

**BEFORE THE IOWA BOARD OF PHARMACY**

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Re: ) Wholesale Drug License of ) <b>HENRY SCHEIN, INC.</b> ) License No. 5328 ) Respondent. )	Case No. 2010-35  <b>STATEMENT OF CHARGES</b>
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**COMES NOW**, the Complainant, Lloyd K. Jessen, and states:

1. He is the Executive Director for the Iowa Board of Pharmacy and files this Statement of Charges solely in his official capacity.
2. The Board has jurisdiction in this matter pursuant to Iowa Code Chapters 155A and 272C (2011).
3. The Board renewed wholesaler drug license number 5328 for Henry Schein, Inc. (hereinafter, "Respondent") in 2008 and 2009, allowing Respondent to engage in the operation of a wholesale drug business, subject to the laws of the State of Iowa and the rules of the Board during 2009 and 2010.
4. Wholesale drug license number 5328 was again renewed November 22, 2010, for the year 2011.
5. At all times material to this statement of charges, Respondent was operating a wholesale drug business at 5315 West 74<sup>th</sup> Street, Indianapolis, Indiana 46268.

**A. CHARGES**

**COUNT I – UNAUTHORIZED DELIVERY**

Respondent is charged under Iowa Code § 155A.17(2) and (3) (2011), and 657 Iowa Administrative Code §§ 17.7, 17.17 and 17.18, with distributing controlled substances to an unauthorized person.

**COUNT II – VIOLATIONS OF CONTROLLED SUBSTANCE LAWS**

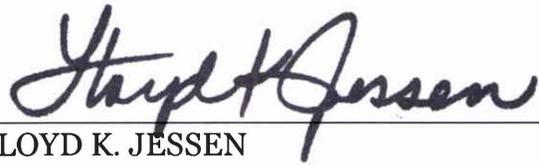
Respondent is charged under Iowa Code §§ 124.301, 124.401(1), 155A.17(2) and (3) (2011), and 657 Iowa Administrative Code §§ 17.17, 17.18, 36.1(4)(j), with violation of controlled substance laws.

**B. CIRCUMSTANCES**

An investigation commenced in March of 2010, which revealed the following:

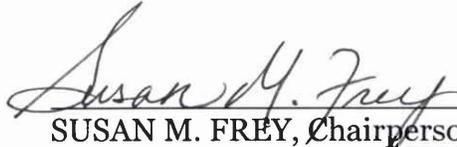
1. At all times material to this statement of charges, Respondent operated a wholesale drug business at 5315 West 74<sup>th</sup> Street, Indianapolis, Indiana 46268.
2. From December 19, 2008 through August 31, 2009, Respondent supplied a total of 800 milliliters of Schedule II morphine sulfate injection to Des Moines University.
3. At the time Respondent supplied the morphine sulfate injection to Des Moines University, the university did not have a valid controlled substances registration, which would have permitted the Des Moines University to possess the morphine sulfate injection.

**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.



LLOYD K. JESSEN  
Executive Director

On this 10<sup>th</sup> day of November 2011, the Iowa Board of Pharmacy found probable cause to file this Statement of Charges and to order a hearing in this case.



SUSAN M. FREY, Chairperson  
Iowa Board of Pharmacy  
400 SW Eighth Street, Suite E  
Des Moines, Iowa 50309-4688

cc: Scott M. Galenbeck  
Assistant Attorney General  
Hoover State Office Building  
Des Moines, IA 50319

Schein-SOC 10-11

**BEFORE THE IOWA BOARD OF PHARMACY**

Re: )  
Wholesale Drug License of ) Case No. 2010-35  
**HENRY SCHEIN, INC.**, )  
License No. 5328, ) **CITATION AND**  
Respondent. ) **WARNING**

Pursuant to Iowa Code §§ 17A.10 and 272C.3(4) (2011), the Iowa Board of Pharmacy (hereinafter, the "Board") and Henry Schein, Inc. (hereinafter, "Respondent"), have agreed to settle a contested case currently on file with the Board. The Statement of Charges filed against Respondent on November 10, 2011 and the licensee disciplinary proceeding shall be resolved without a hearing, as the Board and Respondent stipulate to the following:

1. Respondent's license to operate as a wholesale distributor of drugs in Iowa is evidenced by Wholesale Drug License Number 5328, recorded in the permanent records of the Board.
2. Wholesale Drug License Number 5328 was renewed November 21, 2010, for the year 2011.
3. The Board has jurisdiction over the parties and the subject matter herein.
4. A Statement of Charges was filed against Respondent on March 8, 2011. The Statement of Charges contained two charges: Count I, "Unauthorized Delivery," and Count II, "Violations of Controlled Substance Laws."
5. Respondent denies the allegations contained in the Statement of Charges and hereby enters into this Citation and Warning to resolve the charges without making any admission against its interests. Respondent acknowledges, however,

that the allegations, if proven in a contested case proceeding, would constitute grounds for the discipline described herein.

6. Upon the Board's approval of this Citation and Warning, (a) Count II of the Statement of Charges ("Violations of Controlled Substance Laws) shall be dismissed with prejudice and (b) Respondent shall be assessed a civil penalty in the amount of \$5,000. The civil penalty payment shall be made payable to the Treasurer of Iowa and mailed to the executive director of the Board within 10 days after Respondent's receipt of notice of the Board's approval of this Citation and Warning. All civil penalty payments shall be deposited into the State of Iowa general fund. Upon the Board's receipt of the civil penalty, this disciplinary proceeding shall be concluded without further order of the Board.

7. Respondent represents that it shall, in the future, comply with all provisions of Iowa law, including the administrative rule prohibiting shipment of controlled substances to persons not authorized to possess the controlled substances.

8. Should Respondent violate or fail to comply with any of the terms or conditions of this Citation and Warning, the Board may initiate further action to impose licensee discipline as authorized by Iowa Code chapters 272C and 155A (2011), and 657 Iowa Administrative Code § 36.1.

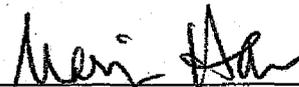
9. This Citation and Warning is the resolution of a contested case. By entering into this Citation and Warning, Respondent waives all rights to a contested case hearing on the allegations contained in the Statement of Charges, and waives any objections to this Citation and Warning.

10. This proposed settlement is subject to approval by a majority of the full Board. If the Board fails to approve this settlement, it shall be of no force or effect to either party. If the Board approves this Citation and Warning, it shall be the full and final resolution of this matter.

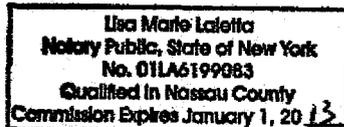
11. The State's counsel may present this Citation and Warning to the Board.

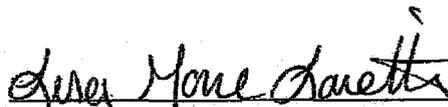
12. The Board's approval of this Citation and Warning shall constitute a FINAL ORDER of the Board in a disciplinary action.

This Citation and Warning is voluntarily submitted by Henry Schein, Inc., to the Iowa Board of Pharmacy for its consideration on this 17<sup>th</sup> day of April 2012.

  
HENRY SCHEIN, INC.,  
Respondent

Subscribed and sworn to before me by Marjorie Han, who has stated to me that he/she is authorized to sign this Citation and Warning on behalf of Henry Schein, Inc., on this 17 day of April 2012.



  
NOTARY PUBLIC

This Citation and Warning is accepted by the Iowa Board of Pharmacy on this 27<sup>th</sup> day of April 2012.

  
SUSAN M. FREY, Chairperson  
Iowa Board of Pharmacy  
400 SW Eighth Street, Suite E  
Des Moines, Iowa 50309-4688

cc: Scott M. Galenbeck

**Assistant Attorney General  
Office of the Attorney General  
Hoover State Office Building  
Des Moines, Iowa 50319**

**Andrew Anderson  
Faegre & Benson  
801 Grand Avenue, Suite 3100  
Des Moines Iowa 50309**

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