

IN THE MATTER OF

\*

BEFORE THE

ASSOCIATED PHARMACIES, INC.

\*

MARYLAND STATE

\*

BOARD OF PHARMACY

PERMIT NO. D02899

\*

Case No. 19-028

\*

\* \* \* \* \*

**PRE-CHARGE CONSENT ORDER**

**Background**

The Maryland Board of Pharmacy (the "Board") conducted an annual inspection of a Maryland licensed pharmacy (Pharmacy A) on December 8, 2017. During that inspection, it was determined that Pharmacy A's Controlled Dangerous Substances registration had expired on May 31, 2017. Subsequent investigation revealed that Pharmacy A had purchased from Associated Pharmacies, Inc., and Associated Pharmacies had distributed to Pharmacy A, approximately 150 various controlled dangerous substances between August 23, 2017, and December 11, 2017, during Pharmacy A's lapse in CDS registration.

In lieu of instituting formal proceedings against Associated Pharmacies in accordance with the Maryland Pharmacy Act, Md. Code Ann., Health Occ. § 12-101 *et seq.*, the Board and Associated Pharmacies have agreed to resolve this matter as set forth in this Pre-Charge Consent Order.

**FINDINGS OF FACT**

1. Associated Pharmacies is a wholesale drug distributor located and licensed in Scottsboro, Alabama.
2. Associated Pharmacies was issued a Maryland wholesale distributor permit,

Permit No. D02899 on December 2, 2009. Such permit is active and will expire on May 31, 2019.

3. On or about December 8, 2017, the Board conducted an annual inspection on Pharmacy A, located in Baltimore, Maryland. During that inspection, it was determined that Pharmacy A's Controlled Dangerous Substance (CDS) Registration had expired on May 31, 2017.
4. Subsequent investigation by the Board revealed that Pharmacy A continued to purchase controlled dangerous substances from Associated Pharmacies, notwithstanding the expiration of Pharmacy A's CDS registration.
5. Specifically, Pharmacy A purchased approximately 150 controlled dangerous substance medications from Associated Pharmacies between August 23, 2017, and December 11, 2017, without an active CDS registration.
6. Wholesale distributors may not sell or transfer prescription drugs to a person who is not legally authorized to receive the prescription drugs.

#### CONCLUSIONS OF LAW

Based on the foregoing Findings of Fact, the Board concludes that Associated Pharmacies, Inc., is subject to discipline in accordance with Md. Code Ann., Health Occ. § 12-6C-11 and COMAR 10.34.22.05.A(3)(k) and (v).

#### ORDER

Based upon an affirmative vote of the Maryland Board of Pharmacy under the authority of Md. Code Ann., Health Occ. § 12-101, *et seq.*, it is this 23<sup>rd</sup> day of April, 2019, hereby,

ORDERED that Associated Pharmacies, Permit No. D02899, shall pay a FINE in the amount of TEN THOUSAND DOLLARS (\$10,000.00), payable to the Maryland Board of Pharmacy within sixty (60) days of the date of this Order, and mailed to:

Wells Fargo Bank  
Attn: State of Maryland – Board of Pharmacy  
7175 Columbia Gateway Drive  
Lockbox 2051  
Columbia, Maryland 21046

*NOTE: Please include the case number, 19-028, on your check or money order to insure proper assignment to this case; and be it further,*

ORDERED that Associated Pharmacies shall comply with all laws and regulations governing the wholesale distribution of prescription drugs, including controlled dangerous substances, into the State of Maryland; and be it further,

ORDERED that in the event that Associated Pharmacies violates any of the terms above, the Board, after notice and an opportunity for a hearing, and a determination of a violation, may impose any disciplinary sanction it deems appropriate, including suspension, revocation, and fines, said violation being proven by a preponderance of the evidence; and be it further,

ORDERED that this is a formal order and as such is a public document pursuant to the Maryland Public Information Act, Md. Code Ann., General Provisions Article § 4-101, *et seq.*

4-28-19

Date



Deena Speights Napata  
Executive Director for:

Kevin Morgan, Pharm.D.  
Board President

CONSENT

1. By signing this Consent, Associated Pharmacies, Inc., submits to the foregoing Pre-Charge Consent Order as a resolution of this matter and agrees to be bound by its terms and conditions.

2. Associated Pharmacies, Inc., acknowledges the validity of this Pre-Charge Consent Order as if it were made after a hearing in which it would have had the right to counsel, to confront witnesses, and to all other substantial procedural protections provided by law.

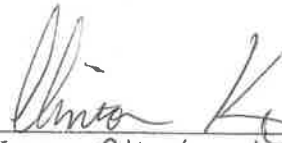
3. Associated Pharmacies, Inc., acknowledges that, by entering into this Pre-Charge Consent Order, Associated Pharmacies, Inc., is waiving its right to appeal any adverse ruling of the Board that might have followed such an evidentiary hearing.

4. Associated Pharmacies, Inc., acknowledges the legal authority and the jurisdiction of the Board to enter and enforce this Pre-Charge Consent Order.

5. Associated Pharmacies, Inc., signs this Pre-Charge Consent Order freely and voluntarily, after having had the opportunity to consult with counsel. Associated Pharmacies, Inc., fully understands the language, meaning, and effect of this Pre-Charge Consent Order.

4/16/19

Date



Name: Clinton King

Title: President

STATE OF ALABAMA,  
COUNTY/CITY OF Jackson :

I hereby certify that on this 16<sup>th</sup> day of April, 2019, before me, a Notary Public of the State of Alabama, County/City aforesaid, personally appeared Clinton King, and made an oath in due form that the foregoing Consent was his/her voluntary act and deed on behalf of Associated Pharmacies, Inc..

Hanna English Henshaw

Notary Public

My commission expires: 12-16-2019