BEFORE THE IOWA BOARD OF PHARMACY

RE: Application for Controlled Substances Act (CSA) Registration of **MCKESSON CORPORATION,** Wholesale Drug License No. 5772 Applicant.	**REGISTRATION BY CONSENT AGREEMENT**

COME NOW the Iowa Board of Pharmacy ("Board") and McKesson Corporation d/b/a McKesson Drug Company ("Applicant"), 38220 Plymouth Road, Livonia MI 48150, and enter into this Registration by Consent Agreement ("Agreement") pursuant to Iowa Code sections 17A.10 and 17A.18. The Board has jurisdiction over Applicant and the subject matter of this case pursuant to Iowa Code chapters 17A, 124, and 272C (2018), and 657 IAC chapter 10.

A. FACTUAL CIRCUMSTANCES

1. On November 30, 2017, the Board received an application for a CSA registration from Applicant.

2. Applicant disclosed a two year suspension of its federal Drug Enforcement Administration (DEA) registration pursuant to a Settlement Agreement and Release and Administrative Memorandum of Agreement ("Memorandum of Agreement") entered into with the U.S. Department of Justice, DEA. The suspension is effective from January 17, 2017 through January 17, 2019, but allows Applicant to distribute controlled substances to federal customers pursuant to its exclusive contract with the U.S. Department of Veterans Affairs. The settlement does not apply to or limit Applicant's authority to distribute, or operations involving, List I Chemical products at or from Applicant which are authorized under the Applicant's DEA registration.

B. LEGAL GROUNDS

3. The Board shall register an applicant unless it determines that the issuance of a registration would be inconsistent with the public interest. *See* Iowa Code section 124.303(1).

4. In determining the public interest, the board shall consider the suspension or revocation of the applicant's federal registration to manufacture, distribute, or dispense controlled substances as authorized by federal law. *See* Iowa Code section 124.303(1)(f).

C. REGISTRATION BY CONSENT

5. Applicant admits the allegations in the Factual Circumstances and acknowledges that the allegations, if proven in a contested case hearing concerning registration denial, would constitute grounds for the adverse action agreed to in this Agreement.

6. Execution of this Agreement constitutes the resolution of a contested case. Applicant has a right to hearing before the Board on the grounds for license denial, but Applicant waives the right to hearing and all attendant rights, including the right to appeal or seek judicial review of the Board's action, by freely and voluntarily entering into this Agreement. Once entered, this Agreement shall have the force and effect of a Board Order entered following a contested case hearing concerning license denial.

7. Applicant acknowledges that it has the right to be represented by counsel on this matter.

8. This Agreement is subject to approval by a majority of the full Board. If the Board does not approve this Agreement, it shall be of no force or effect to either party, and shall not be admissible for any purpose in further proceedings in this matter. If the Board approves this Agreement, it shall be the full and final resolution of this matter.

9. This Agreement shall be part of Applicant's permanent record and shall be considered by the Board in determining the nature and severity of any disciplinary action to be imposed in the event of any future violations.

10. Applicant understands that this Agreement constitutes adverse action and that the Board is required by federal law to report any adverse action to the National Association of Boards of Pharmacy's Disciplinary Clearinghouse and the National Practitioner Data Bank.

11. This Agreement, when fully executed, is a public record and is available for inspection and copying in accordance with the requirements of Iowa Code chapters 22 and 272C.

12. The Board's approval of this Agreement shall constitute a **FINAL ORDER** of the Board.

IT IS THEREFORE ORDERED:

13. Applicant shall be issued an Iowa CSA registration.

14. Applicant's CSA registration is hereby **RESTRICTED** for the duration of the suspension of Applicant's DEA registration, which is expected to last until January 17, 2019. Applicant's restriction on its CSA registration shall mirror the restrictions on Applicant's DEA registration during the period of suspension. This Agreement is intended to mirror the Settlement Agreement and Release and Memorandum of Agreement with the DEA. If any restrictions are added or removed by the DEA, including but not limited to an early termination of the DEA suspension, those changes shall be incorporated into this Agreement.

15. Any changes to the terms or conditions on Applicant's DEA registration shall be promptly reported to the Iowa Board of Pharmacy.

16. Should Applicant violate the terms of this Order, the Board may initiate action to impose other licensee discipline as authorized by Iowa Code chapters 124 and 272C and 657 IAC chapter 10.

This Registration by Consent Agreement is voluntarily submitted by Applicant to the Board for its consideration on the ___ day of _____, 2018.

Ammie McAsey

McKesson Corporation
Wholesale Drug License No. 5772
Applicant

By the signature above, Ammie McAsey acknowledges s/he is the Senior Vice President, U.S. Pharma Distribution Operations for Applicant and is authorized to sign this Registration by Consent Agreement on behalf of Applicant.

This Registration by Consent Agreement is approved by the Iowa Board of Pharmacy on the 14 day of March, 2018.

Chairperson
Iowa Board of Pharmacy