

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

In the Matter of the Statement of Issues Against:

**PHARMCORE INC., dba HALLANDALE PHARMACY,
DAVID G. RABBANI, PRESIDENT/CFO/DIRECTOR/OWNER,
MEDHAT METTIAS, PHARMACIST-IN-CHARGE,
Nonresident Pharmacy Permit Applicant**

Respondents.

Agency Case No. 7031

OAH No. 2021090632

DECISION AND ORDER

The attached Proposed Decision of the Administrative Law Judge is hereby adopted by the Board of Pharmacy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective at 5:00 p.m. on June 23, 2022.

It is so ORDERED on May 24, 2022.

BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

By

A handwritten signature in black ink, appearing to read "Seung W. Oh". The signature is written in a cursive style with a large, sweeping initial "S".

Seung W. Oh, Pharm.D.
Board President

**BEFORE THE
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**PHARMCORE, INC., dba HALLANDALE PHARMACY;
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MEDHAT METTIAS, PHARMACIST-IN-CHARGE, Respondents**

Agency Case No. 7031

OAH No. 2021090632¹

PROPOSED DECISION

Sean Gavin, Administrative Law Judge, Office of Administrative Hearings (OAH), State of California, heard this matter by videoconference on March 9 and 10, 2022, from Sacramento, California.

¹ This matter was consolidated with OAH Case No. 2021090621/Agency Case No. 7010 for hearing. Pursuant to complainant's request, OAH will issue a separate proposed decision for each matter.

Malissa N. Siemantel, Deputy Attorney General, represented Anne Sodergren (complainant), Executive Officer of the Board of Pharmacy (Board), Department of Consumer Affairs.

Ivan Petrzela, attorney at law, represented Pharmcore, Inc., doing business as (dba) Hallandale Pharmacy (Pharmcore), David G. Rabbani, and Medhat Mettias, who were present at the hearing.

Evidence was received, the record was closed, and the matter was submitted for decision on March 10, 2022.

FACTUAL FINDINGS

Jurisdictional Matters

1. On April 8, 2008, Gennady Krupnikas, on behalf of Pharmcore, signed and thereafter submitted to the Board a nonresident pharmacy permit application (2008 application). On February 24, 2009, the Board issued Pharmcore Nonresident Pharmacy Permit Number NRP 962 (permit), with Mr. Krupnikas as President and Mr. Rabbani as Pharmacist-in-Charge (PIC). On July 1, 2014, Mr. Mettias replaced Mr. Rabbani as the PIC. The permit expired on February 1, 2021, and has not been renewed.

2. On June 3, 2020, Pharmcore submitted a new nonresident pharmacy license application (2020 application) and a temporary nonresident pharmacy permit application (temporary permit application) based on a change of ownership and change of location. Mr. Rabbani signed the 2020 application as president, chief financial officer (CFO), director, and shareholder. With the 2020 application, Pharmcore submitted an Ownership Information form which stated, among other things, that Mr.

Krupnikas and Mr. Rabbani each owned 50 percent of Pharmcore from June 4, 2004, through August 24, 2015, and that Mr. Rabbani owned 100 percent of Pharmcore from August 24, 2015, through the present.

3. On April 20, 2021, complainant filed a Statement of Issues² alleging Pharmcore failed to disclose Mr. Rabbani's ownership stake in its 2008 application and failed to disclose its 2015 change of ownership and 2018 change of address until its 2020 application. The Statement of Issues further alleged Pharmcore's pharmacy license was disciplined in 10 other states between June 2016 and September 2020. Finally, the Statement of Issues alleged Mr. Rabbani was convicted of introducing misbranded drugs into interstate commerce in federal court in 2014. Based on these allegations, the Statement of Issues sought to deny Pharmcore's 2020 application and temporary permit application for: (1) engaging in acts involving moral turpitude, dishonesty, fraud, deceit, or corruption; (2) signing documents falsely representing facts; (3) receiving out-of-state discipline; (4) violating pharmacy laws and regulations; and (5) based on and Mr. Rabbani's conviction. The Statement of Issues also sought to prohibit all respondents from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for a specified time period. Pharmcore and Mr. Rabbani³ submitted a Notice of Defense, and this hearing followed.

² At hearing, complainant moved to amend the Statement of Issues by interlineation to correct typographical errors referencing internal paragraph numbers and a statutory subdivision. The amendments were non-substantive and respondents did not object, the motion was granted, and the Statement of Issues was so amended.

³ Mr. Mettias did not submit a Notice of Defense but appeared at hearing.

2008 Application

4. Mr. Krupnikas signed the 2008 application under penalty of perjury. In doing so, he certified, among other things, that "no person other than the applicant or applicants has any direct or indirect interest in the applicant's or applicants' business to be conducted under the license(s) for which this application is made." Mr. Krupnikas was the only person who signed the 2008 application. Pharmcore's address in the 2008 application was in Hallandale, Florida.

5. Along with the 2008 application, Pharmcore submitted a Corporation Ownership Information form. In it, Mr. Krupnikas was listed as the only corporate officer or director, the section for identifying "Owners/Shareholders" was completed as "n/a," Mr. Krupnikas was the only name in the "Ownership" section, and the question "Does 10% or more of the ownership rest with any other entity?" was answered "No."

2020 Application

6. Mr. Rabbani signed the 2020 application under penalty of perjury. In doing so, he certified, among other things, both that he "ha[d] read the foregoing application and kn[ew] the contents thereof and that each and all statements therein made [we]re true," and that "all supplemental statements [we]re true and accurate."

7. Pharmcore's address in the 2020 application was in Fort Lauderdale, Florida. The 2020 application identified the anticipated change of ownership date and anticipated move date as April 14, 2003. It also included two organizational charts, one reflecting the original structure and one reflecting the structure after the change of ownership. The original organizational chart identified Mr. Krupnikas as "100% shareholder." The updated organizational chart identified Mr. Rabbani as "100% shareholder."

8. Along with the 2020 application, Pharmcore submitted an Ownership Information form. The form stated, among other things, that Mr. Krupnikas owned 50 percent of Pharmcore from October 17, 2002, through August 24, 2015, that Mr. Rabbani owned 50 percent of Pharmcore starting on June 4, 2004, and that Mr. Rabbani owned 100 percent of Pharmcore from August 24, 2015, through the present.

Criminal Conviction

9. On November 24, 2014, in the U.S. District Court for the District of Rhode Island, case number 1:14-cr-00123-WES-LDA, Mr. Rabbani was convicted, on his guilty plea, of violating Title 21 United States Code sections 331(a) and 333(a)(1) (introduction of misbranded drugs into interstate commerce), a misdemeanor. The court sentenced Mr. Rabbani to three years of probation, subject to standard terms and a special term that required him to participate in substance abuse testing.

10. The circumstances underlying the conviction concerned Pharmacy Logistics, Inc., dba Ninth Street Pharmacy, located in Philadelphia, Pennsylvania, of which Mr. Rabbani and Mr. Krupnikas were co-owners and responsible corporate officers. Between March 2005 and September 2013, Ninth Street Pharmacy filled on-line orders for the pain relievers Ultram, Floricet, and their generic equivalents (tramadol and butalbital) without valid prescriptions.

Out-Of-State Discipline

OKLAHOMA

11. Effective November 29, 2017, the Oklahoma State Board of Pharmacy (Oklahoma Board) disciplined Pharmcore for 374 separate violations of Oklahoma statutes governing pharmacies and prescription drugs. Pursuant to Agreed Findings of

Fact and Conclusions of Law, Pharmcore admitted it: (1) failed to renew its non-resident pharmacy license; (2) failed to send prescription records to the Oklahoma Prescription Drug Monitoring Program as required; (3) dispensed a prescription drug when it knew or should have known the prescription was invalid; (4) inappropriately solicited, dispensed, received or delivered a controlled dangerous substance through the mail; (5) failed to maintain an adequate patient record system; (6) failed to have a pharmacy manager responsible for all duties required by law; and (7) offered its services to the public as a "pick-up station." Based thereon, the Oklahoma Board fined Pharmcore \$37,400.

KENTUCKY

12. On October 10, 2018, pursuant to an Agreed Order, the Kentucky Board of Pharmacy fined Pharmcore \$1,100 for shipping 22 prescriptions for non-sterile compounded and sterile-compounded drugs into Kentucky between August 2017 and March 2018 without holding a Kentucky pharmacy permit.

ALASKA

13. Effective March 7, 2019, pursuant to a Consent Agreement, the Alaska Board of Pharmacy fined Pharmcore \$5,000 for shipping 138 prescriptions into Alaska between June 2016 and September 2018 despite having an expired out-of-state pharmacy license in Alaska.

LOUISIANA

14. Effective May 29, 2019, pursuant to a Consent Agreement, the Louisiana Board of Pharmacy fined Pharmcore \$10,000 for dispensing 65 prescriptions to Louisiana residents without a Louisiana non-resident pharmacy permit.

TEXAS

15. On July 2, 2019, pursuant to an Agreed Board Order, the Texas State Board of Pharmacy fined Pharmcore \$1,000 based on its failure to disclose its Kentucky license discipline.

COLORADO

16. On November 20, 2019, pursuant to a stipulation, the Colorado Board of Pharmacy fined Pharmcore \$1,725 and issued it a Letter of Admonition based on its failure to disclose its Louisiana license discipline.

MARYLAND

17. On December 11, 2019, pursuant to a Consent Order, the Maryland Board of Pharmacy fined Pharmcore \$5,000 for: (1) failing to timely disclose that the Food and Drug Administration issued a Form 483 list of observations following a site inspection; (2) failing to timely disclose its change of address; (3) dispensing 296 drugs into Maryland from its new location without obtaining a permit for that location; and (4) failing to timely disclose its Oklahoma and Kentucky license discipline.

OHIO

18. On July 8, 2020, pursuant to a Settlement Agreement, the Ohio Board of Pharmacy fined Pharmcore \$5,000 based on: (1) shipping 4,586 prescriptions for dangerous drugs to Ohio patients between November 2015 and July 2018 without holding a license as a Terminal Distributor of Dangerous Drugs in Ohio; and (2) Mr. Rabbani's criminal conviction and the underlying conduct.

KANSAS

19. Effective June 10, 2019, the Kansas Board of Pharmacy (Kansas Board) disciplined Pharmcore's Kansas non-resident pharmacist registration (Kansas license). Pursuant to a Stipulation and Consent Order, the Kansas Board found: (1) Pharmcore failed to timely notify the Kansas Board of its change of address; (2) Pharmcore failed to timely notify the Kansas Board of its November 2017 Oklahoma license discipline; and (3) based on inspections by the National Association of Boards of Pharmacy and State of Florida, Pharmcore maintained products with beyond-use dates outside the acceptable range, did not meet cleaning standards, stored normal Saline inappropriately, employed an improperly-garbed technician, did not document training in compounding, did not complete all necessary surface sampling; and maintained incomplete compounding records. Based thereon, the Kansas Board fined Pharmcore \$7,180.

20. Effective September 21, 2020, the Kansas Board disciplined Pharmcore's Kansas license for violating both the June 2019 Stipulation and Consent Order and Kansas statutes governing pharmacies. Pursuant to a second Stipulation and Consent Order, the Kansas Board found Pharmcore failed to timely notify the Kansas Board of its license discipline in Alaska, Minnesota, Louisiana, Texas, Colorado, and Maryland. Based on both the untimely disclosure as well as the circumstances underlying the license discipline in those states, the Kansas Board fined Pharmcore \$9,000 and placed its Kansas license on probation for three years, subject to terms and conditions.

Matters in Aggravation

21. On May 22, 2017, the Board issued Citation No. CI 2016 71050 to Pharmcore for violating Business and Professions Code⁴ section 4127.2, subdivision (a), by shipping at least 15,033 prescriptions for 362,587 units of compounded sterile drug products into California without a sterile compounding pharmacy license between January 1 and June 30, 2016. The Board fined Pharmcore \$5,000, which it has since paid in full.

Respondents' Evidence

22. Mr. Rabbani testified on Pharmcore's behalf. He is the company's current owner and runs its day-to-day operations. Regarding his ownership of Pharmcore, he explained he began to help Mr. Krupnikas with the company in 2004. He and Mr. Krupnikas agreed that his work entitled him to some ownership of the company, but they did not formalize any transfer of ownership until many years later. On August 21, 2015, Mr. Krupnikas transferred to Mr. Rabbani 100 percent ownership of the company. Mr. Rabbani viewed this as "a two-step process." The first step constituted Mr. Krupnikas honoring their agreement to give Mr. Rabbani 50 percent of the company in exchange for his help managing it over the years. The parties agreed to backdate that half of Mr. Rabbani's ownership to June 2004. The second step constituted Mr. Krupnikas selling his remaining 50 percent to Mr. Rabbani, which they accomplished through written documents titled "Stock Power" and "Stock Transfer Agreement." Both documents identified Mr. Rabbani as a 50 percent owner of

⁴ All statutory references are to the Business and Professions Code, unless otherwise specified.

Pharmcore as of August 21, 2015. At hearing, Mr. Rabbani explained he “didn’t have [his] thinking cap on” when he signed both documents that stated he already owned 50 percent of the company. He further explained his attorneys advised him to list his ownership date retroactively to June 2004.

23. In support of its 2020 application, Pharmcore also submitted to the Board 20 individual corporate stock certificates. The certificates numbered 1 through 10 are dated August 24, 2015, and state they were transferred from Mr. Krupnikas to Mr. Rabbani on that date. The certificates numbered 11 through 20 were dated June 1, 2004, and state they originated in Mr. Rabbani’s name on that date. At hearing, Mr. Rabbani testified he filled out all 20 certificates on August 24, 2015, and dated half of them for June 2004 at the advice of his attorney.

24. Mr. Rabbani reasoned that, as a result of the August 2015 agreement to backdate his ownership to June 2004, the 2008 application did not in fact contain any false information because, as of June 2008, he did not actually own any part of Pharmcore. He further insisted that the 2020 application did not contain any false information because it accurately reflected the dates he acquired ownership as provided for in the August 2015 documents.

25. Regarding his 2014 criminal conviction, Mr. Rabbani denied any wrongdoing. According to him, he was “a passive investor” in Ninth Street Pharmacy who received compensation but had no equity in the business. He pled guilty because he was stressed by a child custody dispute at the time and felt unable to adequately defend himself. He has completed all terms of his criminal sentencing and was released from probation on October 26, 2018.

26. The count to which Mr. Rabbani pled guilty specifically stated, among other things: "Between on or about March 2005 and on or about September 2013, the defendant, [Mr. Rabbani], was an owner of Pharmacy Logistics, Inc. d/b/a Ninth Street Pharmacy, and was a responsible corporate officer of Pharmacy Logistics." This was consistent with the Stock Transfer Agreement that Pharmcore submitted in support of its 2020 application. That document, which Mr. Rabbani signed on August 21, 2015, stated that Mr. Rabbani's purchase price for the remaining 50 percent of Pharmcore was "the proceeds of the sale of certain real property called the Ninth Street Pharmacy, located at 2400 S. 9th Street, Philadelphia, Pennsylvania, 19148 ("Ninth Street Pharmacy Sale Proceeds"), including [Mr. Rabbani's] claim to one-half of such proceeds."

27. Mr. Rabbani explained Pharmcore's failure to notify the Board of its change of ownership in 2015 was unintentional. The company was growing quickly and was unable to manage that growth administratively. In addition, he was influenced by his understanding of Florida's laws regarding change of ownership, which he believed only require notification if the sale caused a change in the Federal Employer Identification Number. He further explained that most of Pharmcore's out-of-state discipline was the result of failing to timely renew licensure or notify the various state boards of license discipline in other states. Pharmcore now uses specialized software that prevents it from shipping products to states in which it is not properly licensed.

28. In addition, Pharmcore relocated to a more suitable facility in Fort Lauderdale in approximately August 2018. Leilani Bellieni started working for the company as a quality manager in approximately June 2018. She is now the Director of Quality and oversees all quality assurance policies, testing, and record-keeping for Pharmcore. One reason she joined Pharmcore was because it adheres to Common

Good Manufacturing Procedures (CGMPs). CGMPs are a set of quality management systems and procedures that are required for certain facilities. Although Pharmcore is not required to follow CGMPs, she believes its willingness to do so contributes to its good reputation both locally and nationally.

29. Stephanie Melendez, Pharmcore's compliance manager, also testified at hearing. She has worked for the company since approximately August 2018 and was promoted to compliance manager in April 2020. In that role, she handles all licensing and regulatory matters for Pharmcore. The company hold licenses in 43 states, and she believes it is ready and able to comply with all licensing and reporting requirements.

30. In August 2021, the Accreditation Commission for Health Care (ACHC) approved Pharmcore for its Pharmacy Compounding Accreditation Board program. This is a voluntary process that is available only to companies that meet ACHC's quality, integrity, and effectiveness standards.

CHARACTER EVIDENCE

31. Yaakov Yagen testified at hearing and submitted a letter in support of Mr. Rabbani. Mr. Yagen is a rabbi in New Jersey who has known respondent for approximately 17 years. He believes Mr. Rabbani is a dignified and honest family man who is "a leader in his community" and "works to make the world a better place." He values Mr. Rabbani's judgment and wisdom and often seeks his advice on business and personal matters. He has also witnessed Mr. Rabbani's charitable generosity in providing financial support to a variety of causes supported by Mr. Yagen's congregation. He is aware of Mr. Rabbani's criminal conviction, but it does not change his opinion.

32. Respondents also submitted 12 letters in support of both Pharmcore and Mr. Rabbani. Many of the letters are from medical providers who praised Pharmcore's high quality, commitment to safety, and helpfulness. The other letters are from those who have benefitted from Mr. Rabbani's philanthropy. Collectively, they praised his commitment to his community, high moral standards, generosity, integrity, kindness, and selflessness.

MEDHAT METTIAS'S TESTIMONY

33. Mr. Mettias has worked for Pharmcore since approximately 2006. He started as a staff pharmacist and became the PIC in 2010. He was not asked to review the 2008 or 2020 applications before Pharmcore submitted them. He is not licensed in California and disputes the Board's jurisdiction over him in this matter.

Analysis

34. It is undisputed that Pharmcore failed to disclose to the Board any change of its ownership or address until it submitted its 2020 application in June 2020. It is also undisputed that Pharmcore was disciplined by multiple states for acts that would be grounds for license discipline in California. Finally, it is undisputed that Mr. Rabbani was convicted of introducing misbranded drugs into interstate commerce.

35. As a result, the only allegation in dispute concerns whether Pharmcore failed to disclose Mr. Rabbani's ownership interest in its 2008 application. On this point, complainant's evidence was more persuasive for two reasons. First, the documentation provided by Pharmcore in support of its 2020 application explicitly states that Mr. Rabbani was a 50 percent owner as of June 2004. Second, the documents created in August 2015, including the Stock Power and Stock Transfer Agreement, identified Mr. Rabbani as a 50 percent owner. Mr. Rabbani's explanation –

that he “didn’t have [his] thinking cap on” and relied on legal advice when he backdated stock certificates and signed lengthy and formal corporate acquisition documents even though they included information he knew to be factually untrue – was not credible. The more likely explanation is that Pharmcore wanted to deceive the Board about Mr. Rabbani’s ownership stake in the company when it submitted its 2008 application. This is consistent with Mr. Rabbani’s present-day behavior, in which he denies owning the Ninth Street Pharmacy despite both his guilty plea in federal court admitting to such ownership as well as the terms of the Stock Transfer Agreement, which assert his claim to one half of the Ninth Street Pharmacy sale proceeds.

36. Based on the violations described above, the Board established cause to deny Pharmcore’s 2020 application and temporary permit application. The Board maintains Disciplinary Guidelines (Guidelines) for use in determining the appropriate discipline in licensing cases. (Cal. Code Regs., tit. 16, § 1760.) The Guidelines also provide factors to consider when evaluating the appropriate result in a particular case. The factors relevant to this matter include: actual or potential harm to the public or consumers; prior disciplinary record, warnings, citations and fines; number and/or variety of current violations; nature and severity of the acts, offenses or crimes under consideration; aggravating, mitigating, or rehabilitation evidence; compliance with terms of any criminal sentence, parole, or probation; overall criminal record; time passed since the acts or offenses; whether the conduct was intentional or negligent; financial benefit to the respondent from the misconduct; and other licenses held by the respondent and license history of those licenses.

37. Pharmcore argued its out-of-state discipline was based on poor regulatory oversight and inadvertence. This view minimizes the seriousness of Pharmcore’s misconduct, including several hundred separate and distinct violations of

substantive pharmacy laws across multiple states. Furthermore, Mr. Rabbani believes the company has shown that it can comply with the law since resolving the variety of cases against it. However, little weight is given to evidence of lawful conduct while on probation because exemplary conduct is expected. (*In re Gossage* (2000) 23 Cal.4th 1080, 1099.) Pharmcore's Kansas license has been on probation since September 2020 and is scheduled to remain on probation until September 2023. Consequently, any evidence of Pharmcore's lawful conduct must be discounted. Although Mr. Rabbani expressed regret for Pharmcore's misconduct, "a truer indication of rehabilitation is sustained conduct over an extended period of time." (*In re Menna* (1995) 11 Cal.4th 975, 991.) Pharmcore has not yet had enough time to demonstrate sustained lawful conduct while not on probation.

38. Moreover, Mr. Rabbani's criminal conviction was based on his serious misconduct of shipping products without valid prescriptions. He did not take accountability for his misconduct, instead disclaiming any involvement with the pharmacy in question and blaming other stressors. This was inconsistent with his guilty plea and with the Stock Transfer Agreement, in which he claimed a right to half the proceeds of that pharmacy's sale. Mr. Rabbani cannot impeach his conviction. (*Arneson v. Fox* (1980), 28 Cal.3d 440, 449 ["Regardless of the various motives which may have impelled the plea, the conviction which was based thereon stands as conclusive evidence of [respondent's] guilt of the offense charged".]) His attempt to impeach his conviction is problematic because "[f]ully acknowledging the wrongfulness of his actions is an essential step towards rehabilitation." (*Seide v. Committee of Bar Examiners* (1989) 49 Cal.3d 933, 940.) By failing to acknowledge and take responsibility for his misconduct, Mr. Rabbani demonstrated he has not taken the steps necessary to demonstrate rehabilitation. This is especially worrisome because Pharmcore's 2017 Board Citation and its license discipline in many other states

involved similar misconduct of unlawfully shipping prescription drugs without proper licensure.

39. Finally, Mr. Rabbani and Pharmcore were deceitful with the Board about the nature and timing of his ownership of the company. When Pharmcore submitted its 2008 application, it stated Mr. Krupnikas was the sole owner. When it submitted its 2020 application, it stated Mr. Rabbani was a 50 percent owner as of June 2004. As discussed above, Mr. Rabbani's explanation for these inconsistencies was wholly unbelievable. Rather, the evidence demonstrated that Pharmcore was not honest with the Board in its applications. When combined with its license discipline in several other states, the serious misconduct that underlies much of that discipline, Mr. Rabbani's criminal conviction, his failure to take responsibility for his criminal conduct, and his ongoing attempt to justify the dishonesty in Pharmcore's applications, public protection is best served by denying Pharmcore's 2020 application and temporary permit application.

LEGAL CONCLUSIONS

Standard and Burden of Proof

1. An applicant for a license bears the burden to prove it should be granted a license. (*Martin v. Alcohol Beverage Control Appeals Bd.* (1959) 52 Cal.2d 238.) In addition, the applicant has the burden to prove rehabilitation, which is akin to an affirmative defense. (*Whetstone v. Bd. of Dental Examiners* (1927) 87 Cal.App. 156, 164.) The burden of proof is a preponderance of the evidence (Evid. Code, § 115), which means "more likely than not." (*Sandoval v. Bank of Am.* (2002) 94 Cal.App.4th 1378, 1388.)

Applicable Laws

2. The Board may refuse a license to any applicant guilty of unprofessional conduct. (§ 4300, subd. (c).)

3. "The board may deny, suspend, or revoke any license where conditions exist in relation to any person holding 10 percent or more of the ownership interest or where conditions exist in relation to any officer, director, or other person with management or control of the license that would constitute grounds for disciplinary action against a licensee." (§ 4302.) "License" includes a nonresident pharmacy permit. (§ 4032.)

4. "Each person holding a . . . permit . . . to practice or engage in any activity in the State of California under any and all laws administered by the Board . . . shall within 30 days notify the Board at its said office of any and all changes of residence address, giving both the old and new address." (Cal. Code Regs., tit. 16, § 1704, subd. (a).)

5. Pursuant to California Code of Regulations, title 16, section 1709:

(a) Each license issued by the board to operate a pharmacy shall reflect the name and address of the pharmacy, the form of ownership, and the pharmacist-in-charge. Each pharmacy shall, in its initial application and on the annual renewal form, report the name of the pharmacist-in-charge, the names of all owners, and the names of the corporate officers (if a corporation). Any changes in the pharmacist-in-charge, or the owners, or corporate officers shall be reported to the board within 30 days of the change.

(b)(1) Any transfer, in a single transaction or in a series of transactions, of 10 percent or more of the beneficial interest in a business entity licensed by the board to a person or entity who did not hold a beneficial interest at the time the original license was issued, shall require written notification to the board within 30 days of the transfer.

(2) Any transfer of the management or control over a business entity licensed by the board to a person or entity who did not have management or control over the license at the time the original license was issued, shall require written notification to the board within 30 days of the transfer.

(c) A license issued by the board shall not be transferred from one owner to another. The following shall constitute a change of ownership and shall require a new application for licensure:

(1) any transfer of a beneficial interest in a business entity licensed by the board, in a single transaction or in a series of transactions, to any person or entity, which transfer results in the transferee's holding 50% or more of the beneficial interest in that license. The new owner shall apply to the board for licensure in advance of the proposed transaction taking place.

6. Pursuant to section 4307, subdivision (a):

“Any person who has been denied a license . . . or who has been a manager, administrator, owner, member, officer, director, associate, partner, or any other person with management or control of any . . . corporation . . . whose application for a license has been denied . . . and while acting as the manager, administrator, owner, member, officer, director, associate, partner, or any other person with management or control had knowledge of or knowingly participated in any conduct for which the license was denied . . . shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, partner, or in any other position with management or control of a licensee as follows:

[¶ . . . ¶]

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

7. ““Manager, administrator, owner, member, officer, director, associate, partner, or any other person with management or control of a license” as used in this section and Section 4308, may refer to a pharmacist or to any other person who serves in such capacity in or for a licensee.” (§ 4307, subd. (b).)

Causes for Denial

8. The Board may deny a permit to an applicant for “[t]he commission of any act involving moral turpitude, dishonesty, fraud, deceit, or corruption.” (§§ 4300, subd. (c), & 4301, subd. (f).) As discussed in Factual Findings 4 through 8 and 34

through 39, Pharmcore failed to disclose Mr. Rabbani as an owner in its 2008 application, timely disclose its change of ownership to the Board in 2015, and timely disclose its change of address to the Board in 2018. Based on these actions, individually and collectively, cause exists to deny Pharmcore's 2020 application and temporary permit application pursuant to sections 4300, subdivision (c), and 4301, subdivision (f), both independently and as those sections interact with section 4302.

9. The Board may deny a permit to an applicant for "[k]nowingly making or signing any certificate or other document that falsely represents the existence or nonexistence of a state of facts." (§§ 4300, subd. (c), & 4301, subd. (g).) As discussed in Factual Findings 4 through 8 and 34 through 39, Mr. Krupnikas signed and submitted to the Board Pharmcore's 2008 application that included false ownership information. Cause therefore exists to deny Pharmcore's 2020 application and temporary permit application pursuant to sections 4300, subdivision (c), and 4301, subdivision (g), both independently and as those sections interact with section 4302.

10. The Board may deny a permit to an applicant based on "[t]he revocation, suspension, or other discipline by another state of a license to practice pharmacy, operate a pharmacy, or do any other act for which a license is required by this chapter that would be grounds for revocation, suspension, or other discipline under this chapter." (§§ 4300, subd. (c), & 4301, subd. (n).) As discussed in Factual Findings 11 through 20 and 34, Pharmcore's pharmacy license was disciplined in several states for acts that would be grounds for license discipline in California. Cause therefore exists to deny Pharmcore's 2020 application and temporary permit application pursuant to sections 4300, subdivision (c), and 4301, subdivision (n).

11. The Board may deny a permit to an applicant for "[v]iolating or attempting to violate, directly or indirectly, or assisting in or abetting the violation of

or conspiring to violate any provision or term of this chapter or of the applicable federal and state laws and regulations governing pharmacy, including regulations established by the board or by any other state or federal regulatory agency.” (§§ 4300, subd. (c), & 4301, subd. (o).) As discussed in Factual Findings 4 through 8 and 34, Pharmcore failed to timely disclose its change of ownership to the Board in 2015 and failed to timely disclose its change of address to the Board in 2018, in violation of California Code of Regulations, title 16, sections 1704, subdivision (a), and 1709. As discussed in Factual Findings 9 and 10, Mr. Rabbani violated federal pharmacy laws when he introduced misbranded drugs into interstate commerce. Based on these violations individually and collectively, cause exists to deny Pharmcore’s 2020 application and temporary permit application pursuant to sections 4300, subdivision (c), and 4301, subdivision (o), both independently and as those sections interact with section 4302.

12. The Board may deny a permit to an applicant based on “[t]he conviction of a crime substantially related to the qualifications, functions, and duties of a licensee under this chapter.” (§§ 4300, subd. (c), & 4301, subd. (l).) As discussed in Factual Findings 9 and 10, Mr. Rabbani was convicted of introducing misbranded drugs into interstate commerce, a crime that is substantially related to the qualifications, functions, and duties of a Board licensee. (Cal. Code Regs., tit. 16, § 1770, subd. (c)(1), (2).) Cause therefore exists to deny Pharmcore’s 2020 application and temporary permit application pursuant to sections 4300, subdivision (c), and 4301, subdivision (l), as those sections interact with section 4302.

Section 4307 Prohibitions

13. As discussed in Factual Findings 4 through 20 and 34 through 39, and Legal Conclusions 8 through 12, Pharmcore’s 2020 application and temporary permit

application are subject to denial and will be denied. Pursuant to section 4307, subdivision (a), Pharmcore shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, partner, or in any other position with management or control of a Board licensee until Pharmcore has a new license or permit issued by the Board.

14. As discussed in Factual Findings 4 through 20 and 34 through 39, and Legal Conclusions 8 through 12, Mr. Rabbani was a manager, administrator, owner, member, officer, director, associate, partner, or person with management or control of Pharmcore and, while acting in that capacity, had knowledge of or knowingly participated in the conduct for which Pharmcore's 2020 application and temporary permit application are denied. Pursuant to section 4307, subdivision (a), Mr. Rabbani shall therefore be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, partner, or in any other position with management or control of a Board licensee until Pharmcore has a new license or permit issued by the Board.

15. As discussed in Factual Finding 33, Mr. Mettias did not review Pharmcore's 2008 or 2020 applications before Pharmcore submitted them. The evidence did not establish that Mr. Mettias had knowledge of or knowingly participated in the conduct for which Pharmcore's 2020 application and temporary permit application are denied. Therefore, no cause exists to prohibit Mr. Mettias from serving as a manager, administrator, owner, member, officer, director, associate, partner, or in any other position with management or control of a Board licensee pursuant to section 4307, subdivision (a).

ORDER

1. Respondent Pharmcore Inc., dba Hallandale Pharmacy's nonresident pharmacy license application is DENIED.
2. Respondent Pharmcore Inc., dba Hallandale Pharmacy's temporary nonresident pharmacy permit application is DENIED.
3. Respondent Pharmcore, Inc., dba Hallandale Pharmacy, is prohibited from serving as a manager, administrator, owner, member, officer, director, associate, partner, or in any other position with management or control of a Board licensee until Pharmcore has a new license or permit issued by the Board.
4. Respondent David G. Rabbani is prohibited from serving as a manager, administrator, owner, member, officer, director, associate, partner, or in any other position with management or control of a Board licensee until Pharmcore has a new license or permit issued by the Board.
5. The Statement of Issues against respondent Medhat Mettias is DISMISSED, with prejudice.

DATE: April 11, 2022


[Sean Gavin \(Apr 11, 2022 14:43 PDT\)](#)

SEAN GAVIN

Administrative Law Judge

Office of Administrative Hearings

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8
9 **BEFORE THE**
BOARD OF PHARMACY
10 **DEPARTMENT OF CONSUMER AFFAIRS**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Statement of Issues
Against:

Case No. 7031

13 **PHARMCORE, INC.,**
14 **DBA HALLANDALE PHARMACY**
15 **DAVID G. RABBANI,**
16 **PRESIDENT/CFO/DIRECTOR/OWNER**
MEDHAT METTIAS, PHARMACIST-IN-
CHARGE

STATEMENT OF ISSUES

17 **Nonresident Pharmacy Applicant**

18 Respondents.

19
20 **PARTIES**

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

24 2. On or about February 24, 2009, the Board issued Nonresident Pharmacy Permit
25 Number NRP 962 to Pharmcore, Inc., doing business as Hallandale Pharmacy (Respondent
26 Pharmcore), with Gennady Krupnikas (Krupnikas) as President and David G. Rabbani
27 (Respondent Rabbani) as Pharmacist-in-Charge. On July 1, 2014, Medhat Mettias (PIC Mettias)
28 became the Pharmacist-in-Charge.

1 (d) The board may initiate disciplinary proceedings to revoke or suspend any
2 probationary certificate of licensure for any violation of the terms and conditions of
probation. Upon satisfactory completion of probation, the board shall convert the
probationary certificate to a regular certificate, free of conditions.

3 (e) The proceedings under this article shall be conducted in accordance with Chapter
4 5 (commencing with Section 11500) of Part 1 of Division 3 of the Government Code,
and the board shall have all the powers granted therein. The action shall be final,
5 except that the propriety of the action is subject to review by the superior court
pursuant to Section 1094.5 of the Code of Civil Procedure.

6 **STATUTORY PROVISIONS**

7 4. Code section 480 states, in pertinent part:

8 (a) Notwithstanding any other provision of this code, a board may deny a license
9 regulated by this code on the grounds that the applicant has been convicted of a crime
or has been subject to formal discipline only if either of the following conditions are
10 met:

11 (1) The applicant has been convicted of a crime within the preceding seven years
12 from the date of application that is substantially related to the qualifications,
functions, or duties of the business or profession for which the application is made,
13 regardless of whether the applicant was incarcerated for that crime, or the applicant
has been convicted of a crime that is substantially related to the qualifications,
14 functions, or duties of the business or profession for which the application is made
and for which the applicant is presently incarcerated or for which the applicant was
15 released from incarceration within the preceding seven years from the date of
application. However, the preceding seven-year limitation shall not apply in either of
the following situations ...

16 (2) The applicant has been subjected to formal discipline by a licensing board in or
17 outside California within the preceding seven years from the date of application based
on professional misconduct that would have been cause for discipline before the
18 board for which the present application is made and that is substantially related to the
qualifications, functions, or duties of the business or profession for which the present
19 application is made. However, prior disciplinary action by a licensing board within
the preceding seven years shall not be the basis for denial of a license if the basis for
20 that disciplinary action was a conviction that has been dismissed pursuant to Section
1203.4, 1203.4a, 1203.41, 1203.42, or 1203.425 of the Penal Code or a comparable
21 dismissal or expungement.

22 (b) Notwithstanding any other provision of this code, a person shall not be denied a
license on the basis that the person has been convicted of a crime, or on the basis of
23 acts underlying a conviction for a crime, if that person has obtained a certificate of
rehabilitation under Chapter 3.5 (commencing with Section 4852.01) of Title 6 of
24 Part 3 of the Penal Code, has been granted clemency or a pardon by a state or federal
executive, or has made a showing of rehabilitation pursuant to Section 482.

25 (c) Notwithstanding any other provision of this code, a person shall not be denied a
license on the basis of any conviction, or on the basis of the acts underlying the
26 conviction, that has been dismissed pursuant to Section 1203.4, 1203.4a, 1203.41,
1203.42, or 1203.425 of the Penal Code, or a comparable dismissal or expungement.
27 An applicant who has a conviction that has been dismissed pursuant to Section
1203.4, 1203.4a, 1203.41, or 1203.42 of the Penal Code shall provide proof of the
28 dismissal if it is not reflected on the report furnished by the Department of Justice.

1 (d) Notwithstanding any other provision of this code, a board shall not deny a license
2 on the basis of an arrest that resulted in a disposition other than a conviction,
including an arrest that resulted in an infraction, citation, or a juvenile adjudication.

3 (e) A board may deny a license regulated by this code on the ground that the applicant
4 knowingly made a false statement of fact that is required to be revealed in the
5 application for the license. A board shall not deny a license based solely on an
6 applicant's failure to disclose a fact that would not have been cause for denial of the
license had it been disclosed.

7 ...

8 6. Code section 4300 states, in pertinent part, that the board may refuse a license to any
applicant guilty of unprofessional conduct.

9 7. Code section 4301 states, in pertinent part:

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

12 ...

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

15 (g) Knowingly making or signing any certificate or other document that falsely
16 represents the existence or nonexistence of a state of facts.

17 ...

18 (l) The conviction of a crime substantially related to the qualifications, functions, and
19 duties of a licensee under this chapter. The record of conviction of a violation of
Chapter 13 (commencing with Section 801) of Title 21 of the United States Code
20 regulating controlled substances or of a violation of the statutes of this state
regulating controlled substances or dangerous drugs shall be conclusive evidence of
21 unprofessional conduct. In all other cases, the record of conviction shall be
conclusive evidence only of the fact that the conviction occurred. The board may
22 inquire into the circumstances surrounding the commission of the crime, in order to
fix the degree of discipline or, in the case of a conviction not involving controlled
23 substances or dangerous drugs, to determine if the conviction is of an offense
substantially related to the qualifications, functions, and duties of a licensee under this
24 chapter. A plea or verdict of guilty or a conviction following a plea of nolo
contendere is deemed to be a conviction within the meaning of this provision. The
25 board may take action when the time for appeal has elapsed, or the judgment of
conviction has been affirmed on appeal or when an order granting probation is made
26 suspending the imposition of sentence, irrespective of a subsequent order under
Section 1203.4 of the Penal Code allowing the person to withdraw his or her plea of
27 guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or
dismissing the accusation, information, or indictment.

28 ...

1 (n) The revocation, suspension, or other discipline by another state of a license to
2 practice pharmacy, operate a pharmacy, or do any other act for which a license is
3 required by this chapter that would be grounds for revocation, suspension, or other
4 discipline under this chapter. Any disciplinary action taken by the board pursuant to
5 this section shall be coterminous with action taken by another state, except that the
6 term of any discipline taken by the board may exceed that of another state, consistent
7 with the board's enforcement guidelines. The evidence of discipline by another state
8 is conclusive proof of unprofessional conduct.

9 (o) Violating or attempting to violate, directly or indirectly, or assisting in or abetting
10 the violation of or conspiring to violate any provision or term of this chapter or of the
11 applicable federal and state laws and regulations governing pharmacy, including
12 regulations established by the board or by any other state or federal regulatory
13 agency.

14 ...

15 8. Code section 4302 states:

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

21 9. Code section 4303, subdivision (b), states:

22 The board may cancel, deny, revoke, or suspend a nonresident pharmacy registration,
23 issue a citation or letter of admonishment to a nonresident pharmacy, or take any
24 other action against a nonresident pharmacy that the board may take against a resident
25 pharmacy license, on any of the same grounds upon which such action might be taken
26 against a resident pharmacy, provided that the grounds for the action are also grounds
27 for action in the state in which the nonresident pharmacy is permanently located.

28 10. Code section 4307, subdivision (a), states:

Any person who has been denied a license or whose license has been revoked or is
under suspension, or who has failed to renew his or her license while it was under
suspension, or who has been a manager, administrator, owner, member, officer,
director, associate, or partner of any partnership, corporation, firm, or association
whose application for a license has been denied or revoked, is under suspension or
has been placed on probation, and while acting as the manager, administrator,
owner, member, officer, director, associate, or partner had knowledge of or
knowingly participated in any conduct for which the license was denied, revoked,
suspended, or placed on probation, shall be prohibited from serving as a manager,
administrator, owner, member, officer, director, associate, or partner of a licensee
as follows:

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

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

1 **FACTUAL ALLEGATIONS**

2 Respondents Pharmcore and Rabbani - Ownership/Location Information and Board Applications

3 11. On or about and between June 4, 2004, and August 23, 2015, Krupnikas and
4 Respondent Rabbani were each 50% owners of Respondent Pharmcore.

5 12. On or about December 1, 2008, the Board received a Nonresident Pharmacy Permit
6 Application for Respondent Pharmcore dated April 8, 2008 (original application). The original
7 application listed Respondent Rabbani as Pharmacist-in-Charge, but did not disclose Respondent
8 Rabbani as an owner of Respondent Pharmcore. The original application was signed by
9 Krupnikas, and stated Krupnikas was president of Respondent Pharmcore and there were no
10 shareholders. The original application was also signed by Respondent Rabbani, but the signature
11 was partially whited-out and stated “signed in error.”

12 13. On or about August 24, 2015, Krupnikas transferred his entire ownership of
13 Respondent Pharmcore to Respondent Rabbani, making Respondent Rabbani sole owner of
14 Respondent Pharmcore.

15 14. On or about June 3, 2020, the Board received an Ownership Information form signed
16 by Respondent Rabbani and Jessica Maman. The Ownership Information form stated that on
17 August 24, 2015, Krupnikas’s 50% of the shares in Respondent Pharmcore were cancelled and
18 Respondent Rabbani was issued Krupnikas’s 50% of the shares, giving Respondent Rabbani
19 100% of the shares in Respondent Pharmcore.

20 15. On or about June 3, 2020, the Board received a Nonresident Pharmacy License
21 Application for Respondent Pharmcore that was dated April 23, 2020. The application stated
22 there was a change of ownership with April 14, 2003 as the anticipated change of ownership date,
23 and change of location with April 14, 2003 as the anticipated move date. On or about July 13,
24 2020, the first page of the Nonresident Pharmacy License Application for Respondent Pharmcore
25 was amended to change the anticipated move date to July 30, 2018.

26 Respondent Rabbani – Federal Conviction

27 16. On or about October 27, 2015, in the case entitled *United States v. David G. Rabbani*
28 (United States District Court, District of Rhode Island, Case No. 1:14CR00123-01S), Respondent

1 Rabbani was convicted on his plea of guilty to a violation of Title 21 U.S.C. sections 331(a) and
2 333(a)(1) (Introduction of Misbranded Drug), a misdemeanor. The circumstances of the crime, as
3 stated in the Misdemeanor Information, are: On or about and between February 13, 2013, and
4 July 15, 2013, Krupnikas and Respondent Rabbani owned and operated Pharmacy Logistics, Inc.,
5 doing business as Ninth Street Pharmacy, that dispensed certain prescription drugs “based upon
6 invalid prescriptions, which were issued without regard for the customer’s physical condition or
7 any pre-existing medical conditions, without review of their medical records, without consultation
8 with a primary care physician, and without consideration of the reasons for which the drugs were
9 sought.”

10 Respondent Pharmcore - Out of State Discipline

11 17. On or about November 29, 2017, in the case entitled *In the Matter of the Complaint*
12 *Against Hallandale Pharmacy*, Case No. 1479, the Oklahoma Board of Pharmacy (Oklahoma
13 Board) disciplined Respondent Pharmcore, licensed as Hallandale Pharmacy. The circumstances
14 are that in 2016 Respondent Pharmcore shipped 627 prescriptions into Oklahoma after the
15 expiration of its nonresident pharmacy license, and prescribers were located in Florida and
16 California for patients located in Oklahoma. Further, in 2017, Respondent Pharmcore shipped
17 358 prescriptions into Oklahoma, and prescribers were located in Florida and California for
18 patients located in Oklahoma. Respondent Pharmcore also failed to send controlled substance
19 prescription records to the Oklahoma Prescription Drug Monitoring Program. Respondent
20 Pharmcore admitted the following violations:

21 a. Oklahoma Administrative Code (OAC) section 535:15-3-9(b)(1) and Oklahoma
22 Statutes (O.S.), title 59, section 353.18(A)(1), when Respondent Pharmcore failed to make an
23 application and receive an annual nonresident pharmacy license.

24 b. OAC section 535:15-3-9(e)(3) and O.S., title 63, section 2-309C, when
25 Respondent Pharmcore failed to send Schedule II, III, IV, and V prescription records to the
26 Oklahoma Prescription Drug Monitoring Program.

27 ///

28 ///

1 c. OAC section 535:15-3-13(D), when Respondent Pharmcore dispensed a
2 prescription drug knowing or that it should have known that the prescription was issued without a
3 valid preexisting patient-prescriber relationship.

4 d. O.S., title 63, section 2-309(G), when Respondent Pharmcore solicited,
5 dispensed, received, or delivered a controlled dangerous substance through the mail, without
6 personally knowing the practitioner and circumstances clearly indicate such method of delivery is
7 in the best interest of the health and welfare of the ultimate user.

8 e. OAC section 535:15-3-14(a), when Respondent Pharmcore failed to maintain a
9 patient record system for whom prescription drug orders are dispensed.

10 f. OAC sections 535:15-3-2(b)(10)(C) and 535:15-3-2(b)(2), when Respondent
11 Pharmcore failed to have a pharmacy manager who was responsible for all aspects of the
12 operation related to the practice of pharmacy.

13 g. O.S., title 59, section 353.24(A)(4), when Respondent Pharmcore offered to the
14 public its services as a “pickup station” or intermediary for the purpose of having prescriptions
15 filled or delivered, or it authorized a person, firm or business establishment to act for it in this
16 manner.

17 18. On or about October 10, 2018, in the case entitled *In Re Pharmcore Inc d/b/a*
18 *Hallandale Pharmacy*, Case No. 18-0358, the Kentucky Board of Pharmacy (Kentucky Board)
19 disciplined Respondent Pharmcore, licensed as Hallandale Pharmacy, based upon the Kentucky
20 Board’s finding that from August 2017 to March 2018 Respondent Pharmcore shipped 22
21 prescriptions into Kentucky without a Kentucky pharmacy permit.

22 19. On or about June 10, 2019, in the case entitled *In the Matter of Hallandale Pharmacy*,
23 Case No. 17-185, the Kansas Board of Pharmacy (Kansas Board) disciplined Respondent
24 Pharmcore, licensed as Hallandale Pharmacy, based upon the Kansas Board’s finding that
25 Respondent Pharmcore moved its facility on July 17, 2018, but did not notify the Kansas Board
26 until November 28, 2018; Respondent Pharmcore failed to disclose discipline by the Oklahoma
27 Board in its renewal application or in its subsequent address change application to the Kansas
28 Board; and Respondent Pharmcore had the following violations: beyond use dates that were out

1 of the acceptable range, cleaning violations, saline was stored without temperature controls or
2 monitoring, a technician with improper garbing, had training that was not documented, surface
3 sampling was not completed, and compounding records were incomplete.

4 20. On or about March 7, 2019, in the case entitled *In the Matter of Pharmcore Inc., d/b/a*
5 *Hallandale Pharmacy*, Case No. 2018-000795, the Alaska Board of Pharmacy (Alaska Board)
6 disciplined Respondent Pharmcore pursuant to Alaska Statutes sections 08.01.75, 08.80.158(a),
7 08.80.158(e), 08.80.261(a)(14), and Alaska Administrative Code section 52.920(a)(3) and
8 52.920(a)(15). The circumstances are that Respondent Pharmcore shipped “high-risk
9 compounded products” to Alaska without a valid license, had deficiencies of USP Chapter 797
10 guidelines and assignment of use dates beyond standard practice of USP 797 guidelines, and
11 shipped approximately 138 prescriptions to Alaska without a valid license.

12 21. On or about May 29, 2019, in the case entitled *In the Matter of Pharmcore, Inc. d/b/a*
13 *Hallandale Pharmacy*, Case No. 19-0053, the Louisiana Board of Pharmacy (Louisiana Board)
14 disciplined Respondent Pharmcore based upon the Louisiana Board’s finding that Respondent
15 Pharmcore dispensed 65 prescriptions to Louisiana residents without a nonresident pharmacy
16 permit.

17 22. On or about July 2, 2019, in the case entitled *In the Matter of Hallandale Pharmacy*,
18 Agreed Order No. F-19-006, the Texas State Board of Pharmacy (Texas Board) disciplined
19 Respondent Pharmcore, licensed as Hallandale Pharmacy, based upon the Texas Board’s findings
20 as follows: Respondent Pharmcore entered into an Agreed Order with the Kentucky Board after
21 Respondent Pharmcore shipped compounded drug products into Kentucky when the pharmacy
22 did not hold a permit to operate as a pharmacy in Kentucky, and Respondent Pharmcore failed to
23 disclose disciplinary action by the Kentucky Board in its application for initial licensure as a
24 nonresident pharmacy with the Texas Board.

25 23. On or about November 20, 2019, in the case entitled *In the Matter of Disciplinary*
26 *Proceedings Regarding the Non-Resident Prescription Drug Outlet Registration in the State of*
27 *Colorado of Pharmcore Inc dba Hallandale Pharmacy*, Case Nos. 2019-5141 and 2019-4899, the
28 Colorado State Board of Pharmacy (Colorado Board) disciplined Respondent Pharmcore based

1 upon the Colorado Board’s finding that Respondent Pharmcore failed to report discipline in
2 Louisiana to the Colorado Board for dispensing prescriptions into Louisiana prior to obtaining the
3 required permit.

4 24. On or about December 11, 2019, in the case entitled *In the Matter of Hallandale*
5 *Pharmacy*, Case No. 19-266, the Maryland Board of Pharmacy (Maryland Board) disciplined
6 Respondent Pharmcore, licensed as Hallandale Pharmacy, based upon the Maryland Board’s
7 finding that Respondent Pharmcore failed to report the FDA 483 to the Maryland Board, failed to
8 timely submit a change of location application with the Maryland Board and dispensed drugs
9 without a Maryland permit for that location, failed to report discipline by the Oklahoma and
10 Kentucky Boards as required.

11 25. On or about July 8, 2020, in the case entitled *In the Matter of: Pharmcore dba*
12 *Hallandale*, Case No. A-2019-0249, the Ohio Board of Pharmacy (Ohio Board) disciplined
13 Respondent Pharmcore based upon the Ohio Board’s finding that from November 2, 2015,
14 through July 9, 2018, Respondent Pharmcore dispensed 4,586 prescriptions for dangerous drugs
15 to Ohio residents while it was not licensed as a Terminal Distributor of Dangerous Drugs, and
16 Respondent Pharmcore did not disclose Respondent Rabbani’s federal conviction as required in
17 its application for licensure.

18 26. On or about September 21, 2020, in the case entitled *In the Matter of Hallandale*
19 *Pharmacy*, Case No. 19-397, the Kansas Board disciplined Respondent Pharmcore based upon
20 the Kansas Board’s finding that Respondent Pharmcore failed to notify the Kansas Board of
21 discipline from the following states within 30 days: Alaska, Minnesota, Louisiana, Texas,
22 Colorado and Maryland; and Respondent Pharmcore failed to disclose discipline by the Alaska
23 Board and discipline by the Louisiana Board in its application to renew its Kansas nonresident
24 pharmacy registration.

25 **FIRST CAUSE FOR DENIAL**

26 (Acts Involving Moral Turpitude, Dishonesty, Fraud, Deceit, or Corruption)

27 27. Respondent Pharmcore’s permit applications are subject to denial under Code section
28 4300, in conjunction with Code section 4301, subdivision (f), in that Respondent Pharmcore

1 committed acts involving moral turpitude, dishonesty, fraud, deceit, or corruption as set forth in
2 paragraphs 11 through 15, above, and as specifically set forth as follows:

3 a. Respondent Pharmcore failed to disclose its shareholders in the original
4 application submitted to the Board.

5 b. Respondent Pharmcore failed to disclose its change of ownership in 2015 to the
6 Board until it submitted its permit applications to the Board on or about June 3, 2020.

7 c. Respondent Pharmcore failed to disclose its change of address to the Board
8 until it submitted its permit applications to the Board on or about June 3, 2020.

9 28. Respondent Pharmcore's permit applications are subject to denial under Code section
10 4300, in conjunction with Code sections 4301, subdivision (f), and 4302, in that Respondent
11 Rabbani committed acts involving moral turpitude, dishonesty, fraud, deceit, or corruption when
12 he signed the application dated April 8, 2008, that failed to disclose Respondent Pharmcore's
13 shareholders in the original application submitted to the Board, as set forth in paragraphs 11
14 through 15, above.

15 **SECOND CAUSE FOR DENIAL**

16 (Signing Documents Falsely Representing Facts)

17 29. Respondent Pharmcore's permit applications are subject to denial under Code section
18 4300, in conjunction with Code section 4301, subdivision (g), in that Respondent Pharmcore
19 made or signed the original application submitted to the Board that contained false information,
20 as set forth in paragraphs 11 through 15, above.

21 30. Respondent Pharmcore's permit applications are subject to denial under Code section
22 4300, in conjunction with Code sections 4301, subdivision (f), and 4302, in that Respondent
23 Rabbani signed the original application submitted to the Board that contained false information,
24 as set forth in paragraphs 11 through 15, above.

25 **THIRD CAUSE FOR DENIAL**

26 (Out of State Discipline)

27 31. Respondent Pharmcore's permit applications are subject to denial under Code
28 sections 480 and 4300, in conjunction with Code section 4301, subdivision (n), in that

1 Respondent Pharmcore was disciplined as a pharmacy by out of state agencies, as set forth in
2 paragraphs 17 through 26, above.

3 **FOURTH CAUSE FOR DENIAL**

4 (Violation of Laws Governing Pharmacy)

5 32. Respondent Pharmcore's permit applications are subject to denial under Code section
6 4300, in conjunction with Code section 4301, subdivision (o), in that Respondent Pharmcore
7 violated laws governing pharmacy, as set forth in paragraphs 17, its subparts, and 20, above.

8 33. Respondent Pharmcore's permit applications are subject to denial under Code section
9 4300, in conjunction with Code sections 4301, subdivision (o), and 4302, in that Respondent
10 Rabbani, as an owner and operator of Pharmacy Logistics, Inc., doing business as Ninth Street
11 Pharmacy, violated laws governing pharmacy when it illegally dispensed prescription drugs, as
12 set forth in paragraph 16, above.

13 **FIFTH CAUSE FOR DENIAL**

14 (Criminal Conviction)

15 34. Respondent Pharmcore's permit applications are subject to denial under Code
16 sections 480 and 4300, in conjunction with Code sections 4301, subdivision (l), and 4302, in that
17 Respondent Rabbani was convicted on his plea of guilty to a violation of Title 21 U.S.C. sections
18 331(a) and 333(a)(1) (Introduction of Misbranded Drug), a misdemeanor, as set forth in
19 paragraph 16, above. The crimes are substantially related to the qualifications, functions, and
20 duties of a licensee.

21 **OTHER CONSIDERATIONS**

22 35. On or about May 22, 2017 the Board issued Citation No. CI 2016 71050 to
23 Respondent Pharmcore for a violation of Code section 4127.2, subdivision (a), in that on or about
24 and between January 1, 2016, and June 30, 2016, Respondent Pharmcore shipped at least 15,033
25 prescriptions for 362,587 units of compounded sterile drug products into California without a
26 sterile compounding pharmacy license. Respondent Pharmcore paid the \$5,000 fine.

27 ///

28 ///

PRAYER

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

1. Denying the Nonresident Pharmacy Permit application and Temporary Nonresident Pharmacy Permit application of Pharmcore, Inc., doing business as Hallandale Pharmacy;

2. Prohibiting Pharmcore, Inc. from serving as a manager, administrator, owner, member, officer, director, associate, or partner or in any other position with management or control of any pharmacy licensee;

3. Prohibiting David G. Rabbani from serving as a manager, administrator, owner, member, officer, director, associate, or partner or in any other position with management or control of any pharmacy licensee;

4. Prohibiting Medhat Mettias from serving as a manager, administrator, owner, member, officer, director, associate, or partner or in any other position with management or control of any pharmacy licensee; and,

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

DATED: 4/20/2021 _____

Signature on File _____

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

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