

**BEFORE THE
BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**QUALI-CARE HEALTH CORPORATION
DBA CENTURYWOOD MEDICAL
PHARMACY; KHANH HORNE, President,
100 Shareholder, Secretary and Treasurer/Chief
Financial Officer (from July 2, 2008 to
November 17, 2015)
ANNIE CHACKO, PHARMACIST-IN-
CHARGE (from May 16, 2012 to November 17,
2017)
3737 E. Martin Luther King Jr. Blvd., #101
Lynwood, CA 90262-3513
Original Pharmacy Permit No. PHY 49113**

**KHANH M. HORNE
PO Box 368
Montrose, CA 91021
Original Pharmacy Technician Registration No.
TCH 27505**

and

**ANNIE CHACKO
81400 E. Carnation Way
Anaheim, CA 92808
Pharmacist License No. RPH 67019**

Respondents.

Case No. 5814

OAH No. 2017040846

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER AS TO
RESPONDENT ANNIE CHACKO**

DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Board of Pharmacy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective at 5:00 p.m. on January 10, 2018.

It is so ORDERED on December 11, 2017.

BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

A handwritten signature in cursive script, appearing to read "Amy Gutierrez", written in black ink.

By

Amy Gutierrez, Pharm.D.
Board President

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2 MARC D. GREENBAUM
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11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

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STIPULATED SETTLEMENT AND
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RESPONDENT ANNIE CHACKO

19 **KHANH M. HORNE**
20 **PO Box 368**
21 **Montrose, CA 91021**
22 **Original Pharmacy Technician Registration**
23 **No. TCH 27505**

24 and

25 **ANNIE CHACKO**
26 **8100 E. Carnation Way**
27 **Anaheim, CA 92808**
28 **Original Pharmacist License No. RPH 67019**

Respondents.

///

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1 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-
2 entitled proceedings that the following matters are true:

3 **PARTIES**

4 1. Virginia Herold ("Complainant") is the Executive Officer of the Board of Pharmacy
5 ("Board"). She brought this action solely in her official capacity and is represented in this matter
6 by Xavier Becerra, Attorney General of the State of California, by Michael Brown, Deputy
7 Attorney General.

8 2. Respondent Annie Chacko ("Respondent Chacko") is represented in this proceeding
9 by attorney Tony J. Park, whose address is: 49 Discovery, Suite 240, Irvine, CA 92618.

10 3. On or about March 26, 2012, the Board issued Original Pharmacist License Number
11 RPH 67019 to Respondent Chacko. The Original Pharmacist License was in full force and effect
12 at all times relevant herein and will expired on October 31, 2019, unless renewed..

13 **JURISDICTION**

14 4. Accusation No. 5814 was filed before the Board, and is currently pending against
15 Respondent Chacko. The Accusation and all other statutorily required documents were properly
16 served on Respondent Chacko on March 22, 2017. Respondent Chacko timely filed her Notice of
17 Defense contesting the Accusation.

18 5. A copy of Accusation No. 5814 is attached as exhibit A and incorporated herein by
19 reference.

20 **ADVISEMENT AND WAIVERS**

21 6. Respondent Chacko has carefully read, fully discussed with counsel, and understands
22 the charges and allegations in Accusation No. 5814. Respondent Chacko has also carefully read,
23 fully discussed with counsel, and understands the effects of this Stipulated Settlement and
24 Disciplinary Order.

25 7. Respondent Chacko is fully aware of her legal rights in this matter, including the right
26 to a hearing on the charges and allegations in the Accusation; the right to confront and cross-
27 examine the witnesses against them; the right to present evidence and to testify on its own behalf;
28 the right to the issuance of subpoenas to compel the attendance of witnesses and the production of

1 documents; the right to reconsideration and court review of an adverse decision; and all other
2 rights accorded by the California Administrative Procedure Act and other applicable laws.

3 8. Respondent Chacko voluntarily, knowingly, and intelligently waives and gives up
4 each and every right set forth above.

5 **CULPABILITY**

6 9. Respondent Chacko admits the truth of each and every charge and allegation in
7 Accusation No. 5814.

8 10. Respondent Chacko agrees that her Pharmacist License is subject to discipline and
9 she agrees to be bound by the Board's probationary terms as set forth in the Disciplinary Order
10 below.

11 **CONTINGENCY**

12 11. This stipulation shall be subject to approval by the Board of Pharmacy. Respondent
13 Chacko understands and agrees that counsel for Complainant and the staff of the Board of
14 Pharmacy may communicate directly with the Board regarding this stipulation and settlement,
15 without notice to or participation by Respondent Chacko or her counsel. By signing the
16 stipulation, Respondent Chacko understands and agrees that she may not withdraw her agreement
17 or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the
18 Board fails to adopt this stipulation as its Decision and Order, the Stipulated Settlement and
19 Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible
20 in any legal action between the parties, and the Board shall not be disqualified from further action
21 by having considered this matter.

22 12. The parties understand and agree that Portable Document Format (PDF) and facsimile
23 copies of this Stipulated Settlement and Disciplinary Order, including PDF and facsimile
24 signatures thereto, shall have the same force and effect as the originals.

25 13. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an
26 integrated writing representing the complete, final, and exclusive embodiment of their agreement.
27 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,
28 negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary

1 Order may not be altered, amended, modified, supplemented, or otherwise changed except by a
2 writing executed by an authorized representative of each of the parties.

3 14. In consideration of the foregoing admissions and stipulations, the parties agree that
4 the Board may, without further notice or formal proceeding, issue and enter the following
5 Disciplinary Order:

6 **DISCIPLINARY ORDER**

7 IT IS HEREBY ORDERED that Original Pharmacist License Number RPH 67019 issued
8 to Respondent Annie Chacko is revoked. However, the revocation is stayed and Respondent
9 Chacko is placed on probation for two (2) years on the following terms and conditions.

10 1. **Obey All Laws**

11 Respondent Chacko shall obey all state and federal laws and regulations.

12 Respondent Chacko shall report any of the following occurrences to the board, in writing,
13 within seventy-two (72) hours of such occurrence:

- 14 • an arrest or issuance of a criminal complaint for violation of any provision of the
15 Pharmacy Law, state and federal food and drug laws, or state and federal controlled
16 substances laws
- 17 • a plea of guilty or nolo contendere in any state or federal criminal proceeding to any
18 criminal complaint, information or indictment
- 19 • a conviction of any crime
- 20 • discipline, citation, or other administrative action filed by any state or federal agency
21 which involves Respondent's license or which is related to the practice of pharmacy
22 or the manufacturing, obtaining, handling, distributing, billing, or charging for any
23 drug, device or controlled substance.

24 Failure to timely report such occurrence shall be considered a violation of probation.

25 2. **Report to the Board**

26 Respondent Chacko shall report to the board quarterly, on a schedule as directed by the
27 board or its designee. The report shall be made either in person or in writing, as directed. Among
28 other requirements, Respondent Chacko shall state in each report under penalty of perjury

1 whether there has been compliance with all the terms and conditions of probation. Failure to
2 submit timely reports in a form as directed shall be considered a violation of probation. Any
3 period(s) of delinquency in submission of reports as directed may be added to the total period of
4 probation. Moreover, if the final probation report is not made as directed, probation shall be
5 automatically extended until such time as the final report is made and accepted by the board.

6 **3. Interview with the Board**

7 Upon receipt of reasonable prior notice, Respondent Chacko shall appear in person for
8 interviews with the board or its designee, at such intervals and locations as are determined by the
9 board or its designee. Failure to appear for any scheduled interview without prior notification to
10 board staff, or failure to appear for two (2) or more scheduled interviews with the board or its
11 designee during the period of probation, shall be considered a violation of probation.

12 **4. Cooperate with Board Staff**

13 Respondent Chacko shall cooperate with the board's inspection program and with the
14 board's monitoring and investigation of Respondent Chacko's compliance with the terms and
15 conditions of her probation. Failure to cooperate shall be considered a violation of probation.

16 **5. Continuing Education**

17 Respondent Chacko shall provide evidence of efforts to maintain skill and knowledge as a
18 pharmacist as directed by the board or its designee.

19 **6. Notice to Employers**

20 During the period of probation, Respondent Chacko shall notify all present and prospective
21 employers of the decision in case number 5814 and the terms, conditions and restrictions imposed
22 on Respondent Chacko by the decision, as follows:

23 Within thirty (30) days of the effective date of this decision, and within fifteen (15) days of
24 Respondent Chacko undertaking any new employment, Respondent Chacko shall cause her direct
25 supervisor, pharmacist-in-charge (including each new pharmacist-in-charge employed during
26 Respondent Chacko's tenure of employment) and owner to report to the board in writing
27 acknowledging that the listed individual(s) have read the decision in case number 5814, and terms
28

1 and conditions imposed thereby. It shall be Respondent Chacko's responsibility to ensure that her
2 employer(s) and/or supervisor(s) submit timely acknowledgment(s) to the board.

3 If Respondent Chacko works for or is employed by or through a pharmacy employment
4 service, Respondent Chacko must notify her direct supervisor, pharmacist-in-charge, and owner
5 at every entity licensed by the board of the terms and conditions of the decision in case number
6 5814 in advance of the Respondent Chacko commencing work at each licensed entity. A record
7 of this notification must be provided to the board upon request.

8 Furthermore, within thirty (30) days of the effective date of this decision, and within fifteen
9 (15) days of Respondent Chacko undertaking any new employment by or through a pharmacy
10 employment service, Respondent Chacko shall cause her direct supervisor with the pharmacy
11 employment service to report to the board in writing acknowledging that they has read the
12 decision in case number 5814 and the terms and conditions imposed thereby. It shall be
13 Respondent Chacko's responsibility to ensure that her employer(s) and/or supervisor(s) submit
14 timely acknowledgment(s) to the board.

15 Failure to timely notify present or prospective employer(s) or to cause that/those
16 employer(s) to submit timely acknowledgments to the board shall be considered a violation of
17 probation.

18 "Employment" within the meaning of this provision shall include any full-time,
19 part-time, temporary, relief or pharmacy management service as a pharmacist or any
20 position for which a pharmacist license is a requirement or criterion for employment,
21 whether the respondent is an employee, independent contractor or volunteer.

22 **7. No Supervision of Interns, Serving as Pharmacist-in-Charge (PIC), Serving as**
23 **Designated Representative-in-Charge, or Serving as a Consultant**

24 During the period of probation, Respondent Chacko shall not supervise any intern
25 pharmacist, be the pharmacist-in-charge or designated representative-in-charge of any entity
26 licensed by the board nor serve as a consultant unless otherwise specified in this order.
27 Assumption of any such unauthorized supervision responsibilities shall be considered a violation
28 of probation.

1 **8. Reimbursement of Board Costs**

2 As a condition precedent to successful completion of probation, Respondent Chacko shall
3 pay to the board its costs of investigation and prosecution in the amount of \$4,000.14.
4 Respondent Chacko shall make said payments as follows: \$222.23 a month for eighteen (18)
5 months.

6 There shall be no deviation from this schedule absent prior written approval by the board or
7 its designee. Failure to pay costs by the deadline(s) as directed shall be considered a violation of
8 probation.

9 **9. Probation Monitoring Costs**

10 Respondent Chacko shall pay any costs associated with probation monitoring as determined
11 by the board each and every year of probation. Such costs shall be payable to the board on a
12 schedule as directed by the board or its designee. Failure to pay such costs by the deadline(s) as
13 directed shall be considered a violation of probation.

14 **10. Status of License**

15 Respondent Chacko shall, at all times while on probation, maintain an active, current
16 license with the board, including any period during which suspension or probation is tolled.
17 Failure to maintain an active, current license shall be considered a violation of probation.

18 If Respondent Chacko's license expires or is cancelled by operation of law or otherwise at
19 any time during the period of probation, including any extensions thereof due to tolling or
20 otherwise, upon renewal or reapplication Respondent Chacko's license shall be subject to all
21 terms and conditions of this probation not previously satisfied.

22 **11. License Surrender While on Probation/Suspension**

23 Following the effective date of this decision, should Respondent Chacko cease practice due
24 to retirement or health, or be otherwise unable to satisfy the terms and conditions of probation,
25 Respondent Chacko may tender her license to the board for surrender. The board or its designee
26 shall have the discretion whether to grant the request for surrender or take any other action it
27 deems appropriate and reasonable. Upon formal acceptance of the surrender of the license,
28 Respondent Chacko will no longer be subject to the terms and conditions of probation. This

1 surrender constitutes a record of discipline and shall become a part of the Respondent Chacko's
2 license history with the board.

3 Upon acceptance of the surrender, Respondent Chacko shall relinquish her pocket and wall
4 license to the board within ten (10) days of notification by the board that the surrender is
5 accepted. Respondent Chacko may not reapply for any license from the board for three (3) years
6 from the effective date of the surrender. Respondent Chacko shall meet all requirements
7 applicable to the license sought as of the date the application for that license is submitted to the
8 board, including any outstanding costs.

9 **12. Notification of a Change in Name, Residence Address, Mailing Address or**
10 **Employment**

11 Respondent Chacko shall notify the board in writing within ten (10) days of any change of
12 employment. Said notification shall include the reasons for leaving, the address of the new
13 employer, the name of the supervisor and owner, and the work schedule if known. Respondent
14 Chacko shall further notify the board in writing within ten (10) days of a change in name,
15 residence address, mailing address, or phone number.

16 Failure to timely notify the board of any change in employer(s), name(s), address(es), or
17 phone number(s) shall be considered a violation of probation.

18 **13. Tolling of Probation**

19 Except during periods of suspension, Respondent Chacko shall, at all times while on
20 probation, be employed as a pharmacist in California for a minimum of 40 hours per calendar
21 month. Any month during which this minimum is not met shall toll the period of probation, i.e.,
22 the period of probation shall be extended by one month for each month during which this
23 minimum is not met. During any such period of tolling of probation, Respondent Chacko must
24 nonetheless comply with all terms and conditions of probation.

25 Should Respondent Chacko, regardless of residency, for any reason (including vacation)
26 cease practicing as a pharmacist for a minimum of 40 hours per calendar month in California,
27 Respondent Chacko must notify the board in writing within ten (10) days of the cessation of
28

1 practice, and must further notify the board in writing within ten (10) days of the resumption of
2 practice. Any failure to provide such notification(s) shall be considered a violation of probation.

3 It is a violation of probation for Respondent Chacko's probation to remain tolled pursuant to
4 the provisions of this condition for a total period, counting consecutive and non-consecutive
5 months, exceeding thirty-six (36) months.

6 "Cessation of practice" means any calendar month during which respondent is
7 not practicing as a pharmacist for at least 40 (forty) hours, as defined by Business and
8 Professions Code section 4000 et seq. "Resumption of practice" means any calendar
9 month during which respondent is practicing as a pharmacist for at least 40 (forty)
10 hours as a pharmacist as defined by Business and Professions Code section 4000 et
11 seq.

12 14. Violation of Probation

13 If a Respondent Chacko has not complied with any term or condition of probation, the
14 board shall have continuing jurisdiction over Respondent Chacko, and probation shall
15 automatically be extended, until all terms and conditions have been satisfied or the board has
16 taken other action as deemed appropriate to treat the failure to comply as a violation of probation,
17 to terminate probation, and to impose the penalty that was stayed.

18 If Respondent Chacko violates probation in any respect, the board, after giving Respondent
19 Chacko notice and an opportunity to be heard, may revoke probation and carry out the
20 disciplinary order that was stayed. Notice and opportunity to be heard are not required for those
21 provisions stating that a violation thereof may lead to automatic termination of the stay and/or
22 revocation of the license. If a petition to revoke probation or an accusation is filed against
23 Respondent Chacko during probation, the board shall have continuing jurisdiction and the period
24 of probation shall be automatically extended until the petition to revoke probation or accusation is
25 heard and decided.

26 15. Completion of Probation

27 Upon written notice by the board or its designee indicating successful completion of
28 probation, Respondent Chacko's license will be fully restored.

1 **16. Remedial Education**

2 Within sixty (60) days of the effective date of this decision, Respondent Chacko shall
3 submit to the board or its designee, for prior approval, an appropriate program of remedial
4 education related to role of the PIC, recordkeeping, compliance with pharmacy law, and DEA
5 requirements. The program of remedial education shall consist of at least ten (10) hours, which
6 shall be completed within (12) months at Respondent Chacko's own expense. All remedial
7 education shall be in addition to, and shall not be credited toward, continuing education (CE)
8 courses used for license renewal purposes. The Board will consider up to four (4) hours of
9 approved remedial education earned within the last three (3) months.

10 Failure to timely submit or complete the approved remedial education shall be considered a
11 violation of probation. The period of probation will be automatically extended until such
12 remedial education is successfully completed and written proof, in a form acceptable to the board,
13 is provided to the board or its designee.

14 Following the completion of each course, the board or its designee may require the
15 Respondent Chacko, at her own expense, to take an approved examination to test Respondent
16 Chacko's knowledge of the course. If Respondent Chacko does not achieve a passing score on
17 the examination, this failure shall be considered a violation of probation. Any such examination
18 failure shall require Respondent Chacko to take another course approved by the board in the same
19 subject area.

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ACCEPTANCE

I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Tony J. Park. I understand the stipulation and the effect it will have on my Pharmacist License. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board of Pharmacy.

DATED: 10-6-17 Annie Chacko
ANNIE CHACKO
Respondent

I have read and fully discussed with Respondent Annie Chacko the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: _____
TONY J. PARK
Attorney for Respondent

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ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Board of Pharmacy.

Dated: October 6, 2017

Respectfully submitted,

XAVIER BECERRA
Attorney General of California
MARC D. GREENBAUM
Supervising Deputy Attorney General



MICHAEL BROWN
Deputy Attorney General
Attorneys for Complainant

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52650219.docx

Exhibit A

Accusation No. 5814

1 XAVIER BECERRA
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24 **Original Pharmacy Permit No. PHY 49113**

ACCUSATION

25 **KHANH M. HORNE**
26 **PO Box 368**
27 **Montrose, CA 91021**
28 **Original Pharmacy Technician Registration**
No. TCH 27505

and

29 **ANNIE CHACKO**
30 **8100 E. Carnation Way**
31 **Anaheim, CA 92808**
32 **Original Pharmacist License No. RPH 67019**

Respondents.

1 Complainant alleges:

2 PARTIES

3 1. Virginia Herold ("Complainant") brings this Accusation solely in her official capacity
4 as the Executive Officer of the Board of Pharmacy ("Board"), Department of Consumer Affairs.

5 Quali-Care Health Corporation dba Centurywood Medical Pharmacy, Khanh Horne

6 Original Pharmacy Permit

7 2. On or about July 2, 2008, the Board issued Original Pharmacy Permit Number PHY
8 49113 to Quali-Care Health Corporation dba Centurywood Medical Pharmacy, with Khanh Horne
9 as President, 100% shareholder, Secretary and Treasurer/Chief Financial Officer ("Respondent
10 Centurywood Pharmacy"). The Pharmacy Permit expired on October 21, 2015 and was cancelled
11 on November 17, 2015.

12 Khanh M. Horne

13 Original Pharmacy Technician Registration

14 3. On or about October 23, 1998, the Board issued Original Pharmacy Technician
15 Registration Number TCH 27505 to Khanh M. Horne ("Respondent Horne"). The Original
16 Pharmacy Technician Registration was in full force and effect at all times relevant herein and will
17 expire on January 31, 2018, unless renewed.

18 Annie Chacko

19 Original Pharmacist License

20 4. On or about March 26, 2012, the Board issued Original Pharmacist License Number
21 RPH 67019 to Annie Chacko ("Respondent Chacko"). The Original Pharmacist License was in
22 full force and effect at all times relevant herein and will expire on October 31, 2017, unless
23 renewed.

24 JURISDICTION

25 5. This Accusation is brought before the Board, Department of Consumer Affairs, under
26 the authority of the following laws. All section references are to the Business and Professions
27 Code unless otherwise indicated.

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1 6. Section 118, subdivision (b), of the Code provides that the
2 suspension/expiration/surrender/cancellation of a license shall not deprive the
3 Board/Registrar/Director of jurisdiction to proceed with a disciplinary action during the period
4 within which the license may be renewed, restored, reissued or reinstated.

5 7. Section 4011 of the Code provides that the Board shall administer and enforce both
6 the Pharmacy Law [Bus. & Prof. Code, § 4000 et seq.] and the Uniform Controlled Substances
7 Act [Health & Safety Code, § 11000 et seq.].

8 8. Section 4300(a) of the Code states that every license issued by the Board may be
9 suspended or revoked.

10 9. Section 4300.1 of the Code states:

11 "The expiration, cancellation, forfeiture, or suspension of a board-issued license by
12 operation of law or by order or decision of the board or a court of law, the placement of a license
13 on a retired status, or the voluntary surrender of a license by a licensee shall not deprive the board
14 of jurisdiction to commence or proceed with any investigation of, or action or disciplinary
15 proceeding against, the licensee or to render a decision suspending or revoking the license

STATUTORY PROVISIONS

16 10. Section 4301 of the Code states:

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

20
21 "(f) The commission of any act involving moral turpitude, dishonesty, fraud, deceit, or
22 corruption, whether the act is committed in the course of relations as a licensee or otherwise, and
23 whether the act is a felony or misdemeanor or not."
24

REGULATORY PROVISIONS

25 11. Title 21 Code of Federal Regulations, Part 1304.11 states:

26 "(a) General requirements. Each inventory shall contain a complete and accurate record of
27 all controlled substances on hand on the date the inventory is taken, and shall be maintained in
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1 written, typewritten, or printed form at the registered location. An inventory taken by use of an
2 oral recording device must be promptly transcribed. Controlled substances shall be deemed to be
3 "on hand" if they are in the possession of or under the control of the registrant, including
4 substances returned by a customer, ordered by a customer but not yet invoiced, stored in a
5 warehouse on behalf of the registrant, and substances in the possession of employees of the
6 registrant and intended for distribution as complimentary samples. A separate inventory shall be
7 made for each registered location and each independent activity registered, except as provided in
8 paragraph (e)(4) of this section. In the event controlled substances in the possession or under the
9 control of the registrant are stored at a location for which he/she is not registered, the substances
10 shall be included in the inventory of the registered location to which they are subject to control or
11 to which the person possessing the substance is responsible. The inventory may be taken either as
12 of opening of business or as of the close of business on the inventory date and it shall be indicated
13 on the inventory.

14
15 "(e) Biennial inventory date. After the initial inventory is taken, the registrant shall take a
16 new inventory of all stocks of controlled substances on hand at least every two years. The
17 biennial inventory may be taken on any date which is within two years of the previous biennial
18 inventory date."

19 COST RECOVERY

20 12. Section 125.3 of the Code provides, in pertinent part, that the Board may request the
21 administrative law judge to direct a licentiate found to have committed a violation or violations of
22 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
23 enforcement of the case, with failure of the licentiate to comply subjecting the license to not being
24 renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be
25 included in a stipulated settlement.

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1 FIRST CAUSE FOR DISCIPLINE

2 (Inventory Requirements)

3 13. Respondents Centurywood Pharmacy and Chacko are subject to disciplinary action
4 under California Code of Regulations, title 16, section 1304.11, subdivision (a) in that
5 Respondents failed to inventory a complete and accurate record of all controlled substances on
6 hand on the date the inventory is taken and failed to maintain in written, type written, or printed
7 form at the register location. The circumstances are as follows:

8 14. On or about August 7, 2015, a Board Inspector conducted an inspection of
9 Centurywood Medical Pharmacy. The inspection revealed that Respondents failed to conduct a
10 Schedule II Biennial Inventory and the Schedule III-V Biennial Inventory, dated July 25, 2013,
11 was not signed, did not indicate if the inventory was taken at the opening or closing of business.

12 SECOND CAUSE FOR DISCIPLINE

13 (Inventory Requirements)

14 15. Respondents Centurywood Pharmacy and Chacko are subject to disciplinary action
15 under California Code of Regulations, title 16, section 1304.11, subdivision (c) in that
16 Respondents failed to take a new inventory of all stocks of controlled substances on hand at least
17 every two years. The circumstances are as follows:

18 16. On or about August 7, 2015, a Board Inspector conducted an inspection of
19 Centurywood Medical Pharmacy. The inspection revealed that Respondents exceeded the
20 requirement of having a new Biennial Inventory taken within two years of the previous biennial
21 inventory date.

22 THIRD CAUSE FOR DISCIPLINE

23 (Fraudulent Activity)

24 17. Respondents Centurywood Pharmacy, Chacko and Horne are subject to disciplinary
25 action under Code section 4301, subdivision (f) in that Respondents committed an act involving
26 moral turpitude, dishonesty, fraud, deceit, or corruption. The circumstances are as follows:

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1 18. On or about August 7, 2015, a Board Inspector conducted an inspection of
2 Centurywood Medical Pharmacy. The inspection revealed that Respondents retained numerous
3 'return to stock' prescription bottles that had not had their third party (insurance) billing charges
4 reversed in the pharmacy computer system for medication not dispensed. A total of seven (7) out
5 twelve (12) 'return to stock' bottles pulled from the pharmacy active stock were found to have un-
6 reversed charges where the pharmacy would have received reimbursement for medication not
7 dispensed to the intended patients.

8 OTHER MATTERS

9 19. Pursuant to Code section 4307, if discipline is imposed on Original Pharmacy Permit
10 Number PHY 49113 issued to Quali-Care Health Corporation dba Centurywood Medical
11 Pharmacy, with Khanh Horne as President, 100% shareholder, Secretary and Treasurer/Chief
12 Financial Officer have been an officer and had knowledge of or knowingly participated in any
13 conduct for which the licensee was disciplined shall be prohibited from serving as a manager,
14 administrator, owner, member, officer, director, associate, or partner of a licensee for five years if
15 Original Pharmacy Permit Number PHY 49113 is placed on probation or until Original Pharmacy
16 Permit Number PHY 49113 is reinstated if it is revoked.

17 20. Pursuant to Code section 4307, if discipline is imposed on Original Pharmacy Permit
18 Number PHY 49113 issued to Quali-Care Health Corporation dba Centurywood Medical
19 Pharmacy, with Khanh Horne as President, 100% shareholder, Secretary and Treasurer/Chief
20 Financial Officer have been an officer and had knowledge of or knowingly participated in any
21 conduct for which the licensee was disciplined, Khanh Horne shall be prohibited from serving as
22 a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for
23 five years if Original Pharmacy Permit Number PHY 49113 is placed on probation or until
24 Original Pharmacy Permit Number PHY 49113 is reinstated if it is revoked.

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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. Revoking or suspending Pharmacy Permit Number PHY 49113, issued to Quali-Care Health Corporation dba Centurywood Medical Pharmacy, with Khanh Horne as President, 100% shareholder, Secretary and Treasurer/Chief Financial Officer;

2. Revoking or suspending Original Pharmacist License Number RPH 67019, issued to Annie Chaoko;

3. Revoking or suspending Original Pharmacy Technician Registration Number TCH 27505, issued to Khanh M. Horne;

4. Prohibiting Quali-Care Health Corporation dba Centurywood Medical Pharmacy, with Khanh Horne as President, 100% shareholder, Secretary and Treasurer/Chief Financial Officer from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Original Pharmacy Permit Number PHY 49113 is placed on probation or until Original Pharmacy Permit Number PHY 49113 is reinstated if Original Pharmacy Permit Number PHY 49113 issued to Quali-Care Health Corporation dba Centurywood Medical Pharmacy is revoked;

5. Prohibiting Khanh Horne from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for five years if Original Pharmacy Permit Number PHY 49113 is placed on probation or until Original Pharmacy Permit Number PHY 49113 is reinstated if Original Pharmacy Permit Number PHY 49113 issued to Quali-Care Health Corporation dba Centurywood Medical Pharmacy is revoked;

6. Ordering Quali-Care Health Corporation dba Centurywood Medical Pharmacy, Annie Chaoko and Khanh M. Horne, to pay the Board of Pharmacy the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3; and

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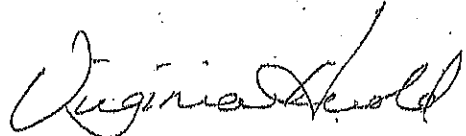
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7. Taking such other and further action as deemed necessary and proper.

DATED:

3/13/17



VIRGINIA HEROLD
Executive Officer
Board of Pharmacy
Department of Consumer Affairs
State of California
Complainant

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