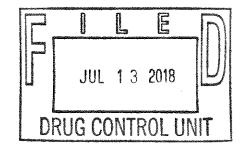
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STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
DRUG CONTROL UNIT

IN THE MATTER OF THE NEW JERSEY PRESCRIPTION BLANK VENDOR AUTHORIZATION ISSUED TO

NELSON PRESS, INC.

Administrative Action

CONSENT ORDER OF TERMINATION

Pursuant to N.J.S.A. 45:14-59 et. seq. and the regulations promulgated thereunder, N.J.A.C. 13:45A-27.1 et. seq., Paul R. Rodrìguez, the Acting Director of the Division of Consumer Affairs (the "Director") is empowered to approve all vendors of uniform New Jersey prescription blanks ("NJPB") in the State of New Jersey. Pursuant to N.J.A.C. 13:45A-27.12, the Director is further authorized to terminate, suspend or place conditions on any authorized NJPB vendor.

Nelson Press, Inc. ("Respondent") operating at 111 East River Road, Rumson, New Jersey, 07760 was at all times related hereto an authorized vender of New Jersey Prescription Blanks ("NJPB") in New Jersey.

In October 2014, Respondent, through its owner, Scott Thompsen, received an order for 1,200 NJPBs in the name of physician R.A.¹ The order was placed by Dr. Kenneth Lewandowski who represented to Respondent that he had hired R.A to work in his practice.² Dr. Lewandowski provided Respondent with copies of R.A.'s New Jersey Medical License and his Drug Enforcement Administration CDS Registration.

Shortly after his initial order, Dr. Lewandowski called back to order an additional 400 NJPBs in the name of R.A. and 400 NJPBs in the name of a co-conspirator Ronald Scott, P.A. Dr. Lewandowski represented that Mr. Scott was being supervised by R.A. Dr. Lewandowski also provided a copy of a voided NJPB issued to Mr. Scott.

During the printing process, Respondent sent copies of the NJPB proofs for R.A. and Mr. Scott to Dr. Lewandowski for approval. When the NJPB order was ready, Respondent allowed Dr. Lewandowski to pick-up the order at Respondent's facility in Rumson. Throughout the transaction Respondent knew Dr. Lewandowski only by the name "Ken."

At no point did R.A. authorize the ordering of NJPBs from Respondent or otherwise have any knowledge that such an order was to be placed in his name. R.A. was alerted to the situation when he checked the New Jersey Prescription Monitoring Program ("PMP") and discovered that multiple prescriptions for CDS, including highly addictive Schedule II narcotics such as Oxycontin, had been issued in his name for patients that were not his.

When the Division became aware of the above information an investigation was initiated by its Enforcement Bureau. During the course of that investigation, Mr. Thompsen acknowledged that Respondent failed to verify and confirm R.A.'s NJPB order directly with him

¹ As R.A. was the victim in this matter his name is redacted to protect his privacy.

² At all times relevant hereto Dr. Lewandowski's medical license was voluntarily surrendered pursuant to a public order filed with the New Jersey Board of Medical Examiners (the "Board") in April 2014. A copy of this order was available on the Internet shortly after it was filed.

and acknowledged that Respondent also failed to deliver the order to the address of record for R.A. or Ronald Scott as required by law. Mr. Thompsen further admitted that Respondent made no efforts to verify the identity of the person he allowed to pick up the NJPB order.

Given these acts and admissions, Respondent entered into a Consent Order with the Director on April 1, 2015. In that Consent Order, a copy of which is attached hereto as Exhibit 1, the Director found that the acts and omissions of Respondent, as detailed above, constituted the following violations of the regulations applicable to the NJPB Program:

- A. Failing to obtain a written request for NJPBs in violation of N.J.A.C. 13:45A-27.9(a)(1);
- B. Failing to obtain the original written signature of the licensed prescriber (R.A. and Ronald Scott) in violation of N.J.A.C. 13:45A-27.9(a)(1);
- C. Failing to verify that Dr. Lewandowski's license is active and in good standing, and the address of record in the Division's database or in notices sent to vendors in violation of N.J.A.C. 13:45A-27.9(a)(2);
- D. Failing to ensure the identity and authority of the prescriber to utilize NJPBs prior to printing or delivering any order for NJPBs in violation of NJ.A.C. 13:45A-27.9(c);
- E. Failing to obtain documentation verifying the identity and licensure of the prescriber in violation of N.J.A.C. 13:45A-27.9(e)(1); and
- F. Failing to verify the licensed prescriber's signature in violation of N.J.A.C. 13:45A-27.9(e)(2).

Given these findings the Consent Order agreed to by Respondent included, in part, the following terms:

1. The authority of Respondent to be a NJPB vendor was terminated effective immediately [April 1, 2015] and for a period of six (6) months from the date of the entry of this Order;

- 2. Six months following the date of entry of the Order, Respondent may reapply to the Division for authorization as a NJPB vendor;
- 3. If Respondent is approved as an authorized NJPB Vendor such approval shall include that the authorization is for a probationary term of not less than four years and six months from the date of approval; and
- 4. During the period of probation, Respondent shall arrange for an audit of all phases of its NJPB ordering and printing processes at six (6) month intervals. The audit shall be conducted by an independent auditing firm approved in advance by the Division, which shall immediately forward copies of the results of the audit to the Division. All costs associated with these audits shall be the sole responsibility of Respondent.

Pursuant to the Consent Order, on April 1, 2015, Respondent was terminated as a NJPB printer vendor. On January 5, 2016, Respondent re-applied to the NJPB Program. On February 8, 2016, pursuant to the terms of the Consent Order, Respondent was approved as a NJPB printer vendor and placed on probation for a period of four years and six months. As part of that approval and probationary term, also as agreed to in the Consent Order, Mercadien, P.C. was approved as the independent auditor for Respondent.

From March 2016 until November 22, 2017, the Division did not receive any correspondence, or reports of any audits, from or on behalf of Respondent. On November 22, 2017, the Division reached out to Scott Thompsen via telephone and electronic mail advising him to submit all audits to the Division no later than November 24, 2017. Nothing was received from Respondent or Mr. Thompsen by November 24, 2017.

On November 30, 2017, a Demand for a Written Statement Under Oath was served upon Respondent via electronic and overnight mail. On December 7, 2017, the Division received a response via electronic mail from Mr. Thompsen on behalf of Respondent. The only information provided in this correspondence was a financial report which appeared to be from 2015 and the

result of one audit which occurred in March 2016. To date, no other information has been received by the Division from or on behalf of Respondent.

The terms of the April 2015 Consent Order entered by Respondent including, but not limited to the mandatory ongoing audits and probationary approval status provided for therein, are conditions imposed upon Respondent under the NJPB Program. Respondent's conduct, as detailed above constitutes violations of the terms of the April 2015 Consent Order and a violation of the probationary approval authorized by the Director on April 8, 2016.

Nelson has indicated its desire to resolve this matter pursuant to the terms of this Consent Order. Pursuant to the above information; the Director's authority under N.J.S.A. 45:14-59 et. seq. and the regulations promulgated thereunder, N.J.A.C. 13:45A-27.1 et. seq., and for good cause shown:

IT IS ON THIS _____ day of ______, 2018 ORDERED that

1. The authority of Nelson to be a NJPB vendor is terminated effective immediately.

- 2. Upon receipt of a filed copy of this Consent Order, Nelson shall cease and desist from printing or distributing NJPBs or in any way representing to the public or potential clients that you are an approved printer/vendor of NJPBs. In accordance with N.J.A.C. 13:45A-27.7(c) you must notify in writing each prescriber and healthcare facility for whom you have printed NJPBs within the previous six months, of your suspension from the program.
- 3. Within seven (7) days of your receipt of a filed copy of this Consent Order, you shall arrange with representatives of the Division to surrender to them, or to a third party preapproved by the Division, all of the materials described in N.J.A.C. 13:45A-27.7(d), to include: computer disks, mechanicals, negatives, and other equipment related to your production or distribution of NJPBs. The materials to be surrendered are to also include any base stock that

remains in your inventory, and any NJPBs that have been formatted or printed for your clients. The materials shall be held in escrow until such time as Nelson is reauthorized as an approved NJPB Printer/Vendor. If such reauthorization does not occur within one (1) year of the date of this Consent Order, all materials shall be destroyed and proof of such destruction provided to the Division.

4. Nelson has been specifically informed that it may consult an attorney to represent it in this matter. Nelson acknowledges that it has been advised of the ability to consult with counsel and that it has chosen to voluntarily enter into this Consent Order.

NEW JERSEY DIVISION OF CONSUMER AFFAIRS

By:

Paul R. Rodriguez,

Acting Director

I have read and understood this Consent Order and consent to be bound by its terms.

Nelson Press, Inc.

Scott Thompsen,

Owner/President

Dated

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