BOBBI W.Y. LUM-MEW 6299AND CONSUMER AFFAIRS
Regulated Industries Complaints Office
Department of Commerce and Consider ANTAIRS P 12: 59
State of Hawaii
Leiopapa A Kamehameha Building HEARINGS OFFICE
235 South Beretania Street, Suite 900
Honolulu, Hawaii 96813

2011 DEC 13 P 1:54

ALTER AFFAIRS

ME OF NAME IN

Telephone: 586-2660

Attorney for Department of Commerce and Consumer Affairs

BOARD OF PHARMACY DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS STATE OF HAWAII

DEPT. OF COMMERCE

In the Matter of the Pharmacy Permit of)	PHA 2010-14-L
WAL-MART STORES, INC. dba WAL-MART PHARMACY 10-2473,)	SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER
Respondent.)	
248040108	/	

SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS'
REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"),
through its undersigned attorney, and Respondent WAL-MART STORES, INC., doing business
as WAL-MART PHARMACY 10-2473 (hereinafter "Respondent"), enter into this Settlement
Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent was permitted by the Board of Pharmacy (hereinafter the "Board") as a pharmacy under Permit Number PHY 572. The permit was issued on or about January 17, 1997. The permit will expire on or about December 31, 2011.

- 2. Respondent's mailing address for purposes of this action is Wal-Mart Stores, Inc. dba Wal-Mart Pharmacy 10-2473, Government Relations #0230, 702 SW 8th Street, Bentonville, Arkansas 72716.
- 3. RICO received a complaint that Respondent's pharmacist improperly filled a prescription in October 2009.
- 4. RICO alleges Respondent dispensed the wrong strength of medication from what was prescribed in this incident in October 2009.
- 5. The foregoing allegation, if proven at an administrative hearing before the Board, would constitute violations of the following statute and rule: Hawaii Revised Statutes ("HRS") § 461-21(a)(2) (professional misconduct) and Hawaii Administrative Rules ("HAR") § 16-95-110(a)(11).
- 6. The Board has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENT:

- 1. Respondent is fully aware that Respondent has the right to be represented by an attorney and voluntarily waives that right.
- 2. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress.
- 3. Respondent is aware of the right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives the right to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

- 4. Respondent being at all times relevant herein permitted as a pharmacy by the Board acknowledges that Respondent is subject to penalties including but not limited to, revocation, suspension or limitation of the permit and administrative fines, if the foregoing allegations are proven at hearing.
- 5. Respondent does not admit to violating any law or rule, but acknowledges that RICO has sufficient cause to file a Petition for Disciplinary Action against Respondent's permit.
- 6. Respondent enters into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter.
- 7. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised against it in RICO's investigation in RICO Case No. PHA 2010-14-L.
- 8. Respondent understands this Settlement Agreement is public record pursuant to Hawaii Revised Statutes chapter 92F.

C. TERMS OF SETTLEMENT:

- 1. <u>Administrative fine</u>. Respondent agrees to pay a fine in the amount of ONE THOUSAND AND NO/100 DOLLARS (\$1,000.00). Payment shall be made by **cashier's check** or money order made payable to "DCCA Compliance Resolution Fund" and mailed to the Regulated Industries Complaints Office, Attn: Bobbi W.Y. Lum-Mew, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due at the time this fully executed Settlement Agreement is returned to RICO.
- 2. <u>Failure to Comply with Settlement Agreement</u>. If Respondent fails to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph(s) C.1 above, Respondent's permit shall be automatically revoked upon RICO's filing of an affidavit

with the Board attesting to such failure. In case of such revocation, Respondent shall turn in all indicia of the permit to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation. In case of such revocation, Respondent understands Respondent cannot apply for a new permit until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become permitted again, Respondent must apply to the Board for a new permit pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

- 3. <u>Possible further sanction</u>. The Board, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Board may deem appropriate if Respondent violates any provision of the statutes or rules governing the conduct of pharmacies in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.
- 4. <u>Approval of the Board</u>. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.5, C.6, C.7 and C.8 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.
- 5. No Objection if Board Fails to Approve. If the Board does not approve this

 Settlement Agreement, does not issue an order pursuant thereto, or does not approve a lesser remedy, but instead an administrative hearing is conducted against Respondent in the Board's usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against

Respondent on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

- 6. <u>Any Ambiguities Shall be Construed to Protect the Consuming Public</u>. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.
- 7. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.
- 8. <u>Complete Agreement</u>. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly executed by all parties hereto.

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DATED: Bestonville, AR, 12/6/11

CCITY)

Signed Per Corporate
Delegation of Authority

By: George L Chapman

Its Delegate

DATED: Honolulu, Hawaii, DEC 1 3 2011

Attorney for Department of Commerce and

Consumer Affairs

IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the

IN THE MATTER OF THE PHARMACY PERMIT OF WAL-MART STORES, INC. DBA WAL-MART PHARMACY 10-2473; SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER; CASE NO. PHA 2010-14-L

APPROVED AND SO ORDERED:
BOARD OF PHARMACY STATE OF HAWAII

MARK E. BROWN
Chairperson

PATRICK ADAMS
Vice Chairperson

GARRETT A. LAU

CAROLYNS. J. MA

LYDIA KUMASAKA

PVL 07/15/11

STATE OF Hr Kansas)
COUNTY OF BOATON)
On this day of, 20//, before me personally
appeared George, L. Chapman, to me known to be the person described, and who executed
the foregoing instrument on behalf of wart Stores, Inc. as
Delegate, and acknowledged that he/she executed the same as
his/her free act and deed.
Name: Notary Public, State of
My Commission expires: <u>b5-b1-20</u> /5

BRENDA M. GLENN NOTARY PUBLIC BENTON COUNTY, ARKANSAS COMM. EXR 05/01/15