

# LOUISIANA BOARD OF WHOLESALE DRUG DISTRIBUTORS

## Board Meeting

### MINUTES

September 15, 2011

#### AGENDA ITEM 1 - Call to Order

The meeting was called to order by Robert Broadus, Chairman, at approximately 9:35 am. The meeting was held in Baton Rouge, Louisiana at the Administrative Office of the Board located at 12091 Justice Avenue, Suite B, Baton Rouge, Louisiana.

#### AGENDA ITEM 2 - Roll Call

It was noted by Mr. Broadus that those members in attendance were Mr. Broadus, Randall Brooks, Wayne Gremillion, Michael Davis, and Kenneth Dugas. William Crates and Hershal Paul were absent. Also present from the Board's administrative office were 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 11]*

##### 1. Mr. Liggio - Old Business Updates

**Motion was made by Mr. Gremillion to add the presented item to the agenda for discussion under agenda item 11, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Gremillion, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: None.**

#### AGENDA ITEM 4 - Disciplinary Matters

##### a. Disciplinary Actions

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

- i. Docket No. 2011002 - Zimmer Solutions, Harahan LA, Louisiana license no. 4600; violation(s) - La. R.S. 37:3474.2.A(1), engaging in wholesale drug distribution in Louisiana without being licensed; LAC 46:XCI.301.A.1, separate licensure for each facility or physical location from which wholesale drug distribution is conducted; LAC 46:XCI.303.B.1, submission of an application for location change 30 days prior to the location change; \$1,000 fine and \$250 administrative costs. **Motion was made by Mr. Davis to approve and accept the consent agreement as executed and presented, seconded by Mr. Dugas and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**
- ii. Docket No. 2011003 - Access Medical Supply Inc., Houma LA, Louisiana license no. 4359; violation(s) - LAC 46:XCI.311.D, maintaining current

- copies of licenses for customers that are shipped or sold drugs or devices; \$750 fine and \$250 administrative costs. **Motion was made by Mr. Davis to approve and accept the consent agreement as executed and presented, seconded by Mr. Brooks and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**
- iii. Docket No. 2011004 - GPS dba Gulfcoast Pharmaceutical Specialty, Gonzales LA, Louisiana license no. 4411; violation(s) - LAC 46:XCI.309.A.5.b, drugs or devices whose immediate or sealed outer or sealed secondary containers have been opened or used shall be identified as such, and shall be quarantined and physically separated in a clearly identified area from other drugs or devices until they are either destroyed or returned to the supplier; LAC 46:XCI.311.D, copies of current licenses for customers who are authorized by law or regulation to procure or possess drugs or devices shall be maintained for all customers that are shipped or sold drugs or devices; \$2,000 fine and \$250 administrative costs. **Motion was made by Mr. Davis to approve and accept the consent agreement as executed and presented, seconded by Mr. Dugas and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**
- iv. Docket No. 2011005 - JMS North America Corporation, Hayward CA, Louisiana license no. 6855; violation(s) - La. R.S. 37:3478, participating or engaging in wholesale drug distribution business in Louisiana without being licensed; \$2,000 fine and \$250 administrative costs. **Motion was made by Mr. Brooks to approve and accept the consent agreement as executed and presented, seconded by Mr. Davis and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**
- v. Docket No. 2011006 - Lee Medical International, Inc., Harahan LA, Louisiana license no. 4259; violation(s) - LAC 46:XCI.311, purchasing or receiving drugs or devices from other than wholesale drug distributors licensed by the Board to ship or sell in or into Louisiana; \$750 fine and \$250 administrative costs. **Motion was made by Mr. Dugas to approve and accept the consent agreement as executed and presented, seconded by Mr. Davis and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**
- vi. Docket No. 2011007 - AOSS Medical Supply Inc., Monroe LA, Louisiana license no. 4029; violation(s) - LAC 46:XCI.311, purchasing or receiving drugs or devices from other than wholesale drug distributors licensed by the Board to ship or sell in or into Louisiana; \$750 fine and \$250 administrative costs. **Motion was made by Mr. Brooks to approve and**

**accept the consent agreement as executed and presented, seconded by Mr. Davis and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**

- vii. Docket No. 2011008 – Crosstown Couriers, Nashville TN, Louisiana license no. 6972; violation(s) – La. R.S. 37:3478, participating or engaging in wholesale drug distribution business in Louisiana without being licensed and prior to being issued a license to do so; \$500 fine and \$250 administrative costs. **Motion was made by Mr. Dugas to approve and accept the consent agreement as executed and presented, seconded by Mr. Davis and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**

b. Enforcement Actions

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

- i. Docket No. 2011EA1002 – American Medical Depot, Opalocka FL; violation – La. R.S. 37:3474.2(A)(1), engaging in wholesale drug distribution in Louisiana without being licensed; applied for and received licensure, Louisiana license no. 7011; agreed to and paid a fine in the amount of \$1,000 fine and \$250 administrative costs. **Motion was made by Mr. Dugas to approve and accept the consent agreement as executed and presented, seconded by Mr. Davis and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**
- ii. Docket No. 2011EA1003 – Mizuhosi OSI (Mizuho OSI), Union City CA; violation – La. R.S. 37:3474.2(A)(1), engaging in wholesale drug distribution in Louisiana without being licensed; applied for and received licensure, Louisiana license no. 7004; agreed to and paid a fine in the amount of \$1,000 fine and \$250 administrative costs. **Motion was made by Mr. Davis to approve and accept the consent agreement as executed and presented, seconded by Mr. Brooks and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**
- iii. Docket No. 2011EA1004 – Clinical Technology Inc., Broadview Heights OH; violation – La. R.S. 37:3474.2(A)(1), engaging in wholesale drug distribution in Louisiana without being licensed; agreed to and paid a fine in the amount of \$500 fine and \$250 administrative costs; agreed to cease and desist wholesale drug distribution in Louisiana until a licensing application is approved by the Board - will not pursue licensure at this time. **Motion was made by Mr. Brooks to approve and accept the consent agreement as executed and presented, seconded by Mr. Davis and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST:**

**None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**

- iv. Docket No. 2011EA1005 - CareFusion, Palm Springs CA; violation - La. R.S. 37:3474.2(A)(1), engaging in wholesale drug distribution in Louisiana without being licensed; applied for and received licensure, Louisiana license no. 7007; agreed to and paid a fine in the amount of \$1,000 fine and \$250 administrative costs. **Motion was made by Mr. Dugas to approve and accept the consent agreement as executed and presented, seconded by Mr. Brooks and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**
- v. Docket No. 2011EA1006 - JMS Singapore PTE LTD, Singapore ROS; violation - La. R.S. 37:3474.2(A)(1), engaging in wholesale drug distribution in Louisiana without being licensed; applied for and received licensure, Louisiana license no. 7022; agreed to and paid a fine in the amount of \$1,000 fine and \$250 administrative costs. **Motion was made by Mr. Brooks to approve and accept the consent agreement as executed and presented, seconded by Mr. Dugas and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: Mr. Gremillion.**

c. Judicial Review Update

Mr. Liggio presented information regarding the judicial case brought against the Board by Select Health Services LLC with regards to Docket No. 2009EA1034. General discussion was held. No formal action was taken on this matter.

AGENDA ITEM 5 - Approval of Meeting Minutes

The minutes of the May 5, 2011 Board meeting were presented. **Motion was made by Mr. Brooks to dispense with full reading of the minutes and to accept and approve the minutes as presented, seconded by Mr. Gremillion, and passed by voice vote - FOR: Mr. Broadus, Mr. Brooks, Mr. Gremillion, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: None.**

AGENDA ITEM 6 - Financial Matters

a. Financial Statements

Financial information was presented for April, May, and June 2011. Mr. Liggio presented additional information regarding June 30, 2011 fiscal year 2011 year end. General discussion was held. No formal action was taken on this matter.

b. Annual Financial Attestation - Fiscal Year 2011

General discussion was held. No formal action was taken on this matter.

*[The Board returned to agenda item 6.a.v. - Financial Statements, August 2011.]*

Mr. Liggio presented information regarding financials for August 2011, fiscal year 2012. General discussion was held. No formal action was taken on this matter.

*[The Board returned to agenda item 6.c – Banking Matters.]*

c. Banking Matters

Mr. Liggio presented information regarding Fund Transfer Authorization with regards to payments made to LASERS which no longer accepts payments by check. LASERS requires monthly contribution payments be made by electronic fund transfers. The Board reviewed bank forms to establish a repetitive fund transfer with the bank for these payments. **Motion was made by Mr. Gremillion to authorize fund transfer for payment of the LASERS contributions by electronic transfers through the bank, to designate Mr. Brooks, Board Secretary/ Treasurer, as the Board’s representative over the transactions and Mr. Liggio as the Authorized Representative to make the monthly payments via electronic fund transfer through the bank, seconded by Mr. Davis, and passed by voice vote – FOR: Mr. Broadus, Mr. Brooks, Mr. Gremillion, Mr. Davis and Mr. Dugas; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Crates and Mr. Paul; RECUSED: None.**

AGENDA ITEM 7 – Licensing Matters

a. New License Issued

A list of approximately 112 new licenses as issued by the Board office on behalf of the Board since the May 5, 2011 Board meeting was available for review. No formal action was taken on this matter.

AGENDA ITEM 8 – Board Matters

a. Business Cards

General discussion was held with regards to printing new business cards. The Board decided that all employees of the Board and Board Members should have business cards.

AGENDA ITEM 9 – General

a. Procedure – Denial of Licensure Based on Past Disciplinary Issues

General discussion was held. No formal action was taken on this issue.

AGENDA ITEM 10 – Statutes and Rules

Nothing to report.

AGENDA ITEM 11 – Additional Agenda Items *(added per Agenda Item 3)*

a. Old Business Updates

Mr. Liggio presented updates on issues discussed by the Board at previous Board meetings:

- i. Licensee commendation – published in the May 2011 licensee newsletter.
- ii. New Office and moving costs – general review of the office move was held.

- iii. Part-time Assistant/Clerk position – new part-time/temporary (seasonal) position to be created.
- iv. Proposed Inspector position – on hold at this time.
- v. Licensee unknowledgeable of industry – have been checking in and helping these individuals when required.
- vi. Solicitation of pharmacies by wholesale/distributors for purchase of drugs from pharmacies – parties have been contacted and issue seems to be understood.

No formal action was taken on these issues.

Mr. Liggio presented general information regarding updates made to the Board's website. No formal action was taken on this matter.

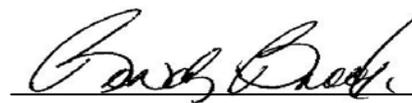
AGENDA ITEM 12 – Confirmation of Next Board Meeting

The next Board meeting date is scheduled for Thursday, December 15, 2011.

AGENDA ITEM 13 - Adjournment

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

The meeting adjourned at approximately 11:25 am.



**Randall Brooks**  
Board Secretary/Treasurer



**John Liggio**  
Executive Director

Approved and accepted by the full Board -

Date: December 15, 2011