

**THE ARIZONA STATE BOARD OF PHARMACY
HELD A REGULAR MEETING MAY 12, 2004
GLENDALE, ARIZONA**

The following Board Members and staff were present: President Dennis McAllister, Vice President Linda McCoy, Paul Draugalis, and Bryan Tippett. Compliance Officers Rich Cieslinski, Larry Dick, Ed Hunter, and Dean Wright, Deputy Director Cheryl Frush, Executive Director Hal Wand, and Assistant Attorney General Roberto Pulver.

President McAllister convened the meeting at 9:00 A.M. and welcomed the audience to the meeting. Ms. Frush explained that law continuing education would be offered for attendance at the meeting.

AGENDA ITEM I - Approval of Minutes

Following a review of the minutes and an opportunity for questions and **on motion by Ms. McCoy and Dr. Tippett**, the minutes of the Regular Meeting held on March 17 and 18, 2004 were unanimously approved by the Board Members.

AGENDA ITEM II -Approval of Exams (NAPLEX, MPJE, PTCB, FPGEE)

President McAllister opened the discussion by stating that according to the rules the Board must approve on an annual basis the exams that the Board relies on for entry- level competency and assessment. He stated that the Board would be approving by motion the following exams as the exams recognized by the Board: NAPLEX (Pharmacist Licensure Exam), MPJE (Jurisprudence Exam), FPGEE (Foreign Pharmacy Graduate Equivalency Exam), and the PTCB (Pharmacy Technician Certification Exam).

Mr. Wand stated that all the exams, except the PTCB, are written and administered by NABP. The exams are psychometrically sound and are evaluated on a regular basis. Mr. Wand stated that members of the Board staff have helped in writing and reviewing questions for the MPJE. He stated that various pharmacy practitioners serve on committees that write and review questions for the NAPLEX exam. He stated that he was recently contacted by NABP to name two recent graduates, individuals that have graduated in the last three years, to go to Chicago to write questions for the NAPLEX exam and review the new passing standards. Mr. Wand stated that he submitted five names to NABP and does not know if any of the individuals were selected.

President McAllister stated on a historical note that these exams have been used for a number of years. Prior to these exams being available from NABP, the Board Members wrote the exams. He feels that these exams offered by NABP are better than the exams that the Board could have written.

On motion by Dr. Tippett and Mr. Draugalis, the Board unanimously agreed to accept the NAPLEX (Pharmacist Licensure Exam), MPJE (Jurisprudence Exam), FPGEE (Foreign Pharmacy Graduate Equivalency Exam), and the PTCB (Pharmacy Technician Certification Exam) as the licensing exams recognized by the Board.

Mr. Draugalis then took the opportunity to address the Board. He stated that at the recent NABP Convention, President McAllister had been elected President-Elect for the NABP. At the next meeting, Mr. McAllister will take over the duties of President-Elect of NABP.

Ms. McCoy stated that she would like to thank the state in their support of the Board Members attending the NABP meeting. She stated that it was a great opportunity to meet members of other state boards and obtain information about pharmacy concerns.

AGENDA ITEM III- Permits/Licenses

Pharmacy Permits

President McAllister stated that all permits were in order for resident pharmacies. Ms. Frush stated that representatives were available from MedOne Healthcare, Painted Desert Pharmacy, and American Pharmacy.

MedOne Healthcare

Owner Ross Frazier was present to answer questions from Board Members.

President McAllister opened the discussion by asking Mr. Frazier what his role would be with MedOne Healthcare. Mr. Frazier

replied that he is the owner. Mr. McAllister asked Mr. Frazier if he was a pharmacist. Mr. Frazier replied that he is not a pharmacist.

President McAllister asked Mr. Frazier to describe his business. Mr. Frazier replied that the pharmacy would dispense unit-dose respiratory medications to patients.

Mr. McAllister asked if they would be doing any other pharmacy business under this license. Mr. Frazier replied that they would open a second wing in six months, which will specialize in infusion services.

Mr. McAllister asked if they would be dispensing individualized unit-dose products for each individual patient. Mr. Frazier replied that they would be dispensed for each patient. Mr. McAllister asked if the medications would be dispensed on the basis of a prescription for each patient. Mr. Frazier replied that a prescription would be required for each medication dispensed to a patient.

Mr. McAllister asked Mr. Frazier if he knew the difference between compounding and manufacturing. Mr. Frazier replied that he did know the difference. Mr. McAllister reminded him that there is a magnifying glass on this type of business. Mr. Frazier replied that he is aware of the issues and Medicare issues involved with these processes.

Mr. Wand asked if they would be compounding the respiratory products or just infusion products when they opened the infusion section of the business. Mr. Frazier replied that some of the respiratory products would be compounded. Mr. Wand reminded Mr. Frazier that they cannot compound products that are already available commercially and if they did compound a commercially available product that would be considered manufacturing.

Ms. McCoy asked Mr. Frazier what commercially unavailable products were they considering compounding. Mr. Frazier replied that they would be compounding off-strengths that are not available commercially. Mr. Frazier replied that often pediatric and geriatric patients cannot take full strength medications and they would compound the dose specified by the doctor. Mr. Frazier stated that if a product is commercially available, the product would be provided to the patient immediately.

Mr. Draugalis asked Mr. Frazier if he would be soliciting business to compound the off-strengths. Mr. Frazier said the brochure given to the physicians would indicate that they could customize the medications for their patients. Mr. Draugalis asked if Mr. Frazier would be soliciting business to compound a medication when the strength is close to a commercially available product. Mr. Frazier replied they will not be soliciting compounding business and the doctor will customize the prescription.

Mr. McAllister explained to Mr. Frazier that the reason the Board is focusing on the compounding issue is that this is one area of pharmacy where the patient is unprotected. He stated that once the product is made and stored that often it is hard to identify what is in the container and does not have the level of back up that the good manufacturing practices allow. He also noted that some patients have been injured as a result of compounded products. He reminded Mr. Frazier that the Board's job is to protect the public. Mr. McAllister wished Mr. Frazier luck with his new business.

Painted Desert Pharmacy

Owner Cynthia Benedict was present to answer questions from Board Members.

President McAllister opened the discussion by asking Ms. Benedict to describe her business. She

replied that she plans to open a full-service pharmacy in Tuba City, Arizona.

Mr. McAllister asked Ms. Benedict if she was a pharmacist. Ms. Benedict replied that she is a registered nurse.

Mr. McAllister asked if she was sole owner of the pharmacy. Ms. Benedict replied that she would be the sole owner. Mr. McAllister if she had hired a pharmacist yet. Ms. Benedict replied that she has a pharmacist working with her currently as a consulting pharmacist. Ms. Benedict replied that she is trying to hire a pharmacist from the Navajo nation. She said that it is difficult to recruit a pharmacist in that area due to housing issues. Mr. McAllister asked if she would have a pharmacist hired by the time she plans to open the pharmacy. Ms. Benedict replied that she anticipates hiring a part-time pharmacist initially.

Ms. McCoy stated that she noticed that Ms. Benedict has also applied for a wholesale permit. Ms. McCoy asked what the connection would be between the pharmacy and the wholesale business. Ms. Benedict stated that while reviewing the demographics of the area that she discovered that there was a need for a wholesale business in that area. Ms. Benedict stated that she decided to apply for both permits at one time and probably will not open the wholesale business for at least 6 months. The opening of the wholesale business would be dependent on the success of the pharmacy.

Mr. McAllister asked Ms. Benedict what type of customer base would her wholesale business be servicing. Ms. Benedict replied that her clients would be patients not serviced by the Indian Health Services. Ms. Benedict stated that it would be an opportunity to dispense medications after the hospital and clinics were closed. Mr. McAllister stated that what she has described would be the customers that her pharmacy would service and he would like to know what would be her customer base for the wholesale business. Ms. Benedict stated that she plans on setting up agreements in the Navajo nation when there are short supplies of medications. She stated that she works at the hospital and has noticed that there are sometimes shortages of medications.

Dr. Tippett asked Ms. Benedict if there would be a conflict of interest by her working at the hospital and wanting to wholesale medications to the hospital. Ms. Benedict replied that there would be a conflict and that is why she would plan on leaving the hospital after starting her wholesale business.

Mr. McAllister asked if she had experience in wholesaling pharmaceuticals. Ms. Benedict replied that she currently has a wholesale business located on the Indian reservation in Ontario, Canada. Currently, the business is very slow. At the time of opening the business in Canada, she was looking at exporting medications to the United States. Ms. Benedict stated that with the FDA requirements that it has not been feasible to export drugs to the United States. Ms. Benedict stated that she is poised to begin exportation of drugs if the United States Senate will allow the practice. Mr. McAllister asked if she planned to import international drugs with this wholesale license. Ms. Benedict replied that she could not import drugs because the FDA will not allow her to at this time, but she is poised to import drugs if the Senate allows the practice. She stated that in order to export drugs from Canada that she would have to follow regulations from Health Canada.

Mr. Wand asked if she was familiar with 340B pricing that the Federal Government has for community health centers. Ms. Benedict replied that she was familiar with the pricing. Mr. Wand asked if this pharmacy would be a 340B pricing center. Ms. Benedict replied at this time she is the sole proprietor and she is looking at a possible incorporation with individuals within the Navajo nation. Ms. Benedict replied that she would need to have a working relationship with the Public Health Services clinics for 340B pricing and that business would have to be kept separate.

Mr. McAllister reminded Ms. Benedict that her pharmacy would be inspected on an annual basis and the wholesale business would also be subject to inspection. Mr. McAllister stated that the reason for all the questions concerning the business is because sometimes individuals use this type of business arrangement for pricing leverage and distribution of medications. Mr. McAllister reminded Ms. Benedict to keep her business legal.

American Pharmacy

Owner Zulfiqar Farooqui, Pharmacist Kumar Swamy, and receptionist Carly Simon were present to answer questions from Board Members.

President McAllister opened the discussion by asking the applicants to describe their pharmacy business. Mr. Swamy stated that the proposed business would be a full service community pharmacy. Mr. McAllister asked if there would be any specialty pharmacy practices. Mr. Swamy stated there would be no specialty pharmacy practices at this time. Mr. Swamy stated that he has worked as a hospital pharmacist for about 25 years.

Mr. McAllister reminded them that since the pharmacy owner is a non-pharmacist that the pharmacy will be inspected on a yearly basis to ensure that they are following the rules to protect the public.

University Physician's Hospital at Kino

Mr. Wand briefed the Board concerning the application of University Physician's Hospital at Kino. Mr. Wand stated that they have requested in their application that their permit be approved for June 15, 2004 when their lease becomes effective on the Kino property. Mr. Wand stated that University Physician's is a group of 300 physicians that provide services at 12 clinics around the Tucson area. The group has not operated a hospital since they severed relationships with University Medical Center in Tucson a few years ago and they are taking over Kino hospital on June 15, 2004 when the lease becomes effective.

At the conclusion of questions from the Board Members and **on motion by Mr. Draugalis and Ms. McCoy**, the Board unanimously approved the resident and non-resident permits listed below with the application for University Physician's Hospital at Kino to become effective on June 15, 2004. All approvals are subject to final inspection by a Board Compliance officer where appropriate.

RESIDENT (in Arizona)

Wal-Mart Pharmacy 10-5304

1916 S. Lindsay Rd., Mesa, AZ 85204
Wal-Mart Stores, Inc.

Banner Estrella Medical Center
9201 W. Thomas Rd., Phoenix, AZ 85037
Banner Health

Oscor Drug #1028
99 S. Higley, Gilbert, AZ 85296 Albertsons, Inc.

MedOne Healthcare
751 N. Country Club Dr., Mesa, AZ 85201
MedOne Healthcare, LLC

Critical Care Systems
4645 S. Ash Ave, Ste 16, Tempe, AZ 85282 (O)
Curative Health Services, Inc.

Bashas' United Drug #6
1625 E. Glendale Ave., Phoenix, AZ 85020
Bashas' Inc.

Bashas' United Drug #7
8035 E. Indian School , Scottsdale, AZ 85251
Bashas' Inc.

Bashas' United Drug #54
142 E. Highway 260, Payson, AZ 85541
Bashas' Inc.

Bashas' United Drug #109
21044 N. John Wayne Pkwy, Maricopa 85239
Bashas' Inc.

Bashas' United Drug #110
1133 N. Ellsworth Rd., Mesa, AZ 85207
Bashas' Inc.

Bashas' United Drug #155
9925 E. Baseline Rd., Mesa, AZ 85212
Bashas' Inc.

University Physicians Hospital at Kino
2800 E. Ajo Way, Tucson, AZ 85713 (O)
University Physicians, Inc.

Painted Desert Pharmacy
State Rte. 160, Tuba Cty, AZ 86045
Cynthia Benedict

Bashas' United Drug #46
23760 S. Power Rd., Queen Creek, AZ 85242
Bashas' Inc.

American Pharmacy
1495 N. Hayden Rd D-9, Scottsdale, AZ 85257
Zulfiqar Uddin Farooqui

O2 Science
2125 E. 5th St. Ste. #110, Tempe, AZ 85281 (O)

O2 Acquisition Corporation

Walgreens Drug #02429
1995 W. Thatcher Blvd, Safford, AZ 85546
Walgreen Arizona Drug Co.

Eckerd Drugs #5306
1151 E. McKellips Rd., Mesa, AZ 85203
Eckerd Corporation

Right Time Pharmacy
1895 Airport Exchange Blvd, Ste 250,
PB5-Pharmacy Builders 5, LLC
Elonger, KY 41018

Medipharm Spclty Pharmacy
4607 N. Clark Ave., Tampa, FL 33614
Medipharm Specialty Pharmacy

North American Pharm. Group
4906 S.W. 72ND Ave., Miami, FL 33155
North American Pharmaceutical
Group, Inc.

AH Pharmacy Services
10077 S. 134th St., Omaha, NE 68138
AH Pharmacy, LLC

Veterinary Spclty. Pharmacy
940 Ellendale Dr., Medford, OR 97504
Community Compounding Centers, Inc.

Pet Express Pharmacy
956 N.W. Circle Blvd., Corvallis, OR 97330
Health Southwest Pharmacy, Inc.

RXUSAPBM, Inc.
81 Seaview Blvd. , Port Washington, NY 11050
RXUSAPBM, Inc.

LifeCare Solutions, Inc.
10119 Carroll Canyon Rd., San Diego, CA 92131
LifeCare Solutions, Inc.

Universal RX
14936 N. Florida Ave, Tampa, FL 33613
Universal RX, Corp.

Bet Pharm
1517 Nicholasville Rd. Ste. 404, Lexington, KY 40503
Bet Pharm

Dyna Care I.V. Supplies
4804 W. 129th St., Alsip, IL 60803
Dyna Care IV Supplies, Inc.

Axium Healthcare Pharmacy
100 Pear Orchard Dr., Ste. A, Vicksburg, MS 39183
Axium Healthcare Pharmacy, Inc.

Script-wise
543 McCorkle Blvd., Westerville, OH 43082
Script-wise LTD.

Midland Pharmacy
606 Midland Ave., Staten Island, NY 10306
Midland Pharmacy and HealthCare, Inc.

EZR
909A Rahway Ave, Union, NJ 07083
EZR, LLC

Concept RX
1747 N. University Dr., Plantation, FL 33322
Concept RX, Inc.

North Howard Pharmacy
3202 N. Howard Ave., Tampa, FL 33607
North Howard Pharmacy, Inc.

Accredo Health Group
9625-D Southern Pines Blvd., Charlotte, NC 28273
Accredo Health Group, Inc.

Injured Workers Pharmacy
9 Branch Street, Methuen, MA
Injured Workers Pharmacy, LLC

PromptCare Pharmacy
51 Terminal Avenue, Clark, NJ 07066
The PromptCare Companies, Inc.

Meditech Laboratories, Inc.
3200 Polaris Ave. Ste. #27, Las Vegas, NV 89102
Modular Properties, LTD.

Pharmacy Solutions, LLC
6904 N. Main St. Suite 103, Columbia, SC 29203
Pharmacy Solutions, LLC

Specialty Pharmacy St. Louis
623 N. New Ballas Rd., Creve Coeur, MO 63141
Specialty Pharmacy of St. Louis, LLC

Central Admixture Services
7935 Dunbrook Rd. Suite C, San Diego, CA 92126
Central Admixture Pharmacy Services, Inc.

PMSI, Inc.
175 Kelsey Lane, Tampa, FL 33619
PMSI, Inc.

Adv Care Pharmacy 1
24129 U.S. Hwy. 19 North, Clearwater, FL 33763
Adv Care, Inc.

(O) - Ownership Change

Wholesale Permits

President McAllister indicated that there were two applicants for resident wholesale permits. There was one permit for a non-resident wholesaler. The non-resident wholesaler was asked to appear before the Board because a corporate officer pled guilty to two counts of selling and brokering the purchase of adulterated and misbranded drugs. The corporate officer of the non-resident wholesaler was not able to appear at this meeting and he asked to postpone his appearance until the June Board meeting.

On motion by Mr. Draugalis and Ms. McCoy, the Board unanimously approved the resident wholesalers listed below. The non-resident wholesale permit was tabled until the corporate officer appears at a Board meeting to answer questions from the Board Members. All approvals are subject to final inspection by a Board Compliance officer where appropriate.

Reed's Compounding Pharmacy (Full Service)
2729 E. Speedway, Tucson, AZ 85716
Jones Drug Co, Inc.

Three Sisters Wholesale Pharmaceutical Products (Full Service)
State Rte. #160, Tuba City, AZ 86045
Cynthia Benedict

(NON- RESIDENT WHOLESALER) - TABLED
Top Rx

Pharmacist, Pharmacy Intern, and Pharmacy Technician Licenses

Following a review of the roster of applicants for licensure as pharmacists, pharmacy interns, and pharmacy technicians and on assurance by the staff that all applications are in order and all fees paid: **on motion by Mr. Draugalis and Dr. Tippett**, the Board unanimously approved the following licenses:

Pharmacist licenses 14068 through 14109, Pharmacy Intern licenses 6321 through 6363, and Pharmacy Technician licenses 1 through 365. For a complete list of names see attachments.

AGENDA ITEMS IV - Reports

Executive Director Report

Executive Director Wand stated that over 300 technicians have been licensed. There are several glitches that have been experienced in the process. Often the applicants are not able to provide a copy of their GED or high school diploma. This issue has arisen when the technician attended school in a foreign country that does not issue a high school diploma. Mr. Wand stated that some of the applicants that were not issued a high school diploma might need to appear at a future board meeting to obtain approval to be licensed as a pharmacy technician trainee. There were also applicants that have had some criminal charges and the Board may have to review their applications for approval.

Mr. Wand provided the Board Members with a copy of the financial report. Mr. Wand indicated that included in the recent expenditures is three thousand dollars for paper to print the technician licenses. The paper to print the licenses must be security paper and numerically numbered. Mr. Wand stated that another issue is the cost of the postage. Mr. Wand stated that some applications are being mailed back to the applicants for missing information and documentation. Mr. Wand estimated that the postage might be as high as seven or eight thousand dollars. Mr. Wand estimated that there will be approximately 10,000 pharmacy technicians to license. Mr. Wand stated that many chains are helping out by batching their applications and either having someone pick up the licenses or the Board will deliver the licenses to their office.

Mr. Wand then discussed staff personnel changes. Mr. Wand introduced Mr. DeShetler, who was hired as a new administrative assistant in the office. Mr. DeShetler gave a brief overview of his background. Mr. Wand told the Board that Compliance Officer, Mitzi Wilson, had resigned to pursue another career opportunity. Mr. Wand told the Board Members that a new Compliance Officer will not be hired until July when the new fiscal year begins.

Mr. Wand stated that Drug Inspector, Tammy McPherson, has been helping in the office with the technician licensing. He stated that she will probably work in the office for the next week and will then return to doing inspections and will then again help with processing the technician licenses when the large companies submit their applications.

Mr. Wand stated that he is currently working with the procurement office to obtain authorization to approve expenditures above ten thousand dollars. While trying to hire a lobbyist to help with the legislative process for future Board issues, for example the immunization rules and drug monitoring programs, Mr. Wand learned that the authorization was never changed

upon Mr. Lloyd's retirement.

Deputy Director's Report

Deputy Director Frush called the Board's attention to the Compliance Officers Activity Report in the meeting book for March. Currently, the number of inspections completed by the Compliance Staff are ahead of the number of inspections that were completed at this time last year. Also, the number of complaints exceeds the number of complaints that were investigated at this time last year. Ms. Frush indicated that the number of non-prescription inspections are ahead of the number of inspections that were completed at this time last year.

President McAllister said that he looks at the reports every month and wanted to know what the findings were in the field that may help in future rule writing. He suggested that maybe a summary could be included with the activity reports. Ms. Frush stated that violations are noted in the field, such as controlled substance overages and shortages, reference books that are not current, illegal substitutions, and out-dated non-prescription medications. Mr. Wand noted that violation letters are sent to the Pharmacist-In-Charge of the stores where violations occur. The

Pharmacist- In-Charge responds to the letter and returns the letter to Ms. Frush. If the response is satisfactory, the letter is stamped as being in compliance and returned to the Pharmacist-In-Charge.

Mr. McAllister felt a summary might be helpful to determine the issues that are discovered during the inspections. Mr. Wand stated that the Board Members used to receive a copy of all violation letters and the Board Members felt that they did not need that much information. Mr. McAllister felt that a summary would be sufficient. Ms. Frush stated that in addition to the violations that it would be beneficial to report when a pharmacy has a good inspection. Mr. Wand indicated that sometimes the Compliance Officers do note on their inspections when a pharmacy does a good job or does something that exceeds the standards or something that they have not seen before during an inspection that might be helpful for other practitioners to know.

PAPA Report

PAPA was represented by Lisa Yates. Ms. Yates stated currently there are thirty-three participants in the PAPA program. Since the last PAPA report on January 14, 2004, Ms. Yates stated that two new participants have started the program, two participants have completed the program, and there have been four terminations of PAPA contracts.

Ms. Yates stated that PAPA would be sponsoring a 1.5 hour CE program at the AzSHP/APA 4th Annual Joint meeting on Saturday, June 26, 2004. Merrill Norton, R.Ph., NCAC II, CCS, will be speaking on "The Hijacking of the Brain - The Neurobiology and Pharmacology of Chemical Dependence."

Dr. Tippett stated that he thinks that the PAPA program is great and offers pharmacists a second chance. Dr. Tippett said he had questions concerning how the program is reviewed. He asked Ms. Yates how often the program is evaluated in terms of effectiveness, how well it is working, if there are areas that need improvement, and does the evaluations occur on a regular basis. Ms. Yates replied that the Steering Committee meets twice a year and reviews the programs. Ms. Yates stated that the statistics are not done on a regular basis. She stated that she had recently sent a report to Mr. Wand indicating how many people had participated in the program and the outcomes. Dr. Tippett asked if success means that the participant does not return to the program. Ms. Yates replied that the success rate is determined by the participant not returning to the program.

Ms. McCoy stated that she saw the report and the report did show the success rate. She asked Mr. Wand if he could provide the members with a copy of the report and Mr. Wand replied that he could provide the members with a copy of the report.

President McAllister stated that the PAPA program has changed pharmacy in Arizona and has helped many pharmacists with addictions. Ms. Yates stated that they feel the program has helped many individuals.

APA Report

APA was represented by Kathy Boyle. Ms. Boyle stated that the HB2196 concerning the continuing education requirements for pharmacy technicians did pass and was signed by the Governor on April 19, 2004.

Ms. Boyle reminded everyone about the upcoming convention in June to be held in Scottsdale at the Westin-Kierland resort. She stated that the Pharmacy Board will hold a meeting at the resort on June 24, 2004. The APA will also be offering an Immunization training program that Thursday. There are currently 5 pharmacists signed up to participate in the Immunization training program.

Ms. Boyle stated that the members voted for the unification of the AZSHP and the APA. The new

organization will be called the Pharmacy Association of Arizona. The PAPA program will not change and will have the same working relationship with the Board of Pharmacy. The first officer of the new organization will be the new president, Jerome Wohleb. He will take office at the convention. John Musil will be the second president. After the first two years, a full voting election will be held.

President McAllister called a brief recess. President McAllister reconvened the meeting.

AGENDA ITEM V - Special Requests

#1 Evan Davis

Evan Davis appeared with Lisa Yates from the PAPA program. President McAllister asked Mr. Davis to describe the nature of his request. Mr. Davis replied that he is requesting that the suspension of his pharmacist license be removed and probation imposed.

Mr. McAllister asked Mr. Davis what brings him to this point. Mr. Davis replied in the last year he has completed two different rehab programs for drug addiction. He has completed both inpatient and outpatient rehab programs. Mr. Davis stated that he has been active in the PAPA program since June of last year. Mr. Davis stated that he has a sponsor that he reports to weekly. Mr. Davis stated that he attends three self- help meetings a week. Mr. Davis stated that he is working a very good program in addiction recovery.

Mr. McAllister asked Mr. Davis to describe his life now. Mr. Davis stated that his life is almost a complete 180. He stated that a year ago he had hit rock bottom. Mr. Davis stated that thanks to rehab and the PAPA program he has been able to pick up the pieces of his life and move forward in a positive direction. He said the program has given him a new lease on life. Mr. Davis said he is grateful for the second chance that has been offered to him.

Mr. McAllister asked Ms. Yates for PAPA's recommendation. Ms. Yates replied that the PAPA Steering committee supports the removal of the suspension and the imposing of probation for Mr. Davis. Mr. Wand stated that the counselor has also written a letter supporting Mr. Davis and the letter is in the Board Book.

Mr. McAllister asked Mr. Davis if he was ready to go back and work in the pharmacy environment. Mr. Davis replied that he was ready to return to work.

Ms. McCoy told Mr. Davis that she thinks it is great that he has arrived at this point in his life. She reminded him that he has a great support group within the PAPA program and to go to the support group for help if things get tough. Dr. Tippett also wished the participant success in moving forward.

On motion by Ms. McCoy and Dr. Tippett, the Board unanimously approved the request by Mr. Davis to terminate the suspension of his pharmacist's license and impose probation with the standard PAPA contract changes.

#2 - Tewabech Rensing- Minelek

Tewabech Rensing-Minelek appeared with legal counsel Roger Morris to request a waiver of A.R.S. § 32-1922 (D) and (E) involving the preliminary equivalence exam. Ms. Rensing appeared at the March 17, 2004 meeting and the Board tabled the request and asked Ms. Rensing and Mr. Morris to return at the next Board meeting with a proposal for the Board to review.

President McAllister began the discussion by asking Ms. Rensing about her proposal to become licensed as a pharmacist in this state.

Mr. Morris stated that they have submitted a packet to the Board. Mr. Morris stated that the Board requested that the test cover such areas as English proficiency and academic areas. Mr. Morris stated that Ms. Rensing has taken and passed the TOEFL exam and that will satisfy the English proficiency requirement.

Mr. Morris stated that the second issue was to find some exam that will prepare her to take the NAPLEX and to satisfy the requirement that will satisfy the Board's academic requirement for basic understanding of the sciences to be able to take the NAPLEX. Mr. Morris stated that they contacted the schools that the Board Members recommended and the schools stated that Ms. Rensing would need to be enrolled at the school and taking courses in order to take the exam. Mr. Morris contacted Morris-Cody and found that they offer a comprehensive remedial program that is equivalent to an 80- hour course and offers

an exam at the end of the course. Mr. Morris suggested that if Ms. Rensing passes the Morris-Cody exam along with the TOEFL exam the Board will allow her to sit for the NAPLEX exam.

President McAllister reviewed the facts leading up the request by Ms. Rensing. He stated that Ms. Rensing was not able to take the FPGEE because she was an Ethiopian citizen who had attended pharmacy school in Germany. He stated that because she was not a German citizen she was not issued a permanent pharmacist license. NABP will not allow Ms. Rensing to take the FPGEE because it is a requirement for the applicant to have been issued a permanent pharmacist license from the country where they attended pharmacy school. Mr. McAllister stated that what the Board was looking for in order to allow Ms. Rensing to move on in the process was an equivalence exam that would show that she has the basic education equivalency prior to the practice examination. Mr. McAllister said the Board needs to consider her issues as a unique individual and the system that has been set up by NABP to approve foreign graduates. Mr. McAllister stated that NABP has stated that they have found fraudulent degrees being submitted by applicants and the rules have to be this strict to prevent fraudulent practitioners from obtaining licenses. Mr. Morris stated that her degree had been credentialed and the only issue that NABP had was that Ms. Rensing was not issued a permanent license in Germany.

Mr. Draugalis stated that the Morris-Cody exam is a difficult exam and he had taken the exam in preparation for taking the California Board. He felt that the exam would be a good alternative exam.

Dr. Tippett said he had issues with the equivalency of the exam. Dr. Tippett said he has no problem with the exam being issued if it is an equivalent exam.

Mr. Wand asked Mr. Morris or Ms. Rensing if the exam is a take-home exam. Mr. Morris stated that was his understanding and he has talked to Ms. Rensing about taking the exam as a proctored exam with someone whose credentials will not be questioned by anyone.

Ms. McCoy stated that due to citizenship issues that she is not able to take the test and NABP has certified the educational issues. Ms. McCoy stated that it is her understanding that this is a pre-test. Ms. McCoy is comfortable with accepting this test as a pre-test and would not accept this test in place of NAPLEX. Ms. McCoy stated that this is an individual case and wants to make sure that this does not set precedence for other individuals that cannot pass another licensing exam.

President McAllister stated that the issue in front of the Board is precedence. Mr. McAllister stated that we do have risk as we go forward that the staff may become burdened with numerous requests that they do not have the resources or the ability to verify. He thinks that the letter from NABP stated the quality of her credentials with the only issue being her citizenship requirement.

Mr. McAllister stated that the Board must keep in mind with the ACPE determination all United States schools will offer the PharmD as the entry level degree. There is a potential in the next few years as the last Bachelor degree pharmacists graduates in the United States there will be very few equivalent educational programs world-wide that can allow transfer or re-licensure in this country. Mr. McAllister stated with the change in degree requirements there may be a flood of requests for licensure in this country.

On motion by Mr. Draugalis and Ms. McCoy, the Board unanimously approved the request by Ms. Rensing to waive the FPGEE and take the Morris Cody exam as a proctored exam. President McAllister stated that as clarification for staff the Board still is in full support of the FPGEE process.

Ms. McCoy stated that this is an individual case and this is not setting precedence. She stated that NABP is the initial screening process for applicants.

Mr. Wand asked about the score that must be obtained for passing the Morris-Cody exam. Mr. Wand asked if the passing score was 75%. Mr. Morris replied that is his understanding for passing Morris-Cody, but the Board could ask for any percentage that they want. Mr. McAllister stated that she still has a year of internship prior to taking the NAPLEX. Ms. McCoy asked what the passing level was for the other exam. Mr. Wand explained that the other exams are not based on a percentage score. Mr. McAllister asked if the Board is looking for a specific score on the Morris-Cody exam. Mr. Pulver asked Mr. Morris if he had any statistics on the Morris-Cody exam. Mr. Pulver asked if an individual took the Morris-Cody exam and received a certain score is there data that states at what rate they will pass the NAPLEX exam. Mr. Morris stated that he does not have that information and the 75% score comes from a letter from the President of the company indicating that successful completion of the program comes from the candidate correctly answering 75% of the questions.

Mr. McAllister asked if she had to buy the course in order to take the exam. Mr. Morris replied yes. Mr. McAllister stated that since she will have the study materials prior to the exam and read from the company's material that successful completion of the course is obtaining 75% on the exam. Mr. McAllister felt that this is the standard that the Board should accept.

#3 Holly Vietor

Holly Vietor appeared on her own behalf to request permission to pursue licensure by reciprocity from her active Oregon license.

President McAllister opened the discussion by asking Ms. Vietor what was the nature of her request. Ms. Vietor replied that her request was to obtain licensure in Arizona. She stated that she became licensed as a pharmacist in Oregon in 1998 and had disciplinary action taken against her license in 1999. She explained that she was not listening to a conversation going on between the technician and a customer at the register. The customer was insisting that a prescription was for her daughter and the medication was not for daughter. The patient's daughter had a similar name to the name on the filled prescription. The technician brought the medication to her and told her the medication was labeled for the wrong patient. Ms. Vietor believed the technician and did not pull the hard copy and re-labeled the medication. The mother did not give the medication to her child. The mother filed a formal complaint with the Oregon Board and an investigation followed.

President McAllister asked if she has practiced continuously from that time. Ms. Vietor replied that she has been practicing since that time and is licensed in Oregon and California. Mr. McAllister reminded Ms. Vietor that the Board has taken a stance against counseling errors. Mr. McAllister reminded Ms. Vietor that it would be a very serious infraction if counseling is not done correctly and as per the rules. Mr. McAllister stated that the reason she was appearing was due to the disciplinary action.

Ms. McCoy stated that it seems that Ms. Vietor has learned from her experience and she needs to take that experience to heart. She reminded her that counseling is an issue that the Board is addressing. She stated that counseling is part of your duty as pharmacist in Arizona.

Dr. Tippett asked Ms. Vietor if she has had any other infractions since that time. Ms. Vietor replied no, but California did put a note in her file. Dr. Tippett asked what types of changes Ms. Vietor has made in her practice to insure that a similar incident does not occur again. Ms. Vietor

replied that she has learned to listen to several things at once. Ms. Vietor stated that she has worked in a pharmacy in California where they did consultation on every new prescription. The technicians printed the patient profile and the pharmacist looked at the profile to determine if the

prescription was a new prescription and marked on the form what they would talk about with the patient. She stated that several errors were caught before the prescriptions left the pharmacy. Ms. Vietor stated that she always checks the date of birth to be sure she has the correct patient. Ms. Vietor stated that she wants to be sure the patient gets the correct medication and knows how the medication is to be used. Ms. Vietor stated that she feels counseling is important.

On motion by Mr. Draugalis and Dr. Tippett, the Board unanimously agreed to allow Ms. Vietor to proceed with reciprocity.

AGENDA ITEM VI - Proposed rules

Compounding and Sterile Products Pharmacy Rules

Compliance Officer/Rules Writer Dean Wright began by telling the Board Members that a Notice of Proposed Rulemaking was published in the Arizona Administrative Register on February 20, 2004. A public hearing was held on the proposed rules on March 22, 2004. One person attended the hearing and was in support of the proposed rules as noticed. Mr. Wright stated that he has prepared a Notice of Final Rulemaking and an Economic Impact Statement for approval by the

Board.

Ms. McCoy stated that USP has just released USP 797 standards concerning sterile products and wanted to know if those standards had been reviewed. Mr. Wright said these guidelines are not specifically addressed in this rulemaking package. Ms. McCoy stated that the Board should probably review the 797 standards. Mr. Wright indicated that we can always enforce the USP guidelines and he stated that he feels that this does not preclude the passing of this rulemaking package.

Ms. McCoy stated that she would like to see this rulemaking package proceed and the Board could discuss the USP 797 standards later. Mr. Wright stated that the current rules talk about a space for compounding and does not address a clean room. Ms. McCoy stated that JCAHO is planning on enforcing 797 standards in terms of their survey of compliance. Mr. Wright stated that this rulemaking package can proceed as is and the Board can visit the issue of clean rooms at a later date.

On motion by Mr. Draugalis and Ms. McCoy, the Board unanimously agreed to approve the Notice of Final Rulemaking and the Economic Statement for the Compounding Sterile Pharmaceutical Products Pharmacy Rules and authorized Mr. Wright to proceed with the process.

Mr. Wright stated that he will take the rulemaking package to GRCC for final approval and hopefully will be placed on their July agenda. Mr. McAllister asked that a letter be sent to the members of the Compounding Task force thanking them for their help in developing the rules.

Substantive Policy Statement - Prescription Transfer Policy Statement

Mr. Wright explained that last June in response to a consumer complaint conference the Board suggested that a policy be written regarding the transferring of a new verbal or faxed prescription from a pharmacy where the prescription was never filled to another pharmacy for initial and subsequent filling. Mr. Wright drafted a substantive policy statement (SPS08) for the Board's review.

Mr. Draugalis stated that the policy is worded perfectly and fits the parameters that were discussed at that meeting.

Mr. Wand stated for the benefit of the audience that substantive policies are not enforceable by hearings or consent agreements. Even though not enforceable by hearings, the Board still expects

pharmacies to adhere to this policy. The policy will act as a bridge until an enforceable statute or rule can be written.

Mr. Wright stated that the policy is a guide for the pharmacies to follow to comply with what the Board expects when transferring a prescription. Mr. Wright stated that the transfer rule would need to be updated to reflect this procedure. Mr. Wright stated that the Board expects the pharmacist to transfer a prescription and not act as a doctor's agent and phone the prescription to another pharmacy because a pharmacist does not have that authority. Mr. Wright stated the policy states that a number must be assigned to the prescription even though the prescription will not be dispensed and then transferred to the other pharmacy by existing transfer procedures.

On motion by Dr. Tippett and Mr. Draugalis, the Board unanimously agreed to approve SPS08, the Board's Prescription Transfer Policy Statement.

AGENDA ITEM VII - Complaint Review

The Consumer Complaint Review committee met prior to the Board Meeting to review 25 complaints in preparation for making recommendations to the Board for final resolution. Dr. Tippett and Mr. Dutcher served as the review committee. Dr. Tippett provided a summary of each complaint and provided the committee's recommendations to the Board. Board members were encouraged to ask questions.

Complaint Discussion

Complaint # 2758

President McAllister requested that a pharmacy supervisor be present during the Conference. He felt that it is the corporate computer personnel that are automatically linking products that are not AB rated products.

Complaint # 2765

President McAllister and Mr. Draugalis requested to change the committee's recommendation of a conference to a consent order. Mr. McAllister stated that the failure to counsel resulted in the error. The Board Members agreed and the recommendation was changed to a consent agreement.

Complaint # 2767

Ms. McCoy stated that a letter should be sent to the nursing student advising her that ipecac was not the proper response to this ingestion.

Complaint # 2772

President McAllister requested to change the committee's recommendation of a conference to a consent order. Mr. McAllister stated that the pharmacist did not counsel the patient. He also indicated that a retake of the MPJE exam might be one of the stipulations in the consent agreement. The Board agreed and the recommendation was changed to a consent agreement.

Complaint #2773

President McAllister requested to change the committee's recommendation of a conference to a consent order. Mr. McAllister stated that the checking procedures were missed and patient safety was compromised.

The following summary represents the final decision of the Board in each complaint:

Complaint # 2756 - Conference

Complaint # 2758 - Conference

(Incident 1 & 2)

Complaint # 2759 - No further Action

Complaint # 2761 - Letter

Complaint # 2762 - No Further Action

Complaint # 2763 - Letter of Warning- Pharmacy Manager

Letter of Commendation - Staff Pharmacist

Complaint # 2764 - Conference - Intern and Pharmacist

Complaint # 2765 - Consent

Complaint # 2766 - No Further Action

Complaint # 2767 - Letter of Warning

Complaint # 2768 - Letter of Warning

Complaint # 2769 - Letter of Warning

Complaint # 2770 - Conference

Complaint # 2771 - No Further Action

Complaint # 2772 - Consent

Complaint # 2773 - Consent

Complaint # 2774 - Conference

Complaint # 2775 - Letter of Warning

Complaint # 2776 - No Further Action

Complaint # 2777 - Conference

Complaint # 2778 - Letter of Warning

Complaint # 2779 - No Further Action

Complaint # 2780 - No Further Action

Complaint # 2781 - No Further Action

Complaint # 2782 - No Further Action

The meeting was recessed for lunch at 12:00 P.M.

President McAllister reconvened the meeting at 1:00 P.M.

AGENDA ITEM VIII - Conferences

COMPLAINT # 2728

Pharmacist Denice Brelsford and Supervisor Tina Sotelo were present relevant to a consumer complaint. Compliance Officer Ed Hunter gave a brief overview of the complaint and investigation.

President McAllister asked Ms. Brelsford to describe the events leading to this discussion. Ms. Brelsford said her statement was taken out of context concerning the generic substitution. Ms. Brelsford stated that when she checked the prescription she missed the "dispense as written" because it was not clear to her. She stated that she read the prescription as "substitution permissible". Ms. Brelsford stated that when she told the Compliance Officer that the patient usually gets what they want that she was just making an observation. She stated that they always call the doctor. Ms. Brelsford stated that since everyone has pointed out to her that the prescription was "dispense as written", she can now see that it was written that way. She stated that she wished the doctor had called her and she would have fixed the mistake. She again stated that she meant the patient usually gets what they want when they call the physician.

President McAllister asked Ms. Brelsford to explain how someone in the pharmacy took it upon themselves to counsel the patient on the equivalency and that there was no need for the patient to purchase the second cream. Ms. Brelsford said that they think the technician told the patient that they did not need the cream. Ms. Brelsford stated that she did not tell the patient that they did not need the second cream. Ms. Brelsford also stated that the other pharmacist did not speak to the patient. Ms. Brelsford believes that the technician talked to the patient. Ms. Brelsford said that she did not hear the technician talking to the patient or she would have stepped in and answered the questions. Ms. Brelsford stated that is what the patient told the doctor and then the doctor drafted the letter.

Mr. McAllister asked Ms. Brelsford if she was the dispensing pharmacist. Ms. Brelsford replied yes. Ms. Brelsford said that she missed the error. Mr. McAllister asked if the patient declined counseling and she documented the refusal. Ms. Brelsford replied yes. Mr. McAllister stated that he has a problem with this because Ms. Brelsford was given a prescription from a skin and cancer center for two specialty creams and somehow in the pharmacy it gets changed to the patient only needs one of the products, a generic is dispensed, and the physician is not called, and no discussion occurs with the patient. Mr. McAllister stated that even though the patient did not want to talk about the medications, he felt that the pharmacist has a responsibility to talk to the patient. Mr. McAllister said that he feels the pharmacist has a duty to clarify these issues. Ms. Brelsford asked Mr. McAllister what she needed to clarify. Mr. McAllister stated that she should have told the patient this is the medication your doctor ordered and this is the medication that we are giving you. Ms. Brelsford stated that she thought the prescription was labeled correctly and the other prescription was put on hold and meant that she was coming back tomorrow to pick up the other prescription. Ms. Brelsford stated that she had no idea that the technician said that she only needed one medication. Ms. Brelsford stated that the patient may have had the medication at home and did not want the second medication and that is why the medication was on hold. Mr. McAllister said it is his opinion that patient's do not know what they need to know and in a complex situation like this a pharmacist should have talked to the patient. Mr. McAllister stated that he feels Ms. Brelsford made an error in judgment.

Mr. Draugalis stated that the prescription is poorly written and a letter should be sent to the doctor concerning the signing of the prescription. Mr. Draugalis asked Ms. Brelsford if there was a generic for this product. Mr. Draugalis stated as far as he knew there was not a generic product for this cream. Ms. Brelsford stated that she missed the XM at the end of the Glyquin and dispensed the generic for Glyquin cream and not Glyquin XM cream. Mr. Draugalis asked her if she knew there was no generic available at that time or did she find that out after the fact. Ms. Brelsford replied for what. Mr. Draugalis stated for the Glyquin XM. Ms. Brelsford replied that she did not for sure if there was a generic for Glyquin XM since it was a new product and she assumed there was a generic product. She stated that she missed the fact the prescription was written for Glyquin XM and approved the Glyquin and subsequently filled the prescription with the generic for Glyquin. Ms. Brelsford stated the only thing missing was the moisturizers. The directions were the same and the patient requested the Lustra be placed on hold. Mr.

Draugalis stated that he has some of the same concerns as President McAllister that Ms. Brelsford assumed many things such as a generic product was available for Glyquin XM and the reason the prescription was placed on hold. Mr. Draugalis suggested that Ms. Brelsford slow down. Mr. Draugalis asked if this was a busy pharmacy. Ms. Brelsford replied yes. Mr. Draugalis asked how many prescriptions were filled that day. Ms. Brelsford replied 300 and some. Mr. Draugalis asked how many pharmacists were working. Ms. Brelsford replied 2. Mr. Draugalis asked if the workflow was good. Ms. Brelsford replied as good as possible. Mr. Draugalis asked if the workflow has changed to avoid this happening in the future. Ms. Brelsford stated that they are being more careful about checking the prescription and it was something that just got missed. Ms. Brelsford stated that they do not make many errors and it is something that just happened. Ms. Brelsford stated that they are busy just like everywhere else and this occurred during the busy part of the day. Ms. Brelsford stated that there is a little stress and pressure to get things done. Ms. Brelsford stated that she apologizes that she just missed the XM part of the Glyquin. Ms. Brelsford stated that it is quite common to put prescriptions on hold, especially creams that are expensive. Ms. Brelsford stated that the patient has had another prescription for Glyquin XM filled and has never picked up the Lustra.

Ms. McCoy asked about the technician placing the prescription on hold and talking to the patient.

Ms. McCoy asked when a drug is on hold does the pharmacist actually have the opportunity to speak with the patient. She wanted to know if it was customary for the pharmacist to speak with the patient when prescriptions are placed on hold. Ms. Brelsford replied that if the patient had stayed around that she would have spoken with the patient during the counseling part. Ms. Brelsford stated that she would have told the patient that she needs to apply the cream in the a.m. and does she have the cream to apply in the p.m.. Ms. Brelsford stated that often patients have the creams at home. Ms. Brelsford stated that often the patient grabs the bag and bolts out. Ms. Brelsford stated that she never got the opportunity to talk to the patient.

Ms. McCoy noted that Ms. Brelsford stated that in her written response that the technician is no longer working there. Ms. Brelsford stated that he is no longer working at the store. Ms. McCoy asked if the technicians that are currently working at the store are instructed about counseling and making sure information is given to the patient. Ms. Brelsford stated that this was a unique situation with this one technician. Ms. Brelsford stated that if they heard anything going on that they would stop him in his tracks. Ms. Brelsford stated that the technician was terminated. Ms. Brelsford stated that he never said anything around her except the normal acceptable things that a technician could tell a patient.

President McAllister stated that he was concerned about a comment written by Ms. Brelsford in her written reply to the complaint. The comment stated that they were getting an intern in the next two weeks to help with busy times for counseling. Mr. McAllister asked Ms. Brelsford if she knows that she has a responsibility to supervise an intern. Ms. Brelsford replied sure. Mr. McAllister told Ms. Brelsford that she could not just send the intern off unsupervised to counsel patients. Ms. Brelsford replied correct. Ms. Brelsford stated that the pharmacy is a small pharmacy and they can pretty much hear what is going on at the counter. Ms. Brelsford said that they would be guiding the intern and be sure they are saying the appropriate things and if she heard them saying something that was not correct she would intervene a little bit. Ms. Brelsford stated that most of her interns have been graduate interns waiting to take the boards.

Ms. Brelsford stated that they do not have any first or second year students.

Mr. Wand asked about the documentation on the prescription. He asked Ms. Brelsford if the technician had documented the on hold indication on the prescription. Ms. Brelsford replied yes.

Mr. Wand asked if she had documented the refusal of counseling. Ms. Brelsford replied that the cashier had documented the refusal on the back of the prescription. Ms. Brelsford stated that the cashier tells the patient that a pharmacist will come discuss your prescriptions with you and if the patient says no that they do not want to talk to the pharmacist then the pharmacist will address the patient and ask if they have any questions. The cashier will write on the prescription that counseling was refused. Mr. Wand told Ms. Brelsford that the regulation requires that the pharmacist document the refusal of counseling. Mr. Wand asked Ms. Brelsford if the back of the prescription was already marked with counseling and is that why she did not talk to the patient.

Ms. Brelsford stated that the cashier said that the patient denied counseling and Ms. Brelsford said she asked the patient if she had any questions and the patient said no. Ms. Brelsford stated that for documentation purposes the cashier then writes that counseling was denied on the prescription. Ms. Brelsford stated that they always address the patient. Mr. Wand asked when they counsel the patient if they have the hard copy of the prescription available. Ms. Brelsford replied yes. Ms. Sotelo stated that the refusal of counseling is documented on the signature log at the out window and is initialed by the pharmacist. Ms. Brelsford stated that it is initialed by the cashier that witnessed the patient's denial of counseling and then the pharmacist initials the sheet. Mr. Wand also asked if this was the third party signature log. Ms. Sotelo replied that it is used for both purposes.

President McAllister reminded Ms. Brelsford that the Board is focusing on taking care of your patients. The primary duty of the pharmacist is to consult with the patient on the proper use of their medication. Mr. McAllister told Ms. Brelsford that everything

broke down in this case. Mr. McAllister reminded Ms. Brelsford that the next time she does not counsel appropriately and a complaint is filed that a consent order would be issued which could result in probation. Mr. McAllister urged Ms. Brelsford to change her practice.

COMPLAINT # 2739

President McAllister called Pharmacist Thomas Randall and Supervisor Don Featherstone forward to address the Board about the Consumer Complaint. Compliance Officer Ed Hunter was present to report the findings of his investigation. President McAllister asked Mr. Randall to discuss the events leading up to this complaint. Mr. Randall stated that on the one prescription, he is not sure if the prescription was transferred incorrectly or transcribed incorrectly. Mr. McAllister asked Mr. Randall if this patient had received medications from their pharmacy prior to this prescription. Mr. Randall replied that this was a new pharmacy and they were just opening at the time, so he had no patient histories available. Mr. McAllister asked about the delivery of the prescriptions. Mr. Randall stated that all the prescriptions are delivered to the patients who are home bound and a nurse who works with the Cochise Health System sets up the medications in the home. Mr. Randall stated that the patients did not ingest any of the incorrect medication.

Mr. Wand stated that he believes all the prescriptions were transferred from another pharmacy because the health system was changing pharmacies due to service issues. Mr. Wand stated that the pharmacy where Mr. Russell worked had to take all the transfers via phone.

Mr. McAllister stated that this was a system with many problems and the pharmacist was placed in a tough spot.

Mr. Draugalis asked who filed the complaint. Mr. Russell replied the nurse at Cochise Health systems filed the complaint.

Dr. Tippet asked if there was a way that the pharmacy and the home health nurses could work together as a team to avoid these errors in the future. Mr. Russell said it is a difficult process because he fills the prescriptions, a delivery person takes the medications to the patient, and a nurse checks the medications at the patient's home. Mr. Featherstone stated that the patients are located in remote areas of Cochise county. He stated that the medications are filled at their pharmacy and delivered. He stated that the nurses are sent out from a different city with most of the nurses coming from Bisbee. Mr. Featherstone stated that direct communication is a problem because of the distances between the practitioners. Dr. Tippet suggested that they might want to consider using electronic means of communication.

Mr. Wand asked Mr. Featherstone if there are any medication administration records produced by the pharmacy for the nurses to use at the patient's home. Mr. Featherstone said that the nurses have forms from the HMO that employs the nurses. Mr. Featherstone stated that since the pharmacists never go to the patient's home that they do not set up the records for the nurses.

President McAllister stated that he is glad that they are resolving the service issues.

COMPLAINT # 2743

President McAllister called Pharmacist Stephen Veerkamp and Supervisor Terry Daane forward to address the Board concerning the Consumer Complaint. Mr. Draugalis excused himself from taking part in this conference due to a conflict of interest. At this point, Mr. Pulver informed the Board Members that they no longer had a quorum. It was decided that Mr. Veerkamp would need to return at the next meeting.

COMPLAINT # 2746

Pharmacist Dwight Overturf and Supervisor Jim Foy were present relevant to a consumer complaint. Compliance Officer Rich Cieslinski was requested to describe the findings of his investigation.

President McAllister opened the discussion by asking Mr. Overturf if he had looked at the patient's profile because the patient had numerous prescriptions filled for Neurontin. Mr. Overturf replied that he was working at the pharmacy through the temporary service. Mr. Overturf stated that he was assigned to check the refills at the back counter of the pharmacy and did not have access to any patient files or the computer. Mr. Overturf stated that the prescriptions were laid out on the counter and his job was to check the prescriptions.

Mr. Foy stated that in this pharmacy the refills are separated from the new prescriptions. He stated on the back counter, the technicians fill the prescriptions and leave the prescriptions to be checked by the pharmacist. Mr. Foy stated that in most of their pharmacies they use temporary pharmacists to fill in for vacations and leaves. Mr. Foy stated that they ask the temporary pharmacists to check the refills. Mr. Foy said the temporary pharmacists are not trained on the computer because

the temporary agency does not always send the same pharmacist. Mr. Foy said the temporary pharmacist will check refills or take telephone calls.

President McAllister asked if a technician processed the prescription that was presented to Mr. Overturf. Mr. Foy stated that the prescription was entered into the computer by a technician and counted by a technician. The paperwork and label were set on the counter for Mr. Overturf to check.

President McAllister asked if the bottle was labeled correctly. Mr. Overturf replied the label was correct but the medication dispensed was the incorrect strength. Mr. Overturf stated in order to save time he signed his initials to all the labels on the counter. He said by signing off on the labels that invited someone else to put the label on the bottle assuming that he had checked the prescription. Mr. Overturf and Mr. Foy think that another pharmacist placed the label on the bottle when the patient came in to pick up the prescription assuming Mr. Overturf checked the prescription because the sticker that goes on the refill log was missing.

Dr. Tippet stated that in the complaint comments it was stated that the environment could be overwhelming and he asked Mr. Overturf how he handles this situation. Mr. Overturf replied that he has trained himself. Mr. Overturf stated that he now paces himself so that he does his job properly.

Dr. Tippet asked Mr. Foy if this was an overall staffing pattern. Mr. Foy stated that they had 3 pharmacists and 6 technicians working that day and filled 200 new prescriptions. Mr. Foy stated that he felt there was adequate staffing but this error might have occurred due to a workflow issue.

Mr. Wand asked Mr. Foy about the refilling of prescriptions at this center due to the fact that the company has a central refill center. Mr. Foy replied that the refill center does about 75% of the refills, but some of the patients who do not want to use the refill center because the turnaround time is a couple of days and they will walk into the centers or call the centers to pick up the prescription that day. Mr. Wand asked how many refills were filled at the center that day.

Mr. Foy stated that the refill center filled 143 prescriptions for the center and the center filled 123 prescriptions that day. Mr. Wand stated that he thought the refill center was to help the centers by allowing them to only fill new prescriptions. Mr. Foy replied that they have increased the number of refills being filled at the refill center and have stopped using the back counter for refills at this center.

Ms. McCoy asked if anyone saw the incorrect capsules. Mr. Cieslinski replied that the Pharmacist-In-Charge did see the incorrect capsules. Ms. McCoy asked if they filled the prescription with the correct medication and why they did not get the incorrect medication back. Mr. Cieslinski replied the Pharmacist-In-Charge did correct the error but the patient would not give him the incorrect medication. Mr. Foy stated that he spoke with the Pharmacist-In-Charge and he stated that the patient would not give him the incorrect medication because she wanted to keep the incorrect medication as evidence for a lawsuit.

President McAllister reminded the participants to be careful and noted that the center has made system realignments and the pharmacist has changed the methods that he uses to check a prescription.

COMPLAINT # 2746

Pharmacist Robert Hall and Supervisor Darren Kennedy were present to address the Board concerning a consumer complaint. Compliance Officer Larry Dick provided an overview of the complaint investigation.

President McAllister asked Mr. Hall about the complaint. Mr. Hall stated that an error was made on calculating the dosage on the Tamiflu prescription. Mr. Hall stated that it was his error.

President McAllister asked if the child's age was in the computer. Mr. Hall states that the child's age was in the computer and on the prescription. Mr. McAllister asked if the computer would catch a pediatric overdose. Mr. Kennedy stated that he could not state for certain if his particular drug would be caught in the system.

President McAllister commended Mr. Hall for sending a letter to the physician and the statements that he listed in regards to the changes that he has made in his practice.

President McAllister asked about the label. Mr. McAllister asked if the teaspoonfuls are automatically entered or did the technician type the teaspoonfuls into the dosage. Mr. Hall replied the technician typed the teaspoons into the system. Mr. Hall replied the technician entered the prescription and he did not catch the error.

Ms. McCoy asked if the technician did the dosage calculation or is the calculation done by the computer. McCoy asked if the technician writes their calculations on the prescription as a safety check. Mr. Kennedy stated that the technician manually calculated the dose and they do not have a policy on recording the calculations. Ms. McCoy stated that Mr. Kennedy might suggest to the corporate computer staff that they might want to add a feature to calculate the dosage.

President McAllister reminded the pharmacist to be careful.

COMPLAINT # 2750

President McAllister called Pharmacist Christian Gable and Supervisor Matt Cook forward to address the Board concerning a Consumer complaint. Compliance Officer Larry Dick gave an overview of his findings.

President McAllister opened the discussion by asking Mr. Gable if he was familiar with this patient. Mr. Gable stated that he was filling in at that particular store for the day and was not familiar with the patient. He said he did recall the prescription because of the unusual directions for Oxycontin.

President McAllister asked Mr. Gable how he grabbed the wrong bottle. Mr. Gable stated that he probably grabbed the wrong bottle when he went to the narcotics cabinet. Mr. Gable stated that he filled the entire prescription.

Ms. McCoy asked Mr. Gable if he has looked at the way the bottles are stored and if he has made any changes to ensure that he does not pull the wrong bottle again. Mr. Gable said that he is not sure if the store has made any changes because that was the only day that he had worked at that store. He stated that he double checks the bottle at the narcotic cabinet and again when he gets to the counter. Ms. McCoy stated that the supervisor should let the other stores know that this error occurred so that they may correct any problems. Mr. Cook stated that he did inform the other stores as part of their quality assurance program.

President McAllister reminded the pharmacist to be careful.

AGENDA ITEM VIII- Consent Agreements

President McAllister asked Board Members if there were any questions or discussions concerning the consent agreements. Executive Director Wand indicated that the first four consents on the agenda have been resolved as Consent Agreements or stipulated orders that have been reviewed and approved by the Attorney General's Office. Mr. Wand provided a brief overview of the Consent Agreements for the benefit of the audience.

Mr. Wand stated that the first consent involved a pharmacist that had signed a PAPA contract and had not complied with his PAPA contract and his license has been revoked.

Mr. Wand stated that the second consent was signed by the permit holder for having expired non-prescription medications on their shelves at a grocery store. The permit holder had been on probation previously for the same violation. The permit holder has been fined.

Mr. Wand stated that the third consent was signed by the permit holder of a grocery store for having expired non-prescription medications on their shelves. The permit holder was fined.

Mr. Wand stated that the fourth consent was signed by a pharmacist who failed to comply with his PAPA contract and his license has been revoked.

On motion by Mr. Draugalis and Dr. Tippett, the Board unanimously agreed to accept the following Notices of Hearing/Consent Agreements as presented in the meeting book and signed by the respondents:

Jeffrey Szubinski 04-0005PHR

Albertson's #983 04-0007PHR

Bashas' United Drug #19 04-0008PHR

Alan Clendenin 04-0009PHR

Express Scripts Mail Order

President McAllister stated that he would open the floor for discussion by the Board Members before opening the floor for discussion by the attorneys.

Mr. Draugalis asked about the error rate expressed in the work plan. Mr. Draugalis stated in the order it states that the stay of the investigation or scheduling of a hearing shall be removed if the Board receives and substantiates complaints of prescription discrepancies at a rate of more than 1 per 100,000 prescriptions filled which is one-tenth of the national average which is 1 per 10,000 prescriptions. Mr. Wand stated that the firm is trying to say that they have put into place a culture of safety by training their people and implementing a plan. Mr. Wand stated that Mr. Morris should present the case for the firm.

Dr. Tippett asked President McAllister if we are able to address subsequent complaints against this firm in terms of the order. The question was turned over to the Solicitor General and she suggested that the attorneys present their discussions and then the Board Members could ask questions.

Mr. Pulver opened the discussion by stating that he represents the State of Arizona. He stated that the state requests that the Board accept this stipulated stay because the state believes that it is more effective in attacking the root of the problem. He stated currently the Board has sent forth the complaints regarding Express Scripts to an administrative hearing.

Mr. Pulver then explained what options the Board has if they reject the stipulated stay. Mr. Pulver stated that an administrative hearing is pending and it would go forward. In the hearing, evidence would be provided from the investigation done by the Board. Mr. Pulver stated that the State of Arizona believes that there is sufficient and substantial evidence that Express Scripts has committed a violation of the pharmacy act. Mr. Pulver stated that if the Board finds the facts to be true then they have three options. Those three options are: probation, suspension, and revocation. Mr. Pulver stated that if the Board decides that there is a violation, and they chose to exercise one of those disciplines upon Express Scripts then that is the end of the Board's duty. Mr. Pulver stated by disciplining Express Scripts, the Board tells Express Scripts that they have violated the pharmacy practice acts and they need to change their behavior.

Mr. Pulver stated that the state feels the stipulated agreement allows the Board to look into the pharmacy practices, the methodology, and the training of the employees and pharmacists of this firm and determine how to best help this entity correct their problems. Mr. Pulver stated from the state's point of view there are at least three problems on which the Board should focus. The first problem is when the prescriptions are sent to Express Scripts via fax, telephone, or mail is what being sent to Express Scripts being entered into their system. The Board needs to determine what checks and balances are being used. The second problem is during the process what checks and balances are being used to insure that there are no drug interactions and that the prescriptions are entered on the correct profile. The third problem is to determine if the correct prescription is being shipped to the correct patient. Mr. Pulver states that the state feels that this stay will allow the Board to look into the dealings of this corporation, find out what steps they are taking in training their employees, and what methodology and equipment they are using to remove these problems.

Mr. Pulver stated that if the Board disciplines Express Scripts through an administrative hearing then the Board will not have the ability to look at the company's practices. Mr. Pulver stated that the work plan that Express Scripts is presenting to the Board indicates that they are serious about changing their practices. Mr. Pulver stated that the agreement is not perfect. Mr. Pulver stated that the Board could reject the stay, change or amend the stay, or accept the stay. Mr. Pulver stated from the state's point of view this gives the Board more power to control and understand what is going on with this corporation and to regulate their behavior and make systemic changes that will protect the public. Mr. Pulver stated that if the Board simply disciplines them in an administrative hearing, the Board has no assurances that they will not be back in a couple of weeks. Mr. Pulver stated that by accepting the stay, the Board has a greater assurance that they have a hand in reviewing and seeing their processes and methods and ensuring that they will not be making the same mistakes. Mr. Pulver states that no matter what decision the Board makes the State of Arizona will support their decision.

President McAllister then opened the floor to Mr. Roger Morris serving as counsel for Express Scripts. Pharmacist-In-Charge Thomas Hinckley and Vice President and Director of Pharmacy Practice Gary Sobocinski were present to represent Express Scripts. Thomas Hinckley is the Pharmacist-in Charge at the Express Scripts facility in Tempe. Mr. Sobocinski is in charge of supervising the Pharmacists-In-Charge across the country for Express Scripts. Mr. Morris stated that Mr. Sobocinski is present because the highest levels of the company are supportive of this stay and will ensure each action occurs.

Mr. Morris stated that the reason they are here is because there are three complaints that the Board has suggested to be carried over for hearing. Mr. Morris stated that each of those complaints deal with problems that have occurred at Express Scripts over the past several months. Mr. Morris stated that each of these complaints dealt with human issues from the call center representatives that are not helpful and have given out incorrect information and to the shippers who have policies in place as to how they are supposed to ship a package and did not follow the procedures.

Mr. Morris stated that Express Scripts has had a number of complaints filed with the Board over the last two years. Mr. Morris stated that the number is not a materialistic number compared to the volume of prescriptions dispensed. Mr. Morris stated that Express Scripts does not want to have any errors and want to change their practices. Mr. Morris stated that if the case goes to a hearing and the company violated pharmacy statutes and acts then the Board would have the opportunity to enforce discipline. Mr. Morris stated that it would only enforce discipline and he asked the company to develop a plan that is better than discipline. Mr. Morris stated that the stipulated stay is a way to give better patient care from this pharmacy.

Mr. Morris wanted to walk through the key issues of the work plan. Mr. Morris stated that the first key issue is to enhance their compliance program. Mr. Morris stated that the senior members of the Board of Directors of the company have put in a compliance program with the General Counsel of the company to review the pharmacy policies. Mr. Morris stated that the company has hired special pharmacy legal counsel and have a pharmacy law compliance officer that is an attorney and pharmacist working for the company. Mr. Morris stated that the company would hold a meeting every two weeks to review pharmacy compliance around the country. Mr. Morris stated that the committee would report back to the Board of the company.

Mr. Morris stated that Express Scripts would have a quality improvement program. Mr. Morris stated that they will survey their members who are the patients that get their prescriptions on a monthly basis. The survey will be sent to the Board for approval and ask if there are other questions that the Board would like added to the survey. Mr. Morris stated that the statistics will be submitted quarterly on the member satisfaction.

Mr. Morris stated that there was an entire review of their policies and procedures at this pharmacy. Mr. Morris stated that there is an enhanced training program for the pharmacists, the technicians, and the call center. Pharmacists are supervising the training program. Mr. Morris stated that there are numerous quality meetings between the various groups. Mr. Morris stated that quality audits would be performed. Mr. Morris stated that they have enhanced the number of reviews for the shippers and call center representatives.

Mr. Morris stated that the company wants their pharmacists to be more involved in the community and the profession and have agreed to reimburse the pharmacists for participation in state pharmacy organizations. Mr. Morris stated that they have purchased numerous continuing education programs for their pharmacists.

Mr. Morris stated that Express Scripts wants to have a quality dispensing program. Mr. Morris stated that the agreed upon error rate by most experts is one error in ten thousand prescriptions. Mr. Morris stated that Express Scripts is setting their standard higher. Mr. Morris stated that they would use an error rate of one error in one hundred thousand prescriptions. Mr. Morris stated that if they can not meet that standard, then the stipulated stay fails and the Board is free to set an administrative hearing and execute the three complaints and any other complaints that get rolled into this consent. Mr. Morris stated that an error would include the following: incorrect drug, incorrect dosage strength, incorrect directions for drug use, incorrect patient name, incorrect prescriber name, lack of access to a pharmacist, and inadequate product storage.

Mr. Morris stated that if the company complies with it's work plan the Board should have fewer complaints. Mr. Morris stated that the company has six months to prove to the Board that they can comply with this work plan and if they do not the Board can lift the stay. Mr. Morris stated that if they do comply then the complaints would be dismissed. Mr. Morris stated that the complaints that were discussed at this Board meeting would be rolled into the consent order.

Mr. Wand stated that the Board will conduct two additional inspections at the company's expense. Mr. Wand stated that they are trying to develop a culture of safety. Mr. Wand stated that they are trying to change their culture from the top down and that is why they are asking for six months.

President McAllister asked Mr. Morris to explain if an egregious complaint occurs what will happen. He stated that he does not want the complaint to be rolled into this ratio of errors and be ignored. Mr. Morris stated that the way the stay is written up in terms of ratios and issues is that it must be a complaint of similar nature to what the complaints are in the stay, such as shipping and patient communication.

Dr. Tippet stated that as far as community involvement is concerned he feels the company does not go far enough. Dr. Tippet stated that it might be beneficial to have members of the community, such as clients who are on the receiving end be included in the feedback loop.

Mr. Morris stated that the survey would be both by telephone and a written survey asking for both positive and negative feedback. The feedback will be supplied to the Director of the Board. Dr. Tippet suggested focus groups for face-to-face contact with their clients.

Mr. Wand asked if Express Scripts was reporting the mistakes to the Board or if the complainant must mail the complaint to the Board. Mr. Morris stated that the Complainant would have to make an independent report. Mr. Morris stated that the

company does not track internal versus external errors. Mr. Morris stated that the metrics in the stay is based off of complaints filed with the Board.

Mr. Wand asked about the time frame to fill 100,000 prescriptions. Mr. Morris stated that it takes about 6 to 7 days to fill that number of prescriptions. Mr. Wand stated that if you make more than one mistake in seven days then the company would be in violation of this order. Mr. Morris stated that it would be looked at on a six-month basis. Mr. Morris stated that if there are too many complaints the Board could pull the agreement and could start the hearing process.

President McAllister asked Mr. Pulver, who was representing the state, if the Board has oversight in this process. Mr. Pulver replied yes. Mr. Pulver stated that the Board could wait for better ideas. Mr. Pulver stated that the Board has the power to attack the roots of the problem. Mr. Pulver stated that the Board could discipline the company. Mr. Pulver stated that the Board does not have to sign off on this agreement today and could review the agreement at the next Board meeting.

Dr. Tippet asked what the next step would be if at the end of six months there were no violations. Dr. Tippet asked what guarantees do we have that changes will remain in place and what actions would the Board take after this six- month period. Solicitor General, Victoria Mangiapane, stated that the six month stay is in place. She stated that if any similar consumer complaints are turned into the Board, it is up to the discretion of the Board to determine if it is a

similar matter. Ms. Mangiapane stated that once the stay is concluded, the Board has authority to investigate other future investigations. Ms. Mangiapane stated that the Board must look at when that conduct occurred. If the conduct occurred prior to November 12, 2004, the complaint may be wrapped up into the stipulated stay because they are taking action to correct the problems. Ms. Mangiapane asked if the work plan was in place. Mr. Morris replied that the vast majority of the policies have been authored and they are instituting the policies and training. Mr. Morris stated that the company has put the policies in place so that they could demonstrate to the Board that they were not just talking but also actually working on the work plan. Ms. Mangaipane asked if it is the intent of Express Scripts to maintain this work plan after the six months. Mr. Morris stated that Express Scripts intent is to do much better than the work plan during the six month stay and afterwards.

Mr. Draugalis asked how many complaints Express Scripts had in the last six months. Mr. Wand replied that they had ten complaints in the last six months. Mr. Draugalis asked how many complaints would Express Scripts be allowed in this time period. President McAllister stated that most of the complaints had a b component of customer service and not breaking practice necessarily. Mr. McAllister stated that we still have the opportunity to act on egregious errors.

Mr. McAllister stated that he feels that Express Scripts has heard the Board's concerns and wants a chance to fix their systems. Mr. Wand stated that he only gave the number of complaints and not the outcomes. Mr. Wand stated that some of the complaints had no further action and others were dismissed with a letter. Mr. Wand stated that not all the complaints were customer safety issues but customer service issues.

Mr. Wand stated that he has read articles by Mr. Brushwood and the articles would state that Boards were backwards and old-fashioned. Mr. Wand stated that this is an outside of the box type settlement. Mr. Wand stated that it would be easy to fine the company and impose probation. Mr. Wand stated that this agreement would cause the company to change their practices.

Ms. McCoy stated that this agreement forces the company to look at the systems. Ms. McCoy stated that some of the practices seem time limited. Ms. McCoy suggested that Express Scripts should review the ISMP Self-Medication Self-Assessment which would allow the organization to score themselves against proven safety practices. Ms. McCoy asked if the company involved any quality change consultants in the process. Ms. McCoy stated that a culture change might be needed. Ms. McCoy states that with this agreement the Board has the opportunity to help improve health care delivery. Ms. McCoy stated that the items mentioned in the work plan are not time limited but are ongoing processes. Ms. McCoy stated that the metrics and outcomes should be constant and would like to see Express Scripts make the commitment that this is not a six- month process only. Ms. McCoy stated that if Express Scripts is going to change the company culture that the process will take longer than six months.

Mr. Sobocinski stated that his role was created in early March. Mr. Sobocinski stated that it is a commitment by the company to look at four things. Mr. Sobocinski stated that patient contact is one of the areas. Mr. Sobocinski stated that they would look at the software and automation to prevent system driven errors. Mr. Sobocinski stated that they would look at regulatory compliance. Mr. Sobocinski stated that there are many conflicting regulations for their company because they operate on a nationwide basis. Mr. Sobocinski stated that the company would be looking at the culture. Mr. Sobocinski stated that people must be organized around a culture that does what is best for the patient.

Mr. Pulver stated that the Findings of Fact would go into the investigative file in case Express Scripts is not able to fulfill the agreements of the stipulated stay. Mr. Pulver stated that the Findings of Fact have been agreed upon. Mr. Pulver stated that if the Board decides to accept the stay and Express Scripts fails, there is no argument that they were not given the opportunity to change. Mr. Pulver asked Mr. Morris to review the work flow charts for the Board Members.

Mr. Morris stated that in order for breakdowns to occur it requires multiple people and multiple system errors and Express Scripts is refining their processes.

Mr. Wand indicated that since several Board Members were absent it might be nice to have all the Board Members weigh in on this decision. Mr. Wand asked about the three complaints that have come in after this process began. Mr. Wand asked if these complaints would be rolled into this consent. Mr. Wand indicated that they occurred after December and are shipping errors. Mr. Morris stated that the way the stipulated stay is worded that the complaints would automatically roll into the stay since they occurred before this Board Meeting. Mr. Wand stated that the Finding of Fact have been agreed to by Express Scripts and would not need to be proven to proceed with disciplinary action.

President McAllister asked the Board Members if this proposal meets the intent of the Board in terms of the Board's mission and if there would be a benefit in waiting a month for the other Board Members to weigh in on the issues or should the Board move ahead.

Mr. Draugalis stated that he thought it would be beneficial for all Board Members to review the proposal. Dr. Tippettt stated that he feels that the proposal is a good proposal and feels that the proposal meets the Board's goals. Dr. Tippettt feels that the other Board Members should review the proposal. Ms. McCoy stated that she would like to have the other Board Members present to look at the process. Ms. McCoy stated that even if the Board does not make a decision today, Express Scripts should move forward with the work plan. President McAllister stated that he disagreed. He felt that the other Board Members had a choice and he stated that the firm has made an effort to meet the needs of the Board and he feels that we should move on with the decision today.

Mr. Wand stated that the three new complaints should be added to the Findings of Fact. Mr. Pulver stated that it would be important to include them in the Findings of Fact if an administrative hearing were to be held. Mr. Morris stated that he would review the complaints with the company. Mr. Morris stated that the company would like to move forward with this agreement.

On motion by Mr. Draugalis and Ms. McCoy, a roll call vote was taken and the Board unanimously accepted the stipulated stay.

Mr. Pulver asked if the Board wanted the additional Findings of Fact to be added to the stay. Mr. Morris stated that he would not want to delay this motion.

On motion by Ms. McCoy and Dr. Tippettt, a roll call vote was taken and the Board unanimously agreed to add the three current complaints to the Findings of Fact if agreed upon by counsel and the company.

Dr. Tippettt stated that the company could hammer on the people and the processes and unless they have buy in by the participants the changes are not going to occur. Dr. Tippettt said that he hopes there are some incentives built into the plan for the employees and the employees can see why they are performing these activities.

AGENDA ITEM X - Compounded Veterinary Drug Products

President McAllister asked Mr. Wand to address this issue. Mr. Wand stated that in the packet is a copy of the letter from the FDA signed by Gloria Dunnavan concerning veterinary compounding. Mr. Wand stated that the letter states the compounding veterinary products is illegal since they are new drugs. Mr. Wand stated that this is a policy that they may have not enforced in the past and may be enforcing at this time due to complaints from veterinary practitioners. Mr. Wand felt that this might impact numerous compounding pharmacies in Arizona.

Mr. Wand stated that he has been contacted by the FDA to participate in inspections of pharmacies in Arizona on a collaborative inspection with the FDA inspector. Mr. Wand feels that we should participate in the inspections so that we can see what statutes and rules they want to enforce. By participating in the inspections, the Board would be able to give their perspective on how the Board interprets the rules. Mr. Wand stated that he looked at the compounding definition in our rules and it does distinguish between compounding for humans and animals. Mr. Wand stated that the definition would allow for compounding of medications for animals. Mr. Wand stated that the statutes also require all practitioners and permit owners to comply with Federal laws as while as state laws. Mr. Wand stated that a permit holder could be disciplined for not following Federal laws that are not a violation of state laws. Mr. Wand stated that he would have a least one inspector participate in the inspections. Mr. Wand stated that he feels the inspections are mainly for fact finding. President McAllister stated that he believes it would be good for fact finding.

AGENDA ITEM XI - Task Force on Counseling

President McAllister asked Ms. McCoy to address the task force. Ms. McCoy stated that at the last Board meeting it was

decided that a task force would be formed to look at the counseling issues. Ms. McCoy stated that several practitioners have contacted Mr. Wand requesting to serve on the committee. Ms. McCoy stated that the committee would probably meet at the Board office in the early part of June. Ms. McCoy stated that the meeting would be held in the evening. Ms. McCoy asked any practitioner that is interested in participating to please contact Mr. Wand. Ms. McCoy stated that the committee is interested in having pharmacists participate on the committee that counsel patients each day in the field. Ms. McCoy stated that there would be a limited number of meetings. Ms. McCoy stated that the committee would focus on quality improvement techniques to make counseling more effective.

Mr. Wand stated that the following individuals have agreed to serve on the committee:

Mike Noel - Cardinal Health

Sharon Richardson - Safeway

Dennis Waggoner - Caremark

Kent Taylor - Walgreens

P. Sean Duffy - Osco

President McAllister concluded that the task force was formed because the Board is receiving Consumer complaints, which claim that the patient was not counseled on new prescription. Mr. McAllister stated often the technician is accepting the denial of counseling and the pharmacist is not aware that the patient was not counseled. Mr. McAllister discussed a recent article he read about an automated system that documents whether a patient wants counseled or not by the pharmacist. The patient makes the choice and enters the information into the system.

AGENDA ITEM XII - National Association of Attorneys General Letter - Importation of Canadian Drugs

President McAllister asked Mr. Wand to address this issue. Mr. Wand stated that the National Association of Attorneys General sent a letter to the Attorney Generals requesting Secretary Thompson of HHS to allow the safe importation of prescription drugs from Canada. Mr. Goddard, the Attorney General in Arizona, did sign the letter along with eighteen other Attorney Generals. Mr. Wand stated that Mr. Thompson stated that this might be a topic to be discussed at the next Congress. Mr. Thompson stated that it is probably inevitable. Mr. Wand stated that nobody from the Attorney General's Office contacted the Board to obtain the Board's opinion before signing the letter. Mr. Wand stated that this is only a short-term solution.

Ms. McCoy stated that the importation will create problems in Canada's health care system and is a challenge. Ms. McCoy stated that safety is thrown out the window. Ms. McCoy stated at the NABP Convention it was pointed out to the participants that there are many counterfeit drugs out there and importation is another avenue for an individual to transport counterfeit drugs into this country. Ms. McCoy stated that they were told it took one cow with Mad Cow disease to shut down the beef importation and yet we have reports of counterfeit drugs daily and there is no concern about the safety of the drugs coming into our country. Ms. McCoy said that people are looking at economic factors and not safety factors. Ms. McCoy stated that as pharmacists we failed the public because now they are bypassing talking to any pharmacist in obtaining their medication from Canada.

Mr. Wand stated that when the Canadian drugs were in short supply the Director of the Internet Canadian Pharmacy Association was contacted and he stated that " I and my organization will scour the world for drugs that are safe". Mr. Wand stated that this individual had just appointed himself as Health Canada and the FDA to determine safety. Mr. Wand stated that the individual is motivated by profit.

AGENDA ITEM XIII- Call to the Public

President McAllister announced that interested parties have the opportunity at this time to address issues of concern to the Board, however the Board may not discuss or resolve any issues because the issues were not posted on the meeting agenda.

Comments were made concerning the following issues:

A pharmacist commented on the handling of the conferences and consents by the Board. He stated in the state where he was originally licensed that most of the cases would have resulted in reprimands or fines.

A pharmacist commented that he hopes the Board will not participate in the joint inspections with the FDA at compounding

pharmacies that compound veterinary medications. He expressed concerns that the FDA has no regulatory jurisdiction over compounding pharmacies.

Another individual stated that the APhA has asked that the letter be rescinded concerning the compounding of veterinary medications because the FDA does not have authority. It was noted that the FDA has not replied.

It was noted that the Arizona Pharmacy Association is against the importation of medications and would like to meet with seniors and help them find alternative ways to obtain their medications instead of purchasing medications from other countries.

A pharmacist asked if the Board would consider posting on the website the following items:

1. The PAPA statistical report
2. The letter from the National Attorneys General concerning importation from Canada
3. The copy of the complaint grid

There being no further business to come before the Board **on motion by Ms. McCoy and Mr. Draugalis**, the Board unanimously agreed to adjourn the meeting at 3:50 P.M.