

**BEFORE THE BOARD OF PHARMACY EXAMINERS
OF THE STATE OF IOWA**

Re:)	Case No. 2005-29
Pharmacy License of)	
IOWA VETERAN'S HOME,)	STATEMENT OF CHARGES
License No. 518,)	
Respondent.)	

COMES NOW, the Complainant, Lloyd K. Jessen, and states:

1. He is the Executive Secretary/Director for the Iowa Board of Pharmacy Examiners 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 (2005).
3. Effective November 8, 2004, the Board renewed Respondent's general pharmacy license number 518, with Frank H. Drey as pharmacist in charge, allowing Respondent to engage in the operation of a pharmacy subject to the laws of the State of Iowa and the rules of the Board.
4. General pharmacy license number 524 is current until December 31, 2005.
5. Respondent is currently operating a general pharmacy at 1301 Summit Street, Marshalltown, Iowa 50158.

A. CHARGES

COUNT I – FAILURE TO MAINTAIN RECORDS AND CONTROL OVER DRUGS

Respondent is charged with failing to maintain complete and adequate records of purchases and disposal of drugs listed in the controlled substances act in violation of Iowa Code § 155A.15(2)(c) (2005) and 657 Iowa Administrative Code § 36.1(4)(cc), and with failing to maintain accurate control over and accountability for drugs, including controlled substances, in violation of Iowa Code §§ 124.308(3), 124.402(1)(a), 155A.15(2)(h) and 657 Iowa Administrative Code §§ 6.2, 6.7 and 36.1(4)(u).

COUNT III – ILLEGAL DISTRIBUTION OF DRUGS

Respondent is charged with distribution of drugs for other than lawful purposes in violation of Iowa Code § 155A.15(2)(d) (2005) and 657 Iowa Administrative Code § 36.1(4)(h), specifically, distribution of prescription medications in the absence of a prescription.

B. CIRCUMSTANCES

On or about March 28, 2005 an investigation was commenced, which revealed the following:

1. Since it began utilizing an automated medication dispensing system (AMDS) in 1999, Respondent has routinely recycled unused medications back into pharmacy stock and distributed the recycled medications to patients. Recycled medications, including controlled substances, have been removed from sealed dose packaging and placed in the AMDS supply.
2. Records were not maintained regarding recycled controlled substances.
3. Original recipients of medications were not credited for unused – and then recycled – medications.
4. Records were not maintained regarding medications returned to a reverse distributor.
5. Medications were routinely distributed to the family members of an employee in the absence of a prescription. Medications distributed to employee family members included both recycled medications and medications from Respondent's regular inventory.
6. Prescription drug samples from manufacturers were both placed in Respondent's regular inventory and distributed without written prescriptions. Patients of the Veteran's Home were billed for "sample" medications distributed from the Respondent's inventory.
7. Respondent had no quality assurance program for use in training pharmacists and technicians.

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 Secretary/Director

On this 13 day of Sept. 2005, the Iowa Board of Pharmacy Examiners found probable cause to file this Statement of Charges and to order a hearing in this case.


MICHAEL J. SEIFERT, Chairperson
Iowa Board of Pharmacy Examiners
400 SW Eighth Street, Suite E
Des Moines, Iowa 50309-4688

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

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**BEFORE THE BOARD OF PHARMACY EXAMINERS
OF THE STATE OF IOWA**

Re:)	Case No. 2005-29
Pharmacy License of)	
IOWA VETERAN'S HOME)	STIPULATION
License No. 518)	AND
Respondent)	CONSENT ORDER

Pursuant to Iowa Code §§ 17A.10 and 272C.3(4) (2005), The Iowa Board of Pharmacy Examiners (hereinafter, the "Board") and the Iowa Veteran's Home (hereinafter, "Respondent") have agreed to settle a contested case currently on file with the Iowa Board of Pharmacy Examiners. The Statement of Charges filed against Respondent on September 13, 2005, and the licensee disciplinary proceeding shall be resolved without a hearing, as the Board and Respondent have agreed to the following Stipulation and Consent Order:

1. Respondent's license to operate a pharmacy was renewed 01-01-2005 as evidenced by Pharmacy License Number 518, which is recorded in the permanent records of the Iowa Board of Pharmacy Examiners.
2. General Pharmacy License Number 518 issued to and held by Respondent is current and in force until December 31, 2005.
3. 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 June 7, 2005.
5. Respondent denies the allegations contained in the Statement of Charges, but in the interest of settlement has chosen not to contest the allegations. Respondent

acknowledges that the allegations set forth in the Statement of Charges, if proven in a contested case proceeding, would constitute grounds for the discipline described herein.

6. Respondent accepts a citation and warning for (a) failure to maintain records and adequate control over drugs, including controlled substances, and (b) illegal distribution of prescription medications in the absence of a prescription.

7. Respondent shall -- within sixty (60) days after the date of the Board's approval of this Stipulation and Consent Order -- propose to the Board *typewritten* pharmacy practices and procedures which shall include, but not be limited to the following;

- a. A proposal for proper utilization of automated medication dispensing systems (AMDS).
- b. A proposal for complete and accurate record-keeping relating to all prescription drugs, including controlled substances, received by and distributed from Respondent.
- c. A proposal for the handling and record-keeping relating to prescription drugs and devices that are returned to the pharmacy, including those items that are exchanged or resold by Respondent.
- d. A proposal for the handling and documentation relating to prescription drugs and devices that are destroyed or otherwise disposed of by either a reverse distributor or by other means.
- e. A proposal for the proper dispensing of prescription drugs and devices to employees of Respondent and family members of employees.
- f. A proposal for the handling and record keeping relating to prescription drug

samples received by Respondent. Respondent's records shall include documentation of receipt, storage, distribution and accountability for such samples. The proposal shall address the issue of charging a fee for such samples.

- g. A proposal for implementation of a quality assurance program that shall include, but not be limited to, a program of training and oversight of all pharmacists and pharmacy technicians employed by Respondent.

Once the above proposals are approved by the Board, Respondent agrees to abide by specific terms stated in the proposals.

8. Respondent agrees to obey all federal and state laws, rules, and regulations substantially related to the operation of pharmacy.

9. Should Respondent violate or fail to comply with any of the terms or conditions of this Stipulation and Consent Order, the Board may initiate action to revoke or suspend Respondent's Iowa license to operate a pharmacy or to impose other licensee discipline as authorized by Iowa Code chapters 272C and 155A and 657 Iowa Administrative Code § 36.1.

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

11. 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 Stipulation and Consent Order, it shall be the full and final resolution of this matter.

12. The Board's approval of this Stipulation and Consent Order shall constitute a FINAL ORDER of the Board in a disciplinary action.

This Stipulation and Consent Order is voluntarily submitted by the Iowa Veteran's Home to the Iowa Board of Pharmacy Examiners for its consideration on this 2 day of ~~October~~ November 2005. *MS*

Iowa Veteran Home by Daniel H. Hamblin
IOWA VETERAN'S HOME *Commandant*
Respondent
By *Scott M. Galenbeck*, R.Ph.
Pharmacist In Charge

Subscribed and sworn to before me by *Scott Snyder* *Daniel Stearn*, who has stated to me that he/she is the pharmacist in charge of Iowa Veteran's Home and is authorized to sign this Stipulation and Consent Order on behalf of Iowa Veteran's Home on this 2 day of ~~October~~ November 2005. *MS*



Rhonda Hamblin
NOTARY PUBLIC IN AND FOR THE STATE OF IOWA

This Stipulation and Consent Order is accepted by the Iowa Board of Pharmacy Examiners on this 16th day of ~~October~~ November 2005. *MS*

Michael J. Seifert
MICHAEL J. SEIFERT
Iowa Board of Pharmacy Examiners
400 SW Eighth Street, Suite E
Des Moines, Iowa 50309-4688

cc: Scott M. Galenbeck
Assistant Attorney General
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