

LOUISIANA BOARD OF WHOLESALE DRUG DISTRIBUTORS

Board Meeting

MINUTES

June 15, 2010

AGENDA ITEM 1 - Call to Order

The meeting was called to order by Robert Broadus, Chairman, at approximately 9:20 am. The meeting was held in Baton Rouge, Louisiana at the administrative office of the Board located at 12046 Justice Avenue, Suite C.

AGENDA ITEM 2 - Roll Call

It was noted by Mr. Broadus that those members in attendance were Mr. Broadus, William Crates, Randall Brooks, Wayne Gremillion, Hersh Paul, and Michael Davis; Kenneth Dugas was absent due to illness. Also present were Celia Cangelosi, John Liggio, Kimberly Barbier, and George Lovecchio. The Board members in attendance constituted a quorum. There were no guests in attendance.

AGENDA ITEM 3 - Call for Additional Agenda Items *[for discussion in Agenda Item 9.b]*

1. Mr. Liggio - Disciplinary Sanction Guidelines
2. Mr. Liggio - Legislative Updates

Motion was made by Mr. Brooks to add the presented items to the agenda for discussion in Agenda Item 9.b, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: None; ABSENT: Mr. Dugas.

[The Board deferred Agenda item 4.a.i until a later time in the meeting; the Board continued with Agenda Item 4.b.i; the Board returned to agenda item 4.a.i after agenda item 7a.]

AGENDA ITEM 4.a.i. - Enforcement Actions - Administrative Hearing

Mr. Broadus opened the hearing at approximately 10:00 am. Ms. Cangelosi presented evidence in the Board's case against Select Health Services LLC, Bear DE, enforcement action docket no. 2009EA1034. The defendant, Select Health Services LLC, was not present or represented at the hearing.

Motion was made by Mr. Brooks to enter Executive Session for discussion of the evidence presented in enforcement action case docket no. 2009EA1034, seconded by Mr. Paul, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: Mr. Gremillion; ABSENT: Mr. Dugas. Those Board members present in executive session were Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Paul, and Mr. Davis. **Motion was made by Mr. Crates to exit**

Executive Session and return to open session of the Board meeting, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: Mr. Gremillion; ABSENT: Mr. Dugas. Mr. Brooks read the Findings of Fact, Conclusions of Law, and the Board's Final Order into record. **Motion was made by Mr. Davis to accept the findings of fact, conclusions of law, and final order as read, seconded by Mr. Crates, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: Mr. Gremillion; ABSENT: Mr. Dugas.** The Hearing was closed. The Board instructed that a copy of the Final Order in enforcement action case docket no. 2009EA1034 against Select Health Services LLC, Bear DE be sent to the Boards of Pharmacy in Delaware and Arkansas.

General discussion was held regarding information obtained by Mr. Liggio in regards to cases against Select Health Services LLC (and other name variations) in the states of Arkansas and Delaware. No formal action was taken.

Mr. Gremillion entertained a motion to add one additional enforcement action case to the agenda for presentation and review - docket no. 2010EA1016. **Motion was made by Mr. Brooks to add another enforcement action case to the agenda for presentation and review in agenda item 9.b, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: Mr. Gremillion; ABSENT: Mr. Dugas.**

[The Board returned to agenda item 8.]

AGENDA ITEM 4.b.i - Enforcement Actions - Consent Agreements *[Presented after agenda item 3.]*

Mr. Gremillion, Compliance Officer, presented a consent agreement for review and approval as follows:

- i. Mr. Gremillion presented the Consent Agreement executed for Docket No. 2010EA1018 for Lee Engineering Supply Company LLC, Harahan LA; violation - wholesale distribution of legend drugs/devices in Louisiana without a license (moved to new location) and recordkeeping; Louisiana license no. 4573 issued May 18, 2010. **Motion was made by Mr. Paul to accept the consent agreement as executed and presented, seconded by Mr. Crates and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, and Mr. Paul; AGAINST: None; ABSTAINED: Mr. Gremillion and Mr. Davis; ABSENT: Mr. Dugas.**

AGENDA ITEM 5 - Approval of Meeting Minutes/ March 16, 2010

The minutes of the March 16, 2010 Board meeting were presented. **Motion was made by Mr. Brooks to dispense with full reading of the minutes and to accept the minutes as presented, seconded by Mr. Gremillion, and passed by voice vote - FOR:**

Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: None; ABSENT: Mr. Dugas.

AGENDA ITEM 6.a - Financial Matters/ Financial Statements

Financial information was presented for March, April, and May 2010. General discussion was held. No formal action was taken.

AGENDA ITEM 6.b - Financial Matters/ Fiscal Year 2010 Budget Review - Amendments

Mr. Liggio presented an overview of the current fiscal year - 2010 - budget and proposed amendments. General discussion was held. **Motion was made by Mr. Davis to accept the amendments to the current fiscal year 2010 budget as presented for submission to the appropriate state agencies, seconded by Mr. Gremillion, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: None; ABSENT: Mr. Dugas.**

Mr. Liggio discussed plans to have an inspection report program relational to the database developed for use on (and purchase of) a notebook type computer system (ThinkPad) for use by the inspector in the field. No formal action was taken.

AGENDA ITEM 6.c - Financial Matters/ Check Limit for Two Signatures Required

The current amount for checks requiring two signature is \$7,000 and higher. The Board found no need to change this amount. No formal action was taken.

AGENDA ITEM 7.a -Licensing Issues/ New Licenses Issued

A list of approximately 104 new licenses as issued by the Board office on behalf of the Board since the March 16, 2010 Board meeting was available for review. No formal action was taken.

[The Board returned to agenda item 4.a.i.]

[The Board continued with agenda item 8 after conclusion of agenda item 4.a.i.]

AGENDA ITEM 8.a - Statutes and Rules/ Rule Promulgation Update

Mr. Liggio presented promulgation tracking reports for rule amendments currently in promulgation for LAC 46:XCI.303-Required Information and LAC 46:XCI.105-General Provisions, Exemptions. General discussion was held. No formal action was taken.

AGENDA ITEM 8.b - Statutes and Rules/ Proposed Rule Amendments

Mr. Liggio presented proposed changes to LAC 46:XCI.105 and 301. General discussion was held. **Motion was made by Mr. Crates to approve the changes proposed for LAC 46:XCI.105 for promulgation, seconded by Mr. Paul, and passed by**

voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: None; ABSENT: Mr. Dugas. Motion was made by Mr. Gremillion to indefinitely table the changes proposed for LAC 46:XCI.301, seconded by Mr. Crates, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: None; ABSENT: Mr. Dugas.

AGENDA ITEM 8.c – Statutes and Rules/ Policy & Procedure

This item was indefinitely tabled along with the proposed changes to LAC 46:XCI.301 (*in agenda item 8.b*).

AGENDA ITEM 9.a – General/ Deferred Items (March 16, 2010 Board Meeting)

i. FOB

General discussion was held. **Motion was made by Mr. Crates to defer this issue indefinitely, seconded by Mr. Gremillion, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: None; ABSENT: Mr. Dugas.**

ii. Term Limits for Board Members

Information was presented by Mr. Liggio and Ms. Cangelosi. Information presented indicated that in accordance with Act 2008, No. 875, §1, all persons appointed to a board or commission in the Executive Branch of State government after August 15, 2008 shall serve no more than twelve consecutive years (two and one-half terms in three consecutive terms). No formal action was taken.

AGENDA ITEM 9.b – General/ Additional Agenda Items (*added per Agenda Item 3*)

1. Disciplinary Sanction Guidelines

Mr. Liggio presented guidelines for disciplinary sanctions. General discussion was held. **Motion was made by Mr. Brooks to approve the proposed guidelines as presented, seconded by Mr. Crates, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAISNT: None; ABSTAINED: None; ABSENT: Mr. Dugas.**

2. Legislative Updates

Mr. Liggio presented information on several House and Senate Bills he had been following. General discussion was held. No formal action was taken.

3. Enforcement Action/ Consent Agreement

Mr. Gremillion, Compliance Officer, presented a consent agreement for review and approval as follows:

- i. Mr. Gremillion presented the Consent Agreement executed for Docket No. 2010EA1016 for Cramer Decker Medical/ Cramer

Decker Industries, Santa Ana CA; violation - wholesale distribution of legend drugs/devices in Louisiana without a license; agreed to cease and desist distribution into Louisiana; will not apply for licensure. **Motion was made by Mr. Crates to accept the consent agreement as executed and presented, seconded by Mr. Davis and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Paul, and Mr. Davis; AGAINST: None; ABSTAINED: Mr. Gremillion; ABSENT: Mr. Dugas.**

AGENDA ITEM 10 - Board Matters/ Election of Officers - FY 2011

Motion was made by Mr. Gremillion to ratify the current officers - Mr. Broadus-Chairman, Mr. Crates-Vice Chairman, and Mr. Brooks-Secretary/Treasurer, seconded by Mr. Paul and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas. Mr. Gremillion will remain the Compliance Officer.

AGENDA ITEM 11 - Employee Matters

- a. Annual List of Recognition Rewards Awarded in FY 2010
A list of recognition rewards that were awarded by the Board to staff during fiscal year 2010 was presented for review. No formal action was taken. The Board offered its appreciation to the staff for an excellent job.
- b. Suspension of Merit Increase Authority for FY 2011
Mr. Liggio presented information regarding the Civil Service Rule suspending merit increases for fiscal year 2011 (from July 1, 2010 through June 30, 2011) and the Governor's Executive Order freezing merit increase for fiscal year 2011 for unclassified employees. General discussion was held. **Motion was made by Mr. Gremillion to postpone the annual employee reviews until a later date due to the uncertainty of the directive and spirit of the Governor's Executive Order, seconded by Mr. Crates and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas.**
- c. Annual Employee Reviews
This item was deferred to a later date.

AGENDA ITEM 12 - Confirmation of Next Board Meeting Date

The next Board meeting is tentatively set for Tuesday, September 21, 2010.

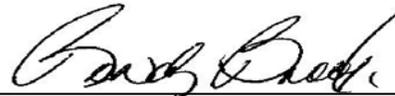
AGENDA ITEM 12 - Executive Session

No items for discussion.

AGENDA ITEM 13 - Adjournment

There being no further business before the Board, **motion was made by Mr. Paul to adjourn the meeting, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Crates, Mr. Brooks, Mr. Gremillion, Mr. Paul, and Mr. Davis; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Dugas.**

The meeting adjourned at approximately 12:45 pm.



Randall Brooks
Board Secretary/Treasurer



John Liggio
Executive Director

Approved and accepted by the full Board -

Date: September 21, 2010