

DENISE P. BALANAY 5526-0  
Regulated Industries Complaints Office  
Department of Commerce and Consumer Affairs  
State of Hawaii  
Leiopapa A Kamehameha Building  
235 South Beretania Street, Suite 900  
Honolulu, Hawaii 96813  
Telephone: 586-2660

DEPT. OF COMMERCE  
AND CONSUMER AFFAIRS  
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TRAINING DIVISION  
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DEPT. OF COMMERCE  
AND CONSUMER AFFAIRS  
STATE OF HAWAII

Attorney for Department of Commerce  
and Consumer Affairs

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

In the Matter of the Pharmacist License of ) PHA 2011-10-L  
)  
REENA G. CHESLA, ) SETTLEMENT AGREEMENT PRIOR TO  
) FILING OF PETITION FOR DISCIPLINARY  
Respondent. ) ACTION AND BOARD'S FINAL ORDER;  
) EXHIBIT "1"  
)

241042211

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(s), and Respondent REENA G. CHESLA (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 licensed by the Board of Pharmacy  
(hereinafter the "Board") as a pharmacist under license number PH 1376. The license was issued  
on or about February 4, 1991. The license will expire or forfeit on or about December 31, 2011.

2. Respondent's mailing address for purposes of this action is 1205 Capri Drive, St. Louis, Missouri 63126.

3. RICO received a complaint alleging that Respondent entered into a settlement agreement with the Missouri Board of Pharmacy effective July 3, 2010 ("Missouri agreement"). A copy of the Missouri agreement is attached hereto as Exhibit "1".

4. The foregoing allegations, if proven at an administrative hearing before the Board, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes ("HRS") § 436B-19(13) (disciplinary action by another state).

5. 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 licensed as a pharmacist by the Board acknowledges that Respondent is subject to penalties including but not limited to, revocation, suspension or limitation of the license 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 license.

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 in RICO's investigation in RICO Case No. PHA 2011-10-L.

8. Respondent understands this Settlement Agreement is public record pursuant to Hawaii Revised Statutes chapter 92F.

C. TERMS OF SETTLEMENT

1. Probation. Respondent's license to practice pharmacy in the State of Hawaii is hereby placed on probation for a period to run concurrent with the probationary period set forth in the Missouri agreement. Probation shall become effective immediately upon the approval of this Settlement Agreement by the Board. During the probationary period, Respondent agrees to comply with the following terms and conditions set forth in paragraphs C.2 and C.3 below:

2. Reporting regarding Missouri agreement. Respondent shall notify the Board in writing of any change in the probationary period set forth in the Missouri agreement.

Respondent shall also notify the Board in writing of the successful and/or unsuccessful completion of the probation set forth in the Missouri agreement. Said notice shall be made within thirty (30) days of the effective date of any aforementioned change.

3. Administrative fine. Respondent agrees to pay a fine in the amount of ONE THOUSAND TWO HUNDRED AND NO/100 DOLLARS (\$1,200.00). 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: DENISE P. BALANAY,

Esq., 235 S. Beretania Street, 9<sup>th</sup> Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due at the time this Settlement Agreement is returned to RICO.

4. Failure to Comply with Settlement Agreement. If Respondent fails to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph(s) C.1, C.2, and C.3 above, Respondent's license 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 license 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 license until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become licensed again, Respondent must apply to the Board for a new license pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

5. Possible further sanction. 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 pharmacists in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

6. Approval of the Board. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.7, C.8, C.9, and C.10 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

7. 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.

8. Any Ambiguities Shall be Construed to Protect the Consuming Public. 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.

9. 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.

10. Complete Agreement. 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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IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below.

DATED: St. Louis, Missouri, 1/23/2012.  
(City) (State) (Date)

Reena G Chesla  
REENA G. CHESLA  
Respondent

DATED: Honolulu, Hawaii, JAN 27 2012.

Denise P. Balanay  
DENISE P. BALANAY  
Attorney for Department of Commerce and  
Consumer Affairs

IN THE MATTER OF THE PHARMACIST LICENSE OF REENA G. CHESLA; *SETTLEMENT AGREEMENT  
PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER*; CASE NO.  
PHA 2011-10-L

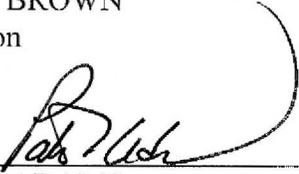
IN THE MATTER OF THE PHARMACIST LICENSE OF REENA G. CHESLA;  
SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY  
ACTION AND BOARD'S FINAL ORDER; CASE NO. PHA 2011-10-L

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APPROVED AND SO ORDERED:  
BOARD OF PHARMACY  
STATE OF HAWAII

---

MARK E. BROWN  
Chairperson



---

PATRICK ADAMS  
Vice Chairperson



---

GARRETT A. LAU



---

JILL OLIVEIRA GRAY

February 16, 2012

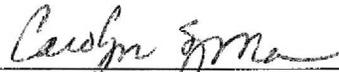
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DATE



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TODD INAFUKU



---

CAROLYN S. LIMA



---

LYDIA KUMASAKA

PVL 07/15/11

STATE OF Missouri )  
 )  
CITY AND COUNTY OF St Louis ) SS.

On this 25 day of January, 2012, before me personally appeared Keena Chesla, to me known to be the person described, and who executed the foregoing instrument and acknowledged execution of the same as her free act and deed.

This 20-page *Settlement Agreement Prior to Filing of Petition for Disciplinary Action and Board's Final Order* document dated January 23, 20 12 was acknowledged before me by Jessica Michalke this 25 day of January, 20 12, in the City and County of St Louis, in the State of Missouri.



Jessica Michalke  
Name: Jessica Michalke  
Notary Public - State of Missouri  
My Commission expires: 12/8/14

**MISSOURI BOARD OF PHARMACY**

**IN RE:** )  
**Complaint No. 2009-005320** )  
 )  
 )  
**Reena Chesla** )  
**1205 Capri Drive** )  
**St. Louis, Missouri 63126** )

**SETTLEMENT AGREEMENT**  
**BETWEEN**  
**MISSOURI BOARD OF PHARMACY**  
**AND**  
**REENA G. CHESLA**

Reena G. Chesla (“Chesla”) and the Missouri State Board of Pharmacy (“Board”) enter into this Settlement Agreement for the purpose of resolving the question of whether Chesla’s license as an individual pharmacist, No. 2004003295, will be subject to discipline. Pursuant to § 536.060, RSMo 2000,<sup>1</sup> the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri and, additionally, the right to a disciplinary hearing before the Board under § 621.110, RSMo Cum. Supp. 2009. The Board and Chesla jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo Cum. Supp. 2009.

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<sup>1</sup> All statutory citations are to the 2000 Revised Statutes of Missouri unless otherwise noted.

Chesla acknowledges that she understands the various rights and privileges afforded her by law, including the right to a hearing of the charges against her; the right to appear and be represented by legal counsel; the right to have all charges proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing against her at the hearing; the right to present evidence on his behalf at the hearing; the right to a decision upon the record of the hearing by a fair and impartial administrative hearing commissioner concerning the charges pending against her; the right to a ruling on questions of law by the Administrative Hearing Commission; the right to a disciplinary hearing before the Board at which time Chesla may present evidence in mitigation of discipline; the right to a claim for attorney fees and expenses; and the right to obtain judicial review of the decisions of the Administrative Hearing Commission and the Board.

Being aware of these rights provided to her by law, Chesla knowingly and voluntarily waives each and every one of these rights and freely enters into this Settlement Agreement and agrees to abide by the terms of this document as they pertain to her.

Chesla acknowledges that she has received a copy of documents that were the basis upon which the Board determined there was cause for discipline, along with citations to law and/or regulations the Board believes were violated. Chesla stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates

with the Board that Chesla's license as an individual pharmacist, license No. 2004003295 is subject to disciplinary action by the Board in accordance with the relevant provisions of Chapter 621, RSMo Cum. Supp. 2009, and Chapter 338, RSMo, as amended.

The parties stipulate and agree that the disciplinary order agreed to by the Board and Chesla in Part II herein is based only on the agreement set out in Part I herein. Chesla understands that the Board may take further disciplinary action against her based on facts or conduct not specifically mentioned in this document that are either now known to the Board or may be discovered.

#### I.

#### **Joint Stipulation of Facts and Conclusions of Law**

Based upon the foregoing, the Board and Chesla herein jointly stipulate to the following:

1. The Missouri State Board of Pharmacy ("Board") is an agency of the state of Missouri created and established pursuant to § 338.110, RSMo, for the purpose of carrying out and enforcing the provisions of Chapter 338, RSMo.
2. The Respondent, Reena Chesla ("Chesla"), is a natural person licensed by the Board as an individual pharmacist, License No. 2004003295. Chesla's license is now current and active.
3. Chesla's pharmacist license expired on October 31, 2008.
4. Chesla worked as a pharmacist at Pharmerica from October 31, 2008 until September 23, 2009. Chesla's license was expired during this time.

5. On or about September 23, 2009, Chesla's supervisor discovered that Chesla had been practicing without an active license and contacted the Board.

6. On September 25, 2009, the Board placed Chesla's pharmacist license back on active status after Chesla submitted the proper renewal documents and fees.

7. On or about September 28, 2009, the Board initiated an investigation of Chesla and the status of her license between October 2008 and September 2009.

8. Based on the conduct set forth above, cause exists to discipline Chesla's license pursuant to § 338.055.2, RSMo Cum. Supp. 2009, which states in relevant part:

2. The board may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621, RSMo, against any holder of any certificate of registration or authority, permit or license required by this chapter or any person who has failed to renew or has surrendered his or her certificate of registration or authority, permit or license for any one or any combination of the following causes:

(5) Incompetence, misconduct, gross negligence, fraud, misrepresentation or dishonesty in the performance of the functions or duties of any profession licensed or regulated by this chapter;

\* \* \* \*

(6) Violation of, or assisting or enabling any person to violate, any provision of this chapter, or of any lawful rule or regulation adopted pursuant to this chapter;

\* \* \* \*

(13) Violation of any professional trust or confidence.

9. Section 338.010, RSMo Cum. Supp. 2009, states in relevant part:

1. . . . No person shall engage in the practice of pharmacy unless he is

licensed under the provisions of this chapter. . .

10. Section 338.050, RSMo, as amended, states:

If the applicant for license as a pharmacist has complied with all the requirements of sections 338.010 and 338.020, the board of pharmacy shall enroll his name upon the register of pharmacists and issue to him a license which shall entitle him to practice as a pharmacist for a period ending with the expiration date of the license.

11. Section 338.060, RSMo, as amended, states in relevant part:

1. Every licensed pharmacist or permit holder who desires to continue in the practice of this profession shall, within thirty days before the license expiration date, file an application for the renewal, which application shall be accompanied by the fee prescribed in sections 338.010 to 338.198.

2. If any pharmacist fails, after the expiration of the pharmacist's license, to make application to the board for its renewal, the pharmacist's name shall be removed from the register of licensed pharmacists, and such person, in order to again become registered as a licensed pharmacist, shall be required to pay all delinquent fees. . .

12. Based on the conduct alleged herein, including but not limited to Chesla working as a pharmacist while her pharmacy license was expired, Chesla was in violation of §§ 338.010.1; 338.050; and 338.060.1 and .2, RSMo Cum. Supp. 2009. Therefore, cause exists to discipline Chesla's license pursuant to § 338.055.2(6), RSMo, as amended.

## II.

### **Joint Agreed Disciplinary Order**

Based on the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the Board in this matter under the authority of § 536.060, RSMo, and §§ 621.045.3 and 621.110, RSMo Cum. Supp. 2009.

13. **Chesla's license is on probation.** Chesla's license as a pharmacist is hereby placed on PROBATION for a period of 2 YEARS. The period of probation shall constitute the "disciplinary period." During the disciplinary period, Chesla shall be entitled to practice as a pharmacist under Chapter 338, RSMo, as amended, provided Chesla adheres to all the terms of this agreement.

14. **Terms and conditions of the disciplinary period.** The terms and conditions of the disciplinary period are as follows:

15. Chesla shall keep the Board apprised of her current home and work addresses and telephone numbers. If at any time Chesla is employed by a temporary employment agency or maintains employment that requires frequent daily or weekly changes of work locations she must provide the Board a list of locations worked if requested by the Board or Board's representative.

16. Chesla shall pay all required fees for licensing to the Board and shall renew her license prior to October 31 of each licensing year.

17. Chesla shall comply with all provisions of Chapter 338, Chapter 195 and all applicable federal and state drug laws, rules, and regulations and with all federal and state criminal laws. "State" includes the State of Missouri and all other states and territories of the United States.

18. Chesla shall make herself available for personal interviews to be conducted by a member of the Board or the Board of Pharmacy staff. Said meetings will be at the

Board's discretion and may occur periodically during the disciplinary period. Chesla will be notified and given sufficient time to arrange these meetings.

19. If, after disciplinary sanctions have been imposed, Chesla ceases to keep her Missouri license current or fails to keep the Board advised of her current place of employment and residence, such periods shall not be deemed or taken as any part of the time of discipline so imposed.

20. If, after disciplinary sanctions have been imposed, Chesla begins employment as a pharmacist or technician outside the state of Missouri, such periods shall not be deemed or taken as any part of the time of discipline so imposed. Chesla may petition the Board to seek a waiver for any portion of this requirement by making such a request in written form to the Board for its consideration. No exception will be made to this requirement without prior Board approval.

21. If Chesla leaves the state of Missouri for more than 30 consecutive days, such periods shall not be included as part of the time of discipline so imposed.

22. Chesla shall provide all current and future pharmacy and drug distributor employers and pharmacist/manager-in-charges a copy of this disciplinary agreement within five business days of the effective date of discipline or the beginning date of each employment. If at any time Chesla is employed by a temporary employment agency she must provide each pharmacy and drug distributor employer and pharmacist/manager-in-

charge a copy of this disciplinary agreement prior to or at the time of any scheduled work assignments.

23. Chesla shall not serve as a preceptor for interns.

24. Chesla is not eligible to administer drugs or vaccines as allowed in 20 CSR 2220-6.040 and 20 CSR 2220-6.050.

25. Chesla shall report to the Board, on a preprinted form supplied by the Board office, once every six months (due by each January 1 and July 1), beginning with whichever date occurs first after this agreement becomes effective, stating truthfully whether or not she has complied with all terms and conditions of her disciplinary order.

26. Chesla shall not serve as a pharmacist-in-charge or in a supervisory capacity of the professional practice of other pharmacists without prior approval of the Board.

27. Chesla's failure to comply with any condition of discipline set forth herein constitutes a violation of this disciplinary agreement.

28. The parties to this agreement understand that the Board of Pharmacy will maintain this agreement as an open record of the Board as provided in Chapters 324, 338, and 610, RSMO.

29. Upon the expiration of the disciplinary period, the license of Chesla shall be fully restored if all requirements of law have been satisfied; provided, however, that in the event the Board determines that Chesla has violated any term or condition of this Settlement Agreement, the Board may, in its discretion, after an evidentiary hearing,

vacate and set aside the discipline imposed herein and may suspend, revoke or otherwise lawfully discipline Chesla's license.

30. No additional discipline shall be imposed by the Board pursuant to the preceding paragraph of this Settlement Agreement without notice and opportunity for hearing before the Board as a contested case in accordance with the provisions of Chapter 536, RSMo.

31. If any alleged violation of this Settlement Agreement occurred during the disciplinary period, the parties agree that the Board may choose to conduct a hearing before it either during the disciplinary period, or as soon thereafter as a hearing can be held, to determine whether a violation occurred and, if so, may impose further disciplinary action. Chesla agrees and stipulates that the Board has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred.

32. This Settlement Agreement does not bind the Board or restrict the remedies available to it concerning any future violations by Chesla of Chapter 338, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Settlement Agreement.

33. This Settlement Agreement does not bind the Board or restrict the remedies available to it concerning facts or conduct not specifically mentioned in this Settlement Agreement that are either now known to the Board or may be discovered.

34. Each party agrees to pay all their own fees and expenses incurred as a result of this case, its litigation, and/or its settlement.

35. The terms of this Settlement Agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise contained herein, neither this Settlement Agreement nor any of its provisions may be changed, waived, discharged, or terminated, except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, discharge, or termination is sought.

36. Chesla, together with her heirs, assigns, representatives and attorneys, does hereby waive, release, acquit and forever discharge the Board, its respective members, employees, agents and attorneys including former members, employees, agents and attorneys, of, or from any liability, claim, actions, causes of action, fees, costs, expenses and compensation, including, but not limited to, any claim for attorney's fees and expenses, whether or not now known or contemplated, including, but not limited to, any claims pursuant to § 536.087, RSMo (as amended), or any claim arising under 42 U.S.C. § 1983, which now or in the future may be based upon, arise out of, or relate to any of the matters raised in this case or its litigation or from the negotiation or execution of this Settlement Agreement. The parties acknowledge that this paragraph is severable from the remaining portions of the Settlement Agreement in that it survives in perpetuity even in the event that any court or administrative tribunal deems this agreement or any portion thereof void or unenforceable.

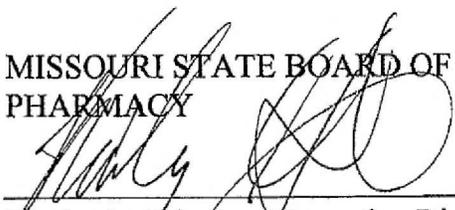
37. Chesla understands that she may, either at the time the Settlement Agreement is signed by all parties, or within fifteen days thereafter, submit the agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties constitute grounds for disciplining Chesla's license. If Chesla desires the Administrative Hearing Commission to review this Settlement Agreement, Chesla may submit her request to: Administrative Hearing Commission, Truman State Office Building, Room 640, 301 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65102.

38. If Chesla requests review, this Settlement Agreement shall become effective on the date the Administrative Hearing Commission issues its order finding that the Settlement Agreement sets forth cause for disciplining Chesla's license. If Chesla does not request review by the Administrative Hearing Commission, this Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the Board.

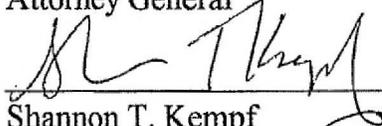
LICENSEE

Reena Chesla      5/25/10  
Reena Chesla      Date

MISSOURI STATE BOARD OF  
PHARMACY

  
\_\_\_\_\_  
Kimberly Grinston, Executive Director  
Date: 6-18-10

CHRIS KOSTER  
Attorney General



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Shannon T. Kempf  
Assistant Attorney General  
Missouri Bar No. 61060

Supreme Court Building  
207 West High Street  
P.O. Box 899  
Jefferson City, MO 65102  
Telephone: 573-751-8822  
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