry A. Geng as pharmacist-manager and president/vice president expires on December 31, 1985.

4. That audits of the records of Apothecary 24, Inc., were conducted between March 19, 1985, and April 8, 1985, by E. Ray Shelden and Morrell Spencer, who are duly authorized agents of the Board.

5. That four separate audits were conducted.


8. That Audit C comprised 4 Schedule II, III and IV drug dosage forms and covered the time period December 21, 1980, through June 30, 1983.

9. That Audit D comprised 2 Schedule IV dosage forms and covered the time period March 19, 1985, through April 8, 1985.

10. That the results of Audit A and B revealed the following:
   a. Shortages of 29 Morphine 10mg/cc tubex, a Schedule II controlled substance.
   b. Overages of 30 Morphine 15mg/cc tubex, a Schedule II controlled substance.
   c. Shortages of 153 doses of Nembutal 50mg capsules, a Schedule II controlled substance.
e. Shortages of 327 Percodan tablets, a Schedule II controlled substance.

f. Shortages of 89 Ritalin 10mg tablets, a Schedule II controlled substance.

g. Overages of 153 Ritalin 20mg tablets, a Schedule II controlled substance.

h. Shortages of 155 Ritalin 20mg SR tablets, a Schedule II controlled substance.

i. Shortages of 12 RMS 10mg suppositories, a Schedule II controlled substance.

j. Shortages of 4,140 Valium 5mg tablets, a Schedule IV controlled substance.

k. Shortages of 7,077 Valium 10mg tablets, a Schedule IV controlled substance.

l. Shortages of 770 Fiorinal with Codeine 30mg capsules, a Schedule III controlled substance.

m. Shortages of 1,200 cc (10 x 4 ounce bottles) of Novahistine DH, a Schedule V controlled substance.

n. Shortages of 1,656 cc (13.8 x 4 ounce bottles) of Robitussin AC, a Schedule V controlled substance.

o. Shortages of 45,480 cc (379 x 4 ounce bottles) of Terpin Hydrate with Codeine Elixir, a Schedule V controlled substance.

p. Shortages of 3,090 cc (27.75 x 4 ounce bottles) of various Phenergan with Codeine products, a Schedule V controlled substance.

11. That the results of Audit C revealed the following:

a. Shortages of 10,088 cc (21 pints) of Paregoric, a Schedule III controlled substance.

b. Shortages of 3,260 Valium 5mg tablets, a Schedule IV controlled substance.

c. Shortages of 5,645 Valium 10mg tablets, a Schedule IV controlled substance.

12. That the results of Audit D revealed the following:

a. Shortages of 384 Valium 5mg tablets, a Schedule IV controlled substance.

b. Shortages of 666 Valium 10mg tablets, a Schedule IV controlled substance.

13. That Respondent sold a 30cc bottle of Demerol 50mg/cc to the Stronghurst Medical Clinic, Stronghurst, Illinois, on October 31, 1983, without receipt of an official federal order form.

14. That Respondent is guilty of violations of Iowa Code Sections 155.13(3) and (8), 204.306, 204.307, 204.308(4), 204.402(1)(a), and Board Rule §620--8.11 by virtue of the allegations in paragraphs 10.
Section 155.13(3) and (8) read as follows:

"...The board shall have the authority to deny, suspend or revoke a license in any case where it finds that there has been a substantial failure to comply with the provisions of this chapter or the regulations promulgated hereunder, or the violation thereof, and in addition, the board shall have the power to deny, suspend or revoke a license, when the applicant or licensee, or any employee, providing the offense is committed on licensed premises or is in the conduct of the business licensed, is guilty of any of the following facts or offenses:...

3. Distributing on the premises of...drugs for any other than lawful purposes.

8. Violations of the provisions of this chapter."

Section 204.306 reads as follows:

"Records of registrants. Persons registered to manufacture, distribute, dispense, or administer controlled substances under this chapter shall keep records and maintain inventories in conformance with the record keeping and inventory requirements of federal law and with such additional rules as may be issued by the board...."

Federal regulations in this regard can be found in Code of Federal Regulations (CFR) Title 21. Pertinent parts of those regulations are 1304.03, 1304.04, and 1304.11.

Part 1304.03 reads, in part, as follows:

"Persons required to keep records and file reports.

(a) Each registrant shall maintain the records and inventories and shall file the reports required by this part, except as exempted by this section...."

Part 1304.04 reads, in part, as follows:

"Maintenance of records and inventories.

(a) Every inventory and other records required to be kept under this Part shall be kept by the registrant and be available, for at least 2 years from the date of such inventory or records, for inspection and copying by authorized employees of the Administration...."

Part 1304.11 reads, in part, as follows:

"General requirements for inventories.

(a) Each inventory shall contain a complete and accurate record of all controlled substances on hand on the date the inventory is taken...."

Section 204.307 reads as follows:

"Controlled substances in Schedules I and II shall be distributed by a registrant to another registrant only pursuant to an order form. Compliance with the provisions of federal law respecting order forms shall be deemed compliance with this section."
Board rule §620--8.11 reads, in part, as follows:

"8.11(204) Manner of issuance of prescriptions. All prescriptions for controlled substances shall be dated as of, and manually signed on, the day when issued and shall bear the full name and address and registration number of the practitioner. A practitioner must manually sign a prescription in the same manner as he would sign a check or legal document. Where an oral order is not permitted, prescriptions shall be written with ink or indelible pencil or typewriter and shall be manually signed by the practitioner. The prescriptions may be prepared by a secretary or agent for the signature of a practitioner, but the prescribing practitioner is responsible in case the prescription does not conform in all essential respects to the law and regulations. A corresponding liability rests upon the pharmacist who fills a prescription not prepared in the form prescribed by those regulations...."

15. That Respondent is guilty of a violation of Board Rule §620--10.1(4), "h," "j" and "u."
Rule 10.1(4) reads as follows:

"10.1(4) The board may impose any of the disciplinary sanctions set out in subrule 10.1(2), including civil penalties in an amount not to exceed $1000.00, when the board determines that the licensee or registrant is guilty of the following acts or offenses:

h. Distribution of intoxicating liquors or drugs for other than lawful purposes includes but is not limited to the disposition of drugs in violation of chapters 155, 203, 203A and 204 of The Code.

j. Violating a statute or law of this state, another state, or the United States, without regard to its designation as either a felony or misdemeanor, which statute or law relates to the practice of pharmacy.

u. Violating any of the grounds for revocation or suspension of a license listed in section...155.13 of The Code."

16. That paragraphs 14 and 15 constitute grounds for which Respondent's license to operate a pharmacy can be suspended or revoked.

WHEREFORE, the undersigned charges that Apothecary 24, Inc., with Barry A Geng as president and pharmacist-manager, has violated Section 155.13(3); 155.13(8); 204.306; 204.307; 204.308(4); and 204.402(1)"a" of the Code of Iowa, and Board Rule §620--8.11, 10.1(4),"h," "j" and "u" of the Iowa Administrative Code.

IT IS HEREBY ORDERED that Barry A. Geng, as president and pharmacist-manager of Apothecary 24, Inc., appear before the Iowa Board of Pharmacy Examiners on June 17, 1985, at 10:00 a.m. in the Board Conference Room C, Henry County Health Center, Mt. Pleasant, Iowa.

The undersigned further asks that upon final hearing, the Board enter its Findings of Fact and Decision to suspend or revoke the license to operate a pharmacy issued to Apothecary 24, Inc., Barry A. Geng, president and pharmacist-manager, issued on February 7, 1985, or take whatever additional steps they deem necessary.

IOWA BOARD OF PHARMACY EXAMINERS
BEFORE THE IOWA BOARD OF PHARMACY EXAMINERS

In the Matter of the Complaint and Statement of Charges Against BARRY A. GENG, Pharmacist

TO: Barry A. Geng

STATEMENT OF THE CASE:

A Complaint in Statement of Charges against Barry A. Geng was filed by the Executive Secretary of the Iowa Board of Pharmacy Examiners on May 16, 1985. All essential allegations of the complaint being denied, a hearing was held in Des Moines, Iowa, on August 14, 1985, after due notices were issued. Barry A. Geng participated in person and was represented by Craig D. Warner, attorney at law. Five exhibits, marked Exhibits G-A, G-B, G-C, G-D, and P-G-A, were admitted into evidence on behalf of Mr. Geng. Thomas D. McGarne, Assistant Attorney General, represented the Executive Secretary. Testimony in support of the Complaint was given by E. Ray Sheldon, James W. Reardon, Thomas Greene, Michael Miller, Stacy Schroeder, and Wanita Grinnell. Ten exhibits, marked Exhibits 1, 2, 3, 7, 10, 11, G-14, P-G-15, G-16, and G-17, were admitted into evidence in support of the Complaint. William Bauer, attorney at law, participated in the hearing on behalf of William R. Monroe, Jr., responded in an associated case which was joined in part during these proceedings. Pursuant to Mr. Geng's request, the hearing was closed to the public. Certain evidence previously submitted during open session in relation to the complaint against William R. Monroe, Jr., was incorporated by reference and was not repeated in closed session.

The undersigned administrative hearing officer presided at the hearing and participated in the deliberations of the Board of Pharmacy Examiners (Board) after the conclusion of testimony. Board members Margo L. Underwood, Melba L. Scaglione, Jerry M. Hartleip, Rollin C. Bridge, Alan M. Shepley, and Gail W. Stapp participated in the hearing and deliberations. John F. Rode, Chairperson of the Board, did not participate in the hearing or the deliberations because of his prior discussions with Mr. Geng and his attorney. After the conclusion of testimony but prior to the final determinations of the Board, Mr. Geng contacted a member of the Board in an attempt to discuss the matter. No discussion was allowed, but the Board wishes to state for the record that such contact is inappropriate.

Having heard the testimony of the witnesses and having examined all of the evidence in the record, the Board made its decision and instructed the hearing officer to prepare its Decision and Order.

FINDINGS OF FACT:
Barry A. Geng was issued Iowa Pharmacy License number 12905. His license is current until June 30, 1986.

Mr. Geng was at all relevant times the president/vice-president and 50 percent shareholder of the corporation which owns Apothecary 24, a pharmacy in Burlington, Iowa. He was employed as a professional pharmacist by Apothecary 24 at all pertinent times herein.

Between March 19, 1985, and April 8, 1985, audits of the records and inventory of Apothecary 24 performed by authorized agents of the Board for the period June 30, 1983, through March 19, 1985, established the following shortages:

a. 4,140 Valium five mg tablets, a Schedule IV controlled substance;

b. 7,077 Valium ten mg tablets, a Schedule IV controlled substance;

c. 770 Fiorinal with Codeine 30 mg capsules, a Schedule III controlled substance;

d. 1,200 cc (10 x 4 oz. bottles) of Novahistine DH, a Schedule V controlled substance;

e. 1,656 cc (13.8 x 4 oz. bottles) of Robitussin AC, a Schedule V controlled substance;

f. 45,480 cc (379 x 4 oz. bottles) of Terpin Hydrate with Codeine Elixir, a Schedule V controlled substance;

g. 3,090 cc (27.75 x 4 oz. bottles) of various Phenergan with Codeine products, Schedule V controlled substances.

A separate audit also conducted between March 19, 1985, and April 8, 1985, by authorized agents of the Board covering the period December 21, 1980, through June 30, 1983, revealed the following shortages:

a. 10,088 cc (21 pints) of Paregoric, a Schedule III controlled substance;

b. 3,260 Valium 5 mg tablets, a Schedule IV controlled substance;

c. 5,645 Valium 10 mg tablets, a Schedule IV controlled substance.

Another separate audit also conducted between March 19, 1985, and April 8, 1985, by authorized agents of the Board covering the period March 19, 1985, through April 8, 1985, revealed the following shortages:

a. 384 Valium 5 mg tablets, a Schedule IV controlled substance;

b. 566 Valium 10 mg tablets, a Schedule IV controlled substance.

On various dates, Mr. Geng sold four ounce bottles of Schedule V nonprescription cough preparations without making adequate inquiry as co
the medical necessity for the medications.

Also on various dates, Mr. Geng sold four ounce bottles of Schedule V cough preparations to the same individual within periods of less than 48 hours.

REASONING AND CONCLUSIONS OF LAW:

From the evidence in the record, the Board concludes that Mr. Geng sold Schedule V cough preparations on various occasions without first ascertaining the medical need for the preparations. This constitutes a violation of Section 204.308(4)b of the Code of Iowa. In addition, the evidence in the record establishes that Mr. Geng repeatedly sold Schedule V cough preparations to the same individual within 48-hour periods of time. Sales to the same individual within 48 hours is a violation of Section 620-8.13(15)b of the Iowa Administrative Code. The record clearly establishes that Mr. Geng violated the legal restrictions placed on the sale of Schedule V nonprescription medications through his indiscriminate sales. He is subject to discipline for violations of the Code and Administrative Code, and his actions constitute evidence of negligence in the practice of his profession.

The evidence in the record establishes significant losses from the inventory of controlled substances at Apothecary 24 during a period in which Mr. Geng was a 50 percent shareholder, corporate officer, and professional employee. The record also establishes that the applicable licenses issued to Apothecary 24 were in the name of Mr. Geng personally. Mr. Geng did not meet his professional obligation to maintain the physical safety and the integrity of the controlled substances in Apothecary 24's inventory.

The evidence in the record indicates that Mr. Geng was not aware that the loss was occurring. The Board accepts this evidence and makes no implication that Mr. Geng was allowing inventory loss for personal gain. Nonetheless, it was his duty to monitor and maintain the inventory to prevent the diversion of his inventory of controlled substances for illicit use. His failure to take steps to do so constitutes evidence of negligence.

The absence of effective inventory control is so obvious in this case that it can be comprehended even by those without formal training in the field of pharmacy. No expert witnesses were necessary to establish the fact. Furthermore, the evidence in the record establishes that the inventory was under the exclusive control and management of Mr. Geng's corporation. The record also indicates that losses of the magnitude shown here would not ordinarily occur had reasonable inventory control been maintained. Under circumstances such as these, no expert testimony was needed for the Board to reach its findings.

From the facts in evidence and for the reasons set forth herein, the Board concludes that discipline of Barry A. Geng is justified because of his violation of state law and department regulation in the sale of Schedule V cough preparations and his negligence in the maintenance of his inventory.
DECISION:

It is, therefore, the order of the majority of the Iowa Board of Pharmacy Examiners that Iowa Pharmacy License number 12905 issued to Barry A. Geng should be and is hereby suspended for a period of one year, provided that all but 90 days of said suspension shall be stayed if the said Barry A. Geng complies fully with all the terms and requirements set forth herein. The 90 day suspension shall begin not later than March 21, 1986. Mr. Geng shall notify the Board in writing as to the date that he wishes to begin his suspension, and he shall surrender his license to the Board not later than the date the suspension is to begin.

It is further ordered that Barry A. Geng shall be placed on five years' probation following the reinstatement of his license. He shall further be on probation prior to the effective date of his suspension as ordered in the paragraph above.

It is further ordered that Barry A. Geng shall be fined the sum of $1,000.00, said amount to be payable in full within 60 days of the effective date of this decision.

It is further ordered that Barry A. Geng shall retake the Federal Drug Law Examination prior to the reinstatement of his license, and that he shall receive a passing score as of the date of the examination.

It is further ordered that Barry A. Geng shall prepare and submit, subject to Board approval, written policies and procedures for the professional operation of a pharmacy in accordance with federal and state requirements. Said policies and procedures shall contain:

a. Policies and procedures for dispensing Schedule V controlled substances;

b. Policies and procedures for the physical security of controlled substances;

c. Policies and procedures for the verification and documentation of possible alterations of prescriptions;

d. Policies and procedures for the delineation of management responsibilities.

It is further ordered that Barry A. Geng shall take no part in the judgmental and non-judgmental functions of dispensing prescriptions during the period of the actual suspension of his license. Non-judgmental dispensing functions include:

a. Retrieving and filing prescription labels;

b. Typing prescription labels;

c. Inputting prescription information into a computer;
c. Inputting prescription information into a computer;

d. Retrieval of prescription drug bulk containers from storage;

e. Counting tablets and capsules and placing them in appropriate prescription containers;

f. Pouring liquids into appropriate containers;

g. Handing completed and verified prescriptions to the patient or the patient's adult representative;

g. Recording information on patient records.

It is further ordered that Barry A. Geng make no sales of Schedule V controlled substances without prescription for the duration of his probation.

It is further ordered that should Barry A. Geng become pharmacist-manager of another pharmacy within the period of his probation, three actual, physical inventories of controlled substances shall be taken at six-month intervals beginning with his assumption of the position. A copy of each such inventory shall be mailed to the Board office.

It is further ordered that Barry A. Geng shall obey all federal and state laws and regulations relating to the practice of pharmacy.

It is further ordered that Barry A. Geng shall report to the Board or its designee quarterly. Said report shall either be in person or in writing, as shall be directed. Should the final probation report not be made as directed, the period of probation shall be extended until such time that the final report is made.

It is further ordered that Barry A. Geng shall submit to peer review as deemed necessary by the Board.

It is further ordered that Barry A. Geng shall provide evidence of efforts to maintain his skill and knowledge as a pharmacist as directed by the Board.

It is further ordered that Barry A. Geng shall notify all present and prospective employers of the decision in this case, and the terms, conditions, and restrictions imposed by said decision. Within 30 days of the effective date of this decision, and within 15 days of his undertaking new employment, Barry A. Geng shall cause his employer to report to the Board in writing acknowledging that the employer has read the decision in this case.

It is further ordered that Barry A. Geng shall not supervise any registered intern and shall not perform any of the duties of a preceptor during the course of his suspension and probation.

It is further ordered that should Barry A. Geng leave Iowa to reside or
dates of departure and return. Periods of residency or practice outside the state shall not apply to the reduction of the probationary period.

It is further ordered that should Barry A. Geng violate any term of this probation, the Board, after giving him notice and an opportunity to be heard, may revoke probation and carry out the disciplinary order which was stayed. If a petition to revoke probation is filed during probation, the Board shall have continuing jurisdiction until the matter is final, and the period of probation shall be extended until the matter is final.

It is further ordered that upon successful completion of probation, Barry A. Geng's pharmacy license shall be fully restored.

Daniel S. Anderson
Administrative Hearing Officer
1000 East Grand Avenue
Des Moines, Iowa 50319

KD

August 30, 1985
BEFORE THE BOARD OF PHARMACY EXAMINERS
OF THE STATE OF IOWA

Re:
Pharmacy License of
APOTHECARY 24, INC.
License No. 475
Respondent

STATEMENT OF CHARGES

COMES NOW, the Complainant, Lindy A. Pearson, and states:

1. She is the Chief Investigator for the Iowa Board of Pharmacy Examiners and files this Statement of Charges solely in her official capacity.

2. The Board has jurisdiction in this matter pursuant to Iowa Code Chapters 155A and 272C (1997).

3. General pharmacy license number 475, issued in the name of Apothecary 24, Inc., with Barry A. Geng as pharmacist in charge, was issued on December 3, 1996, and is current until December 31, 1997.

4. Respondent currently operates a general pharmacy at 901 North Sixth Street, Burlington, Iowa 52601.

COUNT I

The Respondent is charged under Iowa Code Section 155A.15(2)(i) (1997) and 657 Iowa Administrative Code Sections 6.6 and 10.10 with failing to provide and maintain effective security, controls and procedures to guard against the left and diversion of controlled substances.
COUNT II

The Respondent is charged under Iowa Code Sections 155A.15(2)(c) and 155A.15(2)(h) (1997) with failing to provide accountability for controlled substances.

THE CIRCUMSTANCES

1. On August 4, 1995, the Board received information that Respondent had an unexplained loss of certain controlled substances including Demerol, Meperidine and Xanax.

2. An initial accountability audit of Respondent's Schedule II, III, IV and V controlled substances was conducted by the Board in November 1995 for the time period beginning August 8, 1995, and ending November 27, 1995, and revealed a shortage of 3,700 dosage units.

3. A selective accountability audit of Respondent's Schedule II, III, IV and V controlled substances was conducted by the Board in February 1997 for the time period beginning November 27, 1995, and ending December 11, 1996, and revealed a shortage of 9,420 dosage units.

WHEREFORE, the Complainant prays that a hearing be held in this matter and that the Board take such action as it may deem to be appropriate under the law.

Lindy A. Pearson
Chief Investigator

On this 6th day of March, 1997, the Iowa Board of Pharmacy Examiners found probable cause to file this Statement of Charges and to order a hearing in this case.

Phyllis A. Olson, Chairperson
Iowa Board of Pharmacy Examiners
Executive Hills West
1209 East Court Avenue
Des Moines, Iowa 50319
BEFORE THE BOARD OF PHARMACY EXAMINERS OF THE STATE OF IOWA

Re: } STIPULATION
Pharmacy License of } AND
APOTHECARY 24, INC. } CONSENT ORDER
License No. 475 } 
Respondent } 

On this 14th day of September, 1998, the Iowa Board of Pharmacy Examiners and Apothecary 24 of Burlington, Iowa, each hereby agree with the other and stipulate as follows:

The licensee disciplinary hearing pending before the Iowa Board of Pharmacy Examiners, on the allegations specified in the Statement of Charges filed against Respondent on March 6, 1997, shall be resolved without proceeding to hearing, as the parties have agreed to the following Stipulation and Consent Order:

1. That Respondent's license to operate a pharmacy was renewed on the 1st day of December, 1997, as evidenced by General Pharmacy License Number 475, which is recorded in the permanent records of the Iowa Board of Pharmacy Examiners.

2. That General Pharmacy License Number 475 issued to and currently held by Respondent is current and in full force until December 31, 1998.

3. That the Iowa Board of Pharmacy Examiners has jurisdiction over the parties and the subject matter herein.

4. A Statement of Charges was filed against Respondent on March 6, 1997.

5. This Stipulation and Consent Order is entered into in order to resolve disputed claims and constitutes no admission on the part of Respondent.
6. Respondent agrees to accept a citation and warning for the alleged violation set forth in the complaint.

7. Respondent shall fully and promptly comply with all Orders of the Board and the statutes and rules regulating the practice of pharmacy in Iowa. Any violation of the terms of this Order is grounds for further disciplinary action, upon notice and opportunity for hearing, for failure to comply with an Order of the Board, in accordance with Iowa Code section 272C.3(2)(a).

8. This Stipulation and Consent Order is subject to approval of a majority of the full Board. If the Board fails to approve this Stipulation and Consent Order, it shall be of no force or effect to either party. If the Board approves this Stipulation and Consent Order, it shall be the full and final resolution of this matter.

9. This Stipulation and Consent Order is voluntarily submitted by Respondent to the Board for its consideration on the 14th day of September, 1998.

Subscribed and Sworn to before me on this 14th day of September, 1998.

[Signature]
APOTHECARY 24
Barry A. Geng, R.Ph.,
Pharmacist in charge,
Respondent

[Signature]
NOTARY PUBLIC IN AND FOR THE STATE OF IOWA
10. This Stipulation and Consent Order is accepted by the Iowa Board of Pharmacy Examiners on the 30th day of September, 1998.

ARLAN D. VAN NORMAN, Chairperson
Iowa Board of Pharmacy Examiners
Executive Hills West
1209 East Court Avenue
Des Moines, Iowa 50319