

LOUISIANA BOARD OF WHOLESALE DRUG DISTRIBUTORS

Board Meeting

MINUTES

January 27, 2015

AGENDA ITEM 1 - Call to Order

The meeting was called to order by Robert Broadus, Chairman, at approximately 10:30 am. The meeting was held in Baton Rouge, Louisiana at the Administrative Office of the Board located at 12091 Bricksome Avenue, Suite B.

AGENDA ITEM 2 - Roll Call and Introduction of Guests

It was noted by Mr. Broadus that those members in attendance were Mr. Broadus, Michael Davis, Randall Brooks, Wayne Gremillion, Kenneth Dugas, Chad Gielen, and Jacob Dickson. No Board members were absent. The Board members in attendance constituted a quorum. Also present from the Board's administrative office were George Lovecchio and Kimberly Barbier. There were no guests in attendance.

Mr. Lovecchio informed the Board that he has spoken to and set a meeting with the director of the Louisiana Board of Medical Examiners regarding and to further discuss supply chain safety and getting information out to the physicians to check their wholesale vendors are licensed. Mr. Lovecchio has been invited to speak at the next meeting of the LBME to present information regarding adulterated/counterfeit drugs and devices. Mr. Lovecchio also informed the Board that he had applied for and received a wall commission as an officer from the Federal Drug Administration (FDA) which allows him greater access to exchange of information.

AGENDA ITEM 3 - Call for Additional Agenda Items *[for discussion in Agenda Item 10]*

1. Resolution for service contract with Shows, Cali & Walsh (legal).
2. Board Terms.
3. Legislative Activities/Process.

Motion was made by Mr. Dugas to add items as noted to the agenda for discussion later in the meeting during agenda item 10, seconded by Mr. Brooks, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.

AGENDA ITEM 4 - Approval of Meeting Minutes

The minutes of the December 16, 2014 Board meeting were presented. **Motion was made by Mr. Dickson 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. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.**

[The Board moved to agenda item 6 for discussion before agenda item 5.]

AGENDA ITEM 5 - Old Business

a. Statutes and Regulations

i. Drug Supply Chain Safety (DSCS) Act

Mr. Lovecchio presented comments received from committee members and an interested parties regarding the Board's proposed statutory amendments. Mr. Broadus offered his assistance with legislative committee review process by his attendance at legislative committee meetings to be available to answer questions and offer information for educational purposes. The regulatory attorney will be contacted for their availability to also attend the legislative review process. Mr. Broadus gave a brief explanation of the legislative review and approval process. Mr. Broadus presented favorable information regarding the request made to the Attorney General (AG) regarding current 3PL licensure; no official response has been received from AG. General discussion was held regarding pedigree and track and trace. The Board discussed offering the Pharmaceutical Research and Manufacturers of America (PhRMA) association a chance to review the Board's proposed statutory amendments for comment. Mr. Lovecchio presented revised proposed statutory amendments. General discussion regarding bond requirements and changes to the Board's current per diem rate was held. **Motion was made by Mr. Gielen to approve the proposed amendments to the statutes in La. R.S. 37:3461-3482 as presented with revisions made by the Board and to proceed with the legislative review and approval process in the upcoming 2015 legislative session, seconded by Mr. Brooks, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None. Motion was made by Mr. Gielen to authorize office staff and board members to engage or hire for support services any appropriate agencies, consulting groups, or organizations for assistance in the legislative review and approval process, seconded by Mr. Dugas, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.**

ii. Third Party Logistic Providers- AG Opinion Request

Mr. Lovecchio presented general information regarding the opinion request submitted to the Attorney General per Board authorization relative to current licensure of 3PL service providers. General discussion was held. No formal action was taken.

[After discussion of agenda item 5 the board continued with agenda item 7.]

[Agenda item 6 was discussed before agenda item 5.]

AGENDA ITEM 6- New Business

a. InVitro Diagnostic (IVD) Devices

Mr. Lovecchio presented general information with regards to Food and Drug Administration regulation of devices which include invitro diagnostics (IVDs) as devices; counterfeit IVD product; possibly adding the designation "IVD" to the Board's current definition of legend devices for regulation. Mr. Brooks requested that research again be done regarding medical foods wholesalers for possible Board regulation. The Board requested that Mr. Lovecchio continue research and information gathering with regards to possible Board regulation of IVDs.

[The board returned to agenda item 5 after discussion of agenda item 6.]
[Agenda item 7 was discussed after agenda item 5.]

AGENDA ITEM 7 - Professional Service Contract

a. Legal Services - Celia Cangelosi (Contract Amendment)

Mr. Lovecchio presented an amendment to the professional service contact for legal services provided by Celia Cangelosi for general legal issues. The amendment is to increase the hourly rate and extend the contract for an additional year. **Motion was made by Mr. Dickson to approve the amendment to the current contract for professional legal service effective July 1, 2013 through June 30, 2015 between the Board and Celia Cangelosi which increases the hourly fee paid to the current rate approved by the Attorney General and extends the current contract for an additional year through 6/30/2016, seconded by Mr. Gremillion, and passed by voice vote- FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None. Motion was made by Mr. Davis to adopt a Resolution whereas the hourly rate paid to Celia Cangelosi shall be increased from \$175 to \$225 per hour and the effective date of the current contract shall be extended to be in effect for the period commencing July 1, 2015 and ending on June 30, 2016, seconded by Mr. Gremillion, and passed by voice vote- FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.**

b. License Management System - NetShapers

Mr. Lovecchio presented general information and update regarding the issue with the contract between the Board and NetShapers for initial development of the Board's new license management system (database) and monthly hosting and maintenance. No formal action was taken.

AGENDA ITEM 8 - Financial Matters

a. Financial Statements

Mr. Lovecchio presented financial information for the month of December 2014 of the current fiscal year 2015. General discussion was held. No formal action was taken on the matter.

AGENDA ITEM 9 - Licensing Matters

January 27, 2015

a. New Licenses Issued List

Mr. Lovecchio presented a list of approximately 68 new licenses as issued by the Board office on behalf of the Board since the December 16, 2014 Board meeting for review. General discussion was held. No formal action was taken on this matter.

AGENDA ITEM 10 - Additional Agenda Items Properly Brought Before the Board (approved in agenda item 3)

1. Resolution for Shows, Cali & Walsh LLP contract

Ms. Barbier submitted a resolution for review and adoption by the Board for the contract between the Board and Shows, Cali & Walsh LLP as approved at the December 16, 2014 Board meeting. Adoption of the resolution is a new requirement for professional service contract review and approval. **Motion was made by Mr. Gremillion to adopt the Resolution for the contract approved at the December 16, 2014 Board meeting between the Board and Shows, Cali & Walsh, LLP as regulatory counsel to provide regulatory advice and review and advise on board statutes and regulations; to be paid hourly rates for legal services as set in the maximum hourly fee schedule approved by the Attorney General for the State of Louisiana, and all expenses incurred with regards to legal services, not to exceed \$25,000 total of all sums payable under the contract commencing October 1, 2014 and effective through September 30, 2015, seconded by Mr. Gielen, and passed by voice vote- FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.**

2. Board Member Terms

Mr. Lovecchio presented information that current terms of members - Mr. Davis and Mr. Gremillion - expire (respectively) April 2015 and August 2015; Mr. Davis is a representative of wholesaler and Mr. Gremillion is a representative of manufacturers. Mr. Broadus asked these members to consider if they would like to be reappointed and to inform the Board office of their decision so that the Louisiana Wholesale Drug Distributor Association and Pharmaceutical Research and Manufacturers of America can be notified of the requirement for nominations to fill the seats for the next term will need to be submitted to the Governor's office.

3. Legislative Activity Process *[was discussed as part of agenda item 5ai.]*

The Board reviewed the information previously discussed. **Motion was made by Mr. Davis to authorize Board Members to represent the Board during legislative committee review of the Board's proposed statutory amendments in an education and information purpose to be paid in accordance with Board policy for per diem and for expenses incurred per the state travel regulations for days worked on Board business, seconded by Mr. Dugas, and passed by voice vote- FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.**

Mr. Broadus called for an executive session. **Motion was made by Mr. Davis to enter into executive session, seconded by Mr. Dugas, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.** Open meeting session was closed. *[Board entered into executive session at approximately 12:05 pm.]* Those in attendance in executive session were Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson. **Motion was made by Mr. Dickson to close executive session and return to open meeting session, seconded by Mr. Dugas, and passed by voice vote - FOR: Mr. Broadus, Mr. Davis, Mr. Brooks, Mr. Gremillion, Mr. Dugas, Mr. Gielen, and Mr. Dickson; AGAINST: None; ABSTAINED: None; ABSENT: None; RECUSED: None.** *[Board returned to open session at approximately 12:25 pm.]* Mr. Brooks noted the Board discussed general personnel matters. No items discussed in executive session required formal action.

AGENDA ITEM 11 - Board Issues

a. Confirmation of Next Board Meeting

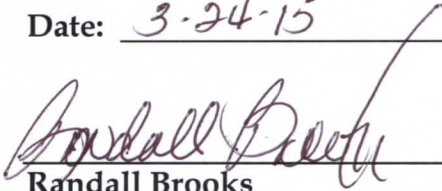
Due to conflicts with regards to the tentatively set March 10, 2015 meeting and after general discussion, the Board confirmed it will tentatively schedule a regular meeting for Tuesday, March 24, 2015. The annual meeting is tentatively set for Tuesday, June 9, 2015; and regular meetings for the remainder of year 2015 are tentatively set for Tuesday, September 8 and Tuesday, December 8, 2015.


AGENDA ITEM 12 - Adjournment

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

The meeting adjourned at approximately 12:45 pm.

Approved and accepted by the full Board - Date: 3-24-15



Randall Brooks
Board Secretary Treasurer


George Lovecchio
Interim Executive Director