

IN THE MATTER OF

\*

BEFORE THE

ETHICON, INC.

\*

MARYLAND STATE

D07179\*

\*

BOARD OF PHARMACY

Distributor Permit: ~~D0719779~~

\*

Case No. 24-196

\* \* \* \* \*

**PRE-CHARGE CONSENT ORDER**

**Background**

The Maryland Board of Pharmacy (the "Board") received self-reports of disciplinary actions taken against Ethicon, Inc. ("Ethicon") by Kansas, Nevada and Arizona for distributing prescription products into those states without an appropriate permit or license. The Board subsequently opened an investigation and received documents indicating that Ethicon had similarly distributed prescription products into Maryland prior to the issuance of its Maryland wholesale distributor's permit.

In lieu of instituting formal proceedings against Ethicon in accordance with the Maryland Pharmacy Act, Md. Code Ann., Health Occ. § 12-101 *et seq.*, the Board and Ethicon have agreed to resolve this matter as set forth in this Pre-Charge Consent Order.

**FINDINGS OF FACT**

1. Ethicon, Inc., is a wholesale drug distributor located and licensed in Raritan, New Jersey.
2. The Board received self-reports regarding the following disciplinary actions taken against Ethicon:
  - a. On November 4, 2022, the Kansas Board of Pharmacy imposed a \$5,000 fine for distributing into Kansas without a license.

- b. On August 28, 2023, the Nevada State Board of Pharmacy imposed a \$5,000 fine for distributing into Nevada without a license.
- c. On February 29, 2024, the Arizona State Board of Pharmacy imposed a fine of \$125,000 for distributing into Arizona without a license.
3. Upon receiving the self-reports from Ethicon, the Board opened an investigation into the matter.
4. Ethicon cooperated with the Board's investigation and provided the requested documents. The Board's investigation determined that Ethicon distributed certain prescription products into Maryland prior to obtaining a Maryland wholesale distributor's permit.
5. Specifically, between January 1, 2019, and August 18, 2022, Ethicon distributed approximately 15,000 orders containing prescription products to various healthcare entities in Maryland without a Maryland wholesale distributor's permit.
6. Wholesale distributors must hold a permit issued by the Board before the wholesale distributor engages in the wholesale distribution of prescription drugs or prescription devices into Maryland.
7. Ethicon obtained a Maryland wholesale distributor's permit on August 19, 2022, which permit remains active and in good standing to date.

### **CONCLUSIONS OF LAW**

Based on the foregoing Findings of Fact, the Board concludes that Ethicon, Inc., is subject to a sanction in accordance with Md. Code Ann., Health Occ. §§ 12-6C-03 and 12-6C-11.

**ORDER**

Based upon an affirmative vote of the Maryland Board of Pharmacy under the authority of Md. Code Ann., Health Occ. § 12-101, *et seq.*, it this 2<sup>nd</sup> day of July, 2024, hereby,

ORDERED that Ethicon, Inc., shall pay a FINE in the amount of FIVE THOUSAND DOLLARS (\$5,000.00), payable to the Maryland Board of Pharmacy within thirty (30) days of the date of this Order, and mailed to:


Wells Fargo Bank  
Attn: State of MD - Board of Pharmacy  
Lockbox 2051  
401 Market Street  
Philadelphia, PA 19106

*NOTE: Please include the case number, 24-196, on your check or money in order to ensure proper assignment to this case; and be it further,*

ORDERED that in the event that Ethicon, Inc., violates any of the terms above, the Board, after notice and an opportunity for a hearing, and a determination of a violation, may impose any sanction it deems appropriate, including the imposition of further fines in accordance with Health Occ. § 12-6C-11; and be it further,

ORDERED that this is a formal order and as such is a public document pursuant to the Maryland Public Information Act, Md. Code Ann., General Provisions Article § 4-101, *et seq.*

July 2, 2024  
Date

  
Deena Speights-Napata, M.A.  
Executive Director for:

Kris Rusinko, Pharm.D.  
Board President

CONSENT

1. Ethicon acknowledges the validity of this Pre-Charge Consent Order as if it were made after a hearing in which it would have had the right to counsel, to confront witnesses, and to all other substantial procedural protections provided by law.

2. Ethicon acknowledges that, by entering into this Pre-Charge Consent Order, it is waiving its right to appeal any adverse ruling of the Board that might have followed such an evidentiary hearing.

3. Ethicon acknowledges the legal authority and jurisdiction of the Board to enter and enforce this Pre-Charge Consent Order.

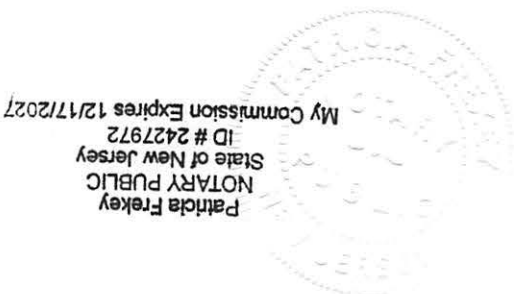
4. Ethicon signs this Pre-Charge Consent Order freely and voluntarily, after having had the opportunity to consult with counsel. Ethicon fully understands the language, meaning, and effect of this Pre-Charge Consent Order.

24-JUN-2024  
Date

William Yosh  
Name: William Yosh  
Title: Staff Biologics QE

STATE OF NEW JERSEY,  
COUNTY/CITY OF Middlesex :

I hereby certify that on this 24 day of June, 2024, before me, a Notary Public of the State of New Jersey, County/City aforesaid, personally appeared William Yosh, and made an oath in due form that the foregoing Consent was his/her voluntary act and deed on behalf of Ethicon, Inc..



Gato Fung  
Notary Public  
My commission expires: 12-17-27