

LOUISIANA BOARD OF WHOLESALE DRUG DISTRIBUTORS

Board Meeting MINUTES December 13, 2012

AGENDA ITEM 1 - Call to Order

The meeting was called to order by Robert Broadus, Chairman, at approximately 9:45 am. The meeting was held in Baton Rouge, Louisiana at the Administrative Office of the Board located at 12091 Bricksome Avenue, Suite B, Baton Rouge, Louisiana.

AGENDA ITEM 2 - Roll Call

It was noted by Mr. Broadus that those members in attendance were Mr. Broadus, Wayne Gremillion, Michael Davis, Kenneth Dugas, and Chad Gielen. Randall Brooks and Hersh Paul were absent. The Board members in attendance constituted a quorum. Also present from the Board's administrative office were John Liggio, Kimberly Barbier, and George Lovecchio. Ms. Celia Cangelosi, Board General Council was present. Mr. Wade Shows and Ms. Beth Everett of Shows, Cali & Walsh, Board Special Counsel, arrived at approximately 10:50 am. There was a guest in attendance: Mr. William Crates, past Board Member.

AGENDA ITEM 3 - Introduction of New Board Members

The Board introduced Mr. Chad Gielen. Mr. Gielen was appointed to fill the expired seat of Mr. William Crates. The Board also noted that Mr. Brooks was reappointed to another term. Both were welcomed.

AGENDA ITEM 4 - Disciplinary/ Enforcement Matters

a. Disciplinary Actions

i. Administrative Hearing

- 1) Docket No. 2011011 - LakeviewLA Inc., Jefferson Parish LA, Louisiana license no. 4598.

The hearing was opened by Mr. Gremillion, Compliance Officer, who turned the meeting over to Ms. Cangelosi, the Board's prosecuting attorney. Ms. Cangelosi noted that the hearing was scheduled for 9:30 am and the time being 9:52 am. Neither the respondent nor any respondent representation was present. The hearing was conducted without the respondent present. Ms. Cangelosi gave her opening statement, presented evidence, and called a witness. Ms. Cangelosi presented her conclusion and gave closing statement. The Board asked questions for clarification of the evidence presented. **Motion was made by Mr. Davis to accept the proposed finding of facts and conclusion of laws presented by Ms. Cangelosi for case docket no. 2011011 - LakeviewLA Inc., Louisiana license no. 4598, seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Dugas, and Mr.**

Gielen; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks and Mr. Paul; RECUSED: Mr. Gremillion. The hearing was closed.

AGENDA ITEM 5 - Call for Additional Agenda Items *[for discussion in Agenda Item 12]*

- 1) Mr. Liggio requested to add an item - A request from the FDA Office of Criminal Investigations.

Motion was made by Mr. Dugas to add the item to the agenda for discussion later in the meeting, seconded by Mr. Gremillion, and passed by voice vote - FOR: Mr. Broadus, Mr. Gremillion, Mr. Davis, Mr. Dugas, and Mr. Gielen; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks and Mr. Paul; RECUSED: None.

AGENDA ITEM 6 - Approval of Meeting Minutes

The minutes of the September 18, 2012 Board meeting were presented. **Motion was made by Mr. Gremillion to dispense with full reading of the minutes and to accept and approve the minutes as presented, seconded by Mr. Davis, and passed by voice vote - FOR: Mr. Broadus, Mr. Gremillion, Mr. Davis, Mr. Dugas, and Mr. Gielen; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks and Mr. Paul; RECUSED: None.**

AGENDA ITEM 7 - Financial Matters

a. Financial Statements

Financial information was presented for September, October, and November 2012. Review of presented information and general discussion was held.

Mr. Liggio presented information regarding year-end forecast for fiscal year 2013 (ending June 30, 2013) and proposed budget for fiscal year 2014 (July 1, 2013 through June 30, 2014). The Board reviewed the budget information provided.

Mr. Liggio presented information regarding a new web hosted database program and proposed contract for consulting services in development and implementation of the database. **Motion was made by Mr. Gielen to approve entering into a contract of no more than \$75,000 for development, conversion, and implementation of a new database program over a two year period, seconded by Mr. Davis, and passed by voice vote: FOR: Mr. Broadus, Mr. Gremillion, Mr. Davis, Mr. Dugas, and Mr. Gielen; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks and Mr. Paul; RECUSED: None.**

[Recess was called at approximately 10:50 am upon the arrival of Mr. Shows and Ms. Everett to the meeting; returned to regular session at approximately 11:05 am.]

Additional general discussion was held regarding the budgets. **Motion was made by Mr. Dugas to approve the proposed budget for fiscal year 2014 as presented,**

seconded by Mr. Gremillion, and passed by voice vote: FOR: Mr. Broadus, Mr. Gremillion, Mr. Davis, Mr. Dugas, and Mr. Gielen; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks and Mr. Paul; RECUSED: None.

No formal action was taken on agenda item 7.a. with regards to the financial statements.

- b. Budget – Fiscal Year 2014
[Agenda item 7.b. was discussed during discussion of agenda item 7.a.]

Mr. Liggio proposed a change to the purchasing cards currently held by Board staff. A problem came up when staff attempted to make a purchase of an item costing \$2,200. The current single transaction limit on the cards is set at \$1,500; the new purchasing cards could not be used for the purchase. General discussion of the matter was held. **Motion was made by Mr. Dugas to change the single transaction limit on both purchasing cards held by Board administrative office staff from the current \$1,500 to \$5,000 per month, seconded by Mr. Davis, and passed by voice vote: FOR: Mr. Broadus, Mr. Gremillion, Mr. Davis, Mr. Dugas, and Mr. Gielen; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks and Mr. Paul; RECUSED: None.**

[Agenda item 8.b. was discussed after agenda item 7.b.]
[Agenda item 8.a. was discussed after agenda item 12.1.]

AGENDA ITEM 8 – Statutes and Rules

- a. Rule Promulgation Update

Mr. Liggio presented an update of current rule promulgation: (1) amendments to LAC 46:XCI.313 – Policy and Procedures, and new regulation 1101 – Order of Quarantine. No formal action was taken on this item.

[Agenda item 8.b. was discussed after agenda item 7.b.]

- b. Proposed Statute and Regulation Amendments

Mr. Liggio introduced Mr. Wade Shows and Ms. Beth Everett from Shows, Cali & Walsh. Shows, Cali & Walsh had been contracted to review the Board’s statutes and regulations along with proposed items the Board is interested in incorporating into the statutes and regulations. Mr. Shows and Ms. Everett presented proposed changes and additions to the current regulations. General discussion was held and changes made to the presented information. **Motion was made by Mr. Gremillion to approve the amendments and additions presented with changes made during review of the proposed regulation amendments for promulgation, seconded by Mr. Dugas, and passed by voice vote: FOR: Mr. Broadus, Mr. Gremillion, Mr. Davis, Mr. Dugas, and Mr. Gielen; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks and Mr. Paul; RECUSED: None.**

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[Mr. Shows and Ms. Everett left the meeting after discussion of agenda item 8.b. at approximately 12:55 pm]

[Agenda item 12 was discussed after agenda item 8.b.]

AGENDA ITEM 9 - Licensing Matters

a. New License Issued

A list of approximately 51 new licenses as issued by the Board office on behalf of the Board since the September 18, 2012 Board meeting was available for review. General discussion was held.

Mr. Liggio presented update information regarding the 2013 annual license renewal in progress. No formal action was taken on these items.

AGENDA ITEM 10 - Old Business

a. Physical Therapy Regulations

Mr. Liggio presented an update on the regulations promulgated by the Physical Therapy Board in an attempt to give physical therapists authority to purchase legend drugs and legend devices wholesale for use in their practice. General discussion was held. Board questions if the physical therapy statutes give them authority to promulgate such regulations. Mr. Liggio was instructed to recommend to the Physical Therapy Board that the statutes allow physical therapists to purchase legend drugs and legend devices under a supervising medical doctor's license only.

b. New Database Program

[Agenda item 10.b. was discussed in agenda item 7.b.]

AGENDA ITEM 11 - General Matters

a. Board of Pharmacy Regulations for DME Providers

Mr. Liggio presented the Notice of Intent published by the Board of Pharmacy regarding durable medical equipment permits. Mr. Liggio pointed out his concerns with the Board of Pharmacy's definition for medical gas being too vague. **Motion was made by Mr. Davis that the Board office send a letter to the Board of Pharmacy voicing the Board's concerns regarding the proposed durable medical equipment permit regulations, seconded by Mr. Gielen, and passed by voice vote - FOR: Mr. Broadus, Mr. Gremillion, Mr. Davis, Mr. Dugas, and Mr. Gielen; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks and Mr. Paul; RECUSED: None.**

AGENDA ITEM 12 - Additional Agenda Items *(added per Agenda Item 5)*

1) *[Agenda item 12 was discussed after agenda item 8.b.]*

Mr. Liggio presented a request from the FDA Office of Criminal Investigation that the FDA OCI be allowed to utilize a wholesale distributor licensee for a sting on a raw materials seller. General discussion was held. It was determined that the product

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is not a legend drug or device but raw materials not regulated by this Board. The Board can not authorize such use of a licensee. Licensee would have to be approached by the FDA OCI directly and agree of his own accord.

[Agenda item 8.a. was discussed after agenda item 12.]

AGENDA ITEM 13 – Board Matters

a. Nomination – Vice-Chairman Position

Mr. Liggi announced that the Vice-Chairman position on the Board is now vacant with the expiration of Mr. Crates' term on the Board. Mr. Broadus called for nominations for the position of vice-chairman on the Board. Mr. Gremillion nominated Mr. Davis for the position of vice-chairman. Mr. Davis accepted the nomination. **Motion was made by Mr. Gremillion to elect Michael Davis to the position of Vice-Chairman, seconded by Mr. Dugas, and passed by voice vote: FOR: Mr. Broadus, Mr. Gremillion, Mr. Dugas, and Mr. Gielen; AGAINST: None; ABSTAINED: None; ABSENT: Mr. Brooks and Mr. Paul; RECUSED: Mr. Davis.**

Mr. Crates was recognized by the Board. The Board thanked Mr. Crates for his many years of service to the Board with his expertise in the industry. Mr. Crates was presented with a plaque and his nameplate. Mr. Crates spoke to the Board on several federal issues concerning wholesale distribution of drugs and devices. The Board invited Mr. Crates to come back to future Board meetings as an expert information provider to keep the Board abreast of things happening in the industry.

b. Proposed Board Meeting Dates for 2013

Tentative meeting dates for 2013 were presented. Mr. Broadus requested a change to the proposed June 2013 meeting. Ms. Barbier will email the tentative dates for 2013 to all Board members.

c. Confirmation of Next Board Meeting Date

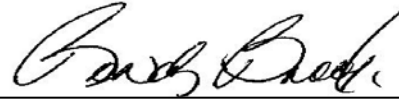
The next Board meeting is set for Tuesday, March 12, 2013.

AGENDA ITEM 14 - Adjournment

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

The meeting adjourned at approximately 1:45 pm.

Approved and accepted by the full Board - Date: March 12, 2013



Randall Brooks
Board Secretary/Treasurer



John Liggi
Executive Director