CEASE AND DESIST

Dear Mr. Edwards:

An investigation by the North Carolina Board of Pharmacy has established that Precedent Management Systems, LLC, is soliciting pharmacies in North Carolina to act as fulfillment centers for prescription drug orders. Faxes have been sent to several North Carolina pharmacies soliciting pharmacies.

The Board has obtained copies of the solicitation materials. These materials indicate that Precedent Management Systems asks “patients” to answer a questionnaire, provides medical records and then is referred to a physician for review and issuance of a prescription to a pharmacy that has agreed to act as a fulfillment center. For agreeing to act as a fulfillment center, Precedent Management Systems pays the pharmacy a “retainer in advance equal to the weekly average volume” a pharmacist desires. Payment also includes reimbursement for medications as well as a fulfillment fee per prescription.

North Carolina law specifically prohibits pharmacists from filling any prescriptions that they know or reasonably should know was issued with a physician examination and in the absence of a prior prescriber-patient relationship. 21 NCAC 46.1801. Precedent Management Systems’ solicitation materials make it clear that it is facilitating the filling of prescriptions in the absence of a legitimate patient-prescriber relationship. Moreover, issuing prescriptions for controlled substances in the manner stated in your materials violates both the federal and state controlled substances act.
Our Board, with cooperation with other state and federal law enforcement, has been active in shutting down illegal internet business such as yours. And we are prepared to do the same in your case.

By copy of this letter, I am alerting the federal Drug Enforcement Administration and the North Carolina Attorney General’s Office of the nature of your business.

Accordingly, you are ordered to **IMMEDIATELY CEASE AND DESIST** any further solicitation of North Carolina pharmacies to act as fulfillment centers for Precedent Management Systems or otherwise facilitate the dispensing of prescription drugs in violation of state and federal law. Failure to abide by this order will result in the Board taking all available legal options.

Please give this order your immediate, most serious attention.

Sincerely,

[Signature]

Jack W. Campbell IV
Executive Director

cc: Clinton Pinyan, Esq., Counsel to the Board
Karen Matthew, Director of Investigations & Inspections
Creecy Johnson, Assistant Attorney General
Brian Reise, Drug Enforcement Administration