

FILED

33

APR 26 1995

DEBORAH T. PORITZ  
ATTORNEY GENERAL OF NEW JERSEY

BOARD OF PHARMACY

By: Marianne W. Greenwald  
Deputy Attorney General  
Division of Law 5th Floor  
124 Halsey Street  
P.O. Box 45029  
Newark, New Jersey 07101  
Tel. (201) 648-4738

STATE OF NEW JERSEY  
DEPARTMENT OF LAW & PUBLIC SAFETY  
DIVISION OF CONSUMER AFFAIRS  
STATE BOARD OF PHARMACY

IN THE MATTER OF THE SUSPENSION :  
OR REVOCATION OF THE LICENSES OF :  
12424 :  
JEFFREY ALEXANDER, R.P. and :  
JOEL JARMAN, R.P. 12709 :  
: :  
and the Permit of :  
: :  
J. AND S. ALEXANDER PHARMACY, :  
INC. 4885 :  
: :  
TO PRACTICE PHARMACY IN THE :  
STATE OF NEW JERSEY *RI 12424* :

Administrative Action

CONSENT ORDER

This matter was opened to the New Jersey State Board of Pharmacy by the receipt of information that Jeffrey Alexander, R.P. and Joel Jarman, R.P. individually and as equal shareholders in J. and S. Alexander Pharmacy, Inc. on January 30, 1995, entered into a Consent Agreement with New Jersey Division of Medical Assistance and Health Services (attached hereto and made a part of this Order), and that J. and S. Alexander Pharmacy, Inc. was convicted of one count of Medicaid Fraud in the Superior Court of New Jersey, Criminal Division, Bergen County, in the amount of \$4,700.81 on February 21, 1995 (Judgment of Conviction attached hereto and made a part of this Order).

In the criminal matter, the defendant corporation was fined \$1,500.00, and in the civil matter with the Division, the corporation was required to pay \$24,000.00 in satisfaction of all claims, penalties and interest arising from a review of claims submitted to the Division from May 2, 1991 through March 3, 1993.

Respondent J. and S. Alexander Pharmacy, Inc. was permanently suspended as a provider of Medicaid or PAAD program services. Respondents Jarman and Alexander were permanently barred from ever holding any ownership interest in a pharmacy in New Jersey, and further, were prohibited from participating in any capacity in the Medicaid and PAAD programs for a period of thirty (30) days to commence no later than July 1, 1995.

Respondent J. and S. Alexander Pharmacy, Inc. t/a Leonia Pharmacy was also the subject of an audit by PCS. Inc. That audit resulted in payment by Lenoia Pharmacy to PCS. Inc. in the amount of \$7,925.44 and \$4,915.90 withheld by PCS from payments due to Leonia.

The Board has reviewed all written submissions by counsel for the respondents, including all documents in the criminal and the two civil matters. By way of mitigation respondents have asked the Board to consider their laudable reputation in the HIV/AIDS community. Letters from relatives of those suffering from AIDS and from a physician treating HIV patients substantiate that respondents actively worked with HIV patients in meeting their immediate medical crisis at the same time while extending credit and awaiting payment when third party insurers were not timely or were non-existent. Moreover, respondents have submitted that the underlying conduct resulting in the conviction involved dispensing Intron A to a single AIDS patient who was unable

to afford the medication and thus respondents billed the account of an insured participant who no longer was able to use the medication. Further, despite the illegal and fraudulent nature of the conduct, the amounts claimed for each dispensing appear to be compensatory for the medication allegedly dispensed and not excessively priced out of a profit motive.

The Board is cognizant that respondents, have already been barred from ever owning a pharmacy again and that the language of the January 30, 1995 Consent Agreement provides for the 30 day Medicaid and PAAD suspension to run concurrently with any suspension by the Board of the pharmacy licenses. However, the thirty (30) day suspension embodied in the January 30, 1995 Consent Agreement does not address the conduct underlying the PCS Audit nor address the suspension of the individuals' licenses to dispense to patients other than recipients of Medicaid and PAAD.

Respondents Jarman and Alexander, admitting that the above described conviction constitutes a crime involving moral turpitude and/or crime relating adversely to the pharmacy profession, as well as professional misconduct in the use of fraud, dishonesty, deception and misrepresentation contrary to N.J.S.A. 45:1-21, and the parties having consented to the resolution of this matter without the necessity of formal administrative proceedings available to the Board, and it therefore appearing that due cause exists for the entry of the within Order,

IT IS THEREFORE ON THIS  
ORDERED AND AGREED:

*26<sup>th</sup>* DAY OF *April* 1995,

1. The licenses to practice pharmacy of Jeffrey Alexander and Joel Jarman shall be suspended for a period of six months. The first two months of said suspension shall be active; the remaining four months shall be stayed and shall be satisfied by the licensees being placed on a probationary status provided that respondents comply in full with the terms of this Order as well as the January 30, 1995 Consent Agreement with Human Services.

2. Respondents Jarman and Alexander shall be forever barred from holding any ownership interest in any capacity in a pharmacy operating in the State of New Jersey.

3. Respondents Jarman and Alexander shall each pay a civil penalty of \$2,500.00 and costs in the amount of \$1,200.00, to the Board of Pharmacy within thirty (30) days of the entry of this Order.

4. Respondents shall cease and desist any further violation of any federal or state law governing the practice of pharmacy and, further, any future violative conduct will be deemed a second offense before the Board of Pharmacy.

NEW JERSEY STATE BOARD OF PHARMACY

By:   
Sophie Heymann, R.P., President

Consented to as  
to Form and Entry

Date: 4/24/95

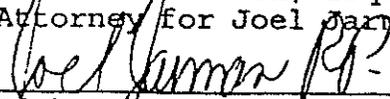
Date: 4/21/95

Date: 4/21/95

Date: 4/24/95

DATE: 4/19/95

  
Richard C. Szuch, Esq.  
Attorney for Joel Jarman, R.P.

  
Joel Jarman, R.P.

  
Pamela Mandel, Esq.  
Attorney for Jeffrey Alexander,  
R.P.

  
Richard C. Szuch, Esq., for the  
Law Firm of Lowenstein, Sandler,  
Kohl, Fisher and Boylan  
representing J. and S. Alexander  
Pharmacy, Inc.

  
JEFFREYS ALEXANDER R.P.

State of New Jersey



New Jersey Superior Court  
Law Division - Criminal

v.

J & S ALEXANDER PHARMACY (AKA) LEONIA PHAR.

DEFENDANT:  
(Specify Complete Name)

DATE OF BIRTH N/A	SBI NUMBER N/A
DATE OF ARREST N/A	DATE INDICTMENT/ ACCUSATION FILED N/A
DATE OF ORIGINAL PLEA N/A	ORIGINAL PLEA <input type="checkbox"/> NOT GUILTY <input checked="" type="checkbox"/> GUILTY

- JUDGMENT OF CONVICTION
- CHANGE OF JUDGMENT
- ORDER FOR COMMITMENT
- INDICTMENT / ACCUSATION DISMISSED
- JUDGMENT OF ACQUITTAL

ADJUDICATION BY

GUILTY PLEA      DATE: 2/21/95

JURY TRIAL      DATE: \_\_\_\_\_

NON-JURY TRIAL      DATE: \_\_\_\_\_

Dismissed/Acquitted      DATE: \_\_\_\_\_

ORIGINAL CHARGES

IND / ACC NO.	COUNT	DESCRIPTION	DEGREE	STATUTE
A-260-95-02	1	MEDICAID FRAUD	3rd	30:4D-17(a)

FINAL CHARGES

COUNT	DESCRIPTION	DEGREE	STATUTE
1			

It is, therefore, on 2/21/95 ORDERED and ADJUDGED that the defendant is sentenced as follows:

PAY \$ 1,500.00 FINE TO COUNTY CLERK

NOTE : THIS IS A PLEA & SENTENCE OF A CORPORATION

It is further ORDERED that the sheriff deliver the defendant to the appropriate correctional authority.

Defendant is to receive credit for time spent in custody (R. 3:21-8).

TOTAL NUMBER OF DAYS	DATE (From/To)
N/A	DATE (From/To)

Defendant is to receive gap time credit for time spent in custody. (N.J.S.A. 2C:44-5b(2)).

TOTAL NUMBER OF DAYS	DATE (From/To)
N/A	DATE (From/To)

Total Custodial Term \_\_\_\_\_ Institution \_\_\_\_\_ Total Probation Term N/A

Administrative Office of the Courts  
New Jersey Bureau of Identification

SENT TO: CHIEF PROBATION OFFICER

STATE POLICE

AOC CRIMINAL PRACTICE DIVISION

DEPT OF CORRECTIONS OR COUNTY PENAL INSTITUTION

Total FINE \$ \_\_\_\_\_  
 Total RESTITUTION \$ \_\_\_\_\_

If the offense occurred on or after December 23, 1991, an assessment of \$50 is imposed on each count on which the defendant was convicted unless the box below indicates a higher assessment pursuant to N.J.S.A. 2C:43-3.1. (Assessment is \$30 if offense is on or after January 9, 1986 but before December 23, 1991, unless a higher penalty is noted. Assessment is \$25 if offense is before January 9, 1986.)

Assessment imposed on  
 count(s) \_\_\_\_\_  
 is \$ \_\_\_\_\_ each.  
 Total VCCB Assessment \$ \_\_\_\_\_

Installment payments are due at the rate of  
 \$ \_\_\_\_\_ per \_\_\_\_\_  
 beginning \_\_\_\_\_ (DATE)

If any of the offenses occurred on or after July 9, 1987, and is for a violation of Chapter 35 or 36 of Title 2C,

1) A mandatory Drug Enforcement and Demand Reduction (D.E.D.R.) penalty is imposed for each count. (Write in # times for each.)

- \_\_\_ 1st Degree @ \$3000      \_\_\_ 4th Degree @ \$750
- \_\_\_ 2nd Degree @ \$2000      \_\_\_ Disorderly Persons or Petty
- \_\_\_ 3rd Degree @ \$1000      \_\_\_ Disorderly Persons @ \$500

Total D.E.D.R. Penalty \$ \_\_\_\_\_

Court further ORDERS that collection of the D.E.D.R. penalty be suspended upon defendant's entry into a residential drug program for the term of the program.

2) A forensic laboratory fee of \$50 per offense is ORDERED. \_\_\_\_\_ Offenses @ \$50.

Total Lab Fee \$ \_\_\_\_\_

3) Name of Drugs Involved \_\_\_\_\_

4) A mandatory driver's license suspension of \_\_\_\_\_ months is ORDERED.  
 The suspension shall begin today, \_\_\_\_\_ and end \_\_\_\_\_

Driver's License Number \_\_\_\_\_

(IF THE COURT IS UNABLE TO COLLECT THE LICENSE, PLEASE ALSO COMPLETE THE FOLLOWING.)

Defendant's Address \_\_\_\_\_

Eye Color \_\_\_\_\_ Sex \_\_\_\_\_ Date of Birth \_\_\_\_\_

The defendant is the holder of an out-of-state driver's license from the following jurisdiction \_\_\_\_\_, Driver's License Number \_\_\_\_\_

Defendant's non-resident driving privileges are hereby revoked for \_\_\_\_\_ Months

If the offense occurred on or after February 1, 1993 and the sentence is to probation or to a State Correctional facility, a transaction fee of up to \$1.00 is ordered for each occasion when a payment or installment payment is made. (P.L. 1992, c. 169)

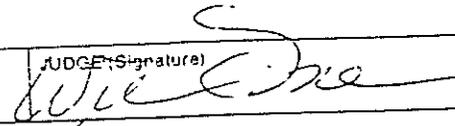
If the offense occurred on or after August 2, 1993, a \$75 Safe Neighborhood Services Fund assessment is ordered for each conviction. (P.L. 1993, c. 220)

If the offense occurred on or after January 5, 1994 and the sentence is to probation, a fee of up to \$25 per month for the probationary term is ordered. (P.L. 1993, c. 275) Amount per month \_\_\_\_\_

NAME (Court Clerk or Person preparing this form) P. Panio	TELEPHONE NUMBER 201 646 2135	NAME (Attorney for Defendant at Sentencing) RICHARD SZUCH, ESQ
--	----------------------------------	---

**STATEMENT OF REASONS**

N/A

JUDGE (Name) WILLIAM C. MEEHAN, JSC	JUDGE (Signature) 	DATE February 21, 1994
--	--	---------------------------