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9
10 **BEFORE THE**
11 **BOARD OF PHARMACY**
12 **DEPARTMENT OF CONSUMER AFFAIRS**
13 **STATE OF CALIFORNIA**

13 In the Matter of the Statement of Issues
14 Against:

15 **RAJ RAKHOLIA**

16 **Pharmacist License Applicant**

17 Respondent.

Case No. 7216

**FIRST AMENDED STATEMENT OF
ISSUES**

18
19 **PARTIES**

20 1. Anne Sodergren (Complainant) brings this Statement of Issues solely in her official
21 capacity as the Executive Officer of the Board of Pharmacy (Board), Department of Consumer
22 Affairs.

23 2. On or about May 12, 2021, the Board received an application for a Pharmacist
24 License from Raj Rakholia (Respondent). On or about May 1, 2021, Raj Rakholia certified under
25 penalty of perjury to the truthfulness of all statements, answers, and representations in the
26 application. The Board denied the application on October 1, 2021.

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1 **JURISDICTION**

2 3. This First Amended Statement of Issues is brought before the Board under the
3 authority of the following laws. All section references are to the Business and Professions Code
4 (Code) unless otherwise indicated.

5 4. Code section 4011 provides that the board shall administer and enforce this chapter
6 and the Uniform Controlled Substances Act (Division 10 (commencing with Section 11000) of
7 the Health and Safety Code).

8 5. Code section 4300, subdivision (c) states:

9 (c) The board may refuse a license to any applicant guilty of unprofessional
10 conduct. The board may, in its sole discretion, issue a probationary license to any
11 applicant for a license who is guilty of unprofessional conduct and who has met all
12 other requirements for licensure. The board may issue the license subject to any
13 terms or conditions not contrary to public policy, including, but not limited to, the
14 following:

15 ...

16 (7) Compliance with laws and regulations governing the practice of
17 pharmacy.

18 **STATUTORY PROVISIONS**

19 6. Section 4201, subdivisions (f) and (j) of the Code state:

20 (f) Notwithstanding any other law, the pharmacy license shall authorize the
21 holder to conduct a pharmacy. The license shall be renewed annually and shall not be
22 transferable.

23 (j) For licenses referred to in subdivisions (f), (g), (h), and (i), any change in the
24 proposed beneficial ownership interest shall be reported to the board within 30 days
25 thereafter upon a form to be furnished by the board.

26 7. Code section 4301 states in pertinent part:

27 The board shall take action against any holder of a license who is guilty of
28 unprofessional conduct or whose license has been issued by mistake.
Unprofessional conduct includes, but is not limited to, any of the following:

...

(o) Violating or attempting to violate, directly or indirectly, or assisting in
or abetting the violation of or conspiring to violate any provision or term of this

1 chapter or of the applicable federal and state laws and regulations governing
2 pharmacy, including regulations established by the board or by any other state or
3 federal regulatory agency.

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5 8. Code section 4302 states:

6 The board may deny, suspend, or revoke any license where conditions exist
7 in relation to any person holding 10 percent or more of the ownership interest or
8 where conditions exist in relation to any officer, director, or other person with
9 management or control of the license that would constitute grounds for
10 disciplinary action against a licensee.

11 9. Code section 4307 states:

12 (a) Any person who has been denied a license or whose license has been
13 revoked or is under suspension, or who has failed to renew his or her license while
14 it was under suspension, or who has been a manager, administrator, owner,
15 member, officer, director, associate, partner, or any other person with management
16 or control of any partnership, corporation, trust, firm, or association whose
17 application for a license has been denied or revoked, is under suspension or has
18 been placed on probation, and while acting as the manager, administrator, owner,
19 member, officer, director, associate, partner, or any other person with management
20 or control had knowledge of or knowingly participated in any conduct for which
21 the license was denied, revoked, suspended, or placed on probation, shall be
22 prohibited from serving as a manager, administrator, owner, member, officer,
23 director, associate, partner, or in any other position with management or control of
24 a licensee as follows:

25 (1) Where a probationary license is issued or where an existing license is
26 placed on probation, this prohibition shall remain in effect for a period not to
27 exceed five years.

28 (2) Where the license is denied or revoked, the prohibition shall continue
until the license is issued or reinstated.

(b) "Manager, administrator, owner, member, officer, director, associate,
partner, or any other person with management or control of a license" as used in
this section and Section 4308, may refer to a pharmacist or to any other person
who serves in such capacity in or for a licensee.

(c) The provisions of subdivision (a) may be alleged in any pleading filed
pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3
of the Government Code. However, no order may be issued in that case except as
to a person who is named in the caption, as to whom the pleading alleges the
applicability of this section, and where the person has been given notice of the
proceeding as required by Chapter 5 (commencing with Section 11500) of Part 1

1 of Division 3 of the Government Code. The authority to proceed as provided by
2 this subdivision shall be in addition to the board's authority to proceed under
Section 4339 or any other provision of law.

3 **FACTUAL ALLEGATIONS**

4 10. On August 12, 2005, the Board issued Pharmacy Technician License Number TCH
5 64078 to Respondent. The Pharmacy Technician License expired on May 31, 2019, and was not
6 renewed. On November 8, 2017, the Board issued Intern Pharmacist Registration Number INT
7 41728 to Respondent. The Intern Pharmacist Registration expires on May 31, 2022.

8 11. From August 11, 2017 to December 31, 2017, Respondent was an officer (secretary)
9 and 20% shareholder of White Cross Pharmacy #1 (PHY 50793) located at 21445 N. Sunrise
10 Way, Ste. 100 in Palm Springs, California, 92262, and White Cross Pharmacy #1 (PHY 55765)
11 located at 1717 East Vista Chino, Ste. B, in Palm Springs, California, 92262. On or about
12 December 31, 2017, Respondent divested his shares of White Cross Pharmacy (PHY 55765);
13 however, neither Respondent nor the other owners notified the Board of the change in the
14 beneficial ownership interest. In addition, the Board discovered multiple violations of Pharmacy
15 Law against White Cross Pharmacy. On July 1, 2021, the Board filed First Amended Accusation
16 Numbers 6336, 6773 and 6775 against Respondent's Intern Pharmacist Registration, Pharmacy
17 Technician License, and White Cross Pharmacy's permit, among others. Subsequently, Second
18 Accusation Numbers 6336, 6773 and 6775 was filed and is currently pending before the Board.
19 Second Accusation Numbers 6336, 6773 and 6775 is attached hereto as Exhibit A.

20 **CAUSE FOR DENIAL**

21 12. Respondent's application is subject to denial under Code sections 4300, subdivision
22 (c), for unprofessional conduct, and 4301, subdivision (o), for violating section 4302 for
23 conditions that would constitute grounds for disciplinary action against a licensee as set forth in
24 paragraphs 10 and 11 above, as alleged in Second Amended Accusation Numbers 6336, 6773 and
25 6775, attached hereto as Exhibit A and incorporated herein by reference.

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PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Board of Pharmacy issue a decision:

1. Denying the application of Raj Rakholia for a Pharmacist License; and,
2. Taking such other and further action as deemed necessary and proper.

DATED: 5/19/2022

Signature on File

ANNE SODERGREN
Executive Officer
Board of Pharmacy
Department of Consumer Affairs
State of California
Complainant

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