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# **The Pharma Compliance Group:**

## **RISK EVALUATION REPORT**

### **LOCATION**

Smith County Drug Center, Inc.  
1210 Main Street  
Carthage, TN 37030

### **PRIMARY CONTACT**

Steve Wilmore, R.Ph.  
Owner and Pharmacist-in-Charge

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## EXECUTIVE SUMMARY

The Pharma Compliance Group (PCG) conducted a comprehensive due diligence/know your customer assessment of Smith County Drug Center Pharmacy for the HD Smith Drug Co. PCG obtained drug dispensing information on the business and corroborated the information. PCG consultants conducted an on-site inspection that includes an in depth interview of Steven Wilmore, owner and Pharmacist-in-charge. PCG is providing HD Smith with this final report which will enable HD Smith to determine vulnerabilities mitigate risk and culpability as it pertains to Smith County Drug Pharmacy. Furthermore, PCG is providing HD Smith with a customer risk assessment and recommendations that will assist HD Smith maintain effective controls against diversion.

On March 23, 2011, Compliance Consultants Matthew C. Murphy and Carlos M. Aquino from The Pharma Compliance Group, 37 Birch Street, Milford, MA met with Steven Wilmore at Smith County Drug Center Pharmacy, located at 1210 Main Street, North Carthage, TN on behalf of HD Smith, a registered DEA distributor in Schedules II through V controlled substances. Wade Riggins, HD Smith Sales Representative was also present during the meeting. Consultant Murphy advised Pharmacist Wilmore that HD Smith sale records indicate that a recent review of Smith County Drug Center Pharmacy purchases and dispensing of certain schedules II and III controlled substances were significantly above the national average. This necessitated an on-site inspection to determine if the purchased controlled substances were prescribed by the practitioners for a legitimate medical purpose and therefore legitimately dispensed by the pharmacy.

Pharmacist Wilmore was advised that the dispensing information provided to HD Smith was consistent with the dispensing of controlled substances for patients of pain management doctors and clinics. Pharmacist Wilmore, speaking on behalf of Smith County Drug Center Pharmacy, told PCG consultants that the pharmacy fulfills approximately 600 controlled and non-controlled prescriptions daily. Mr. Wilmore stated that the pharmacy is one of the largest pharmacies in the area and has been servicing the Carthage, TN geographical area for many years. Mr. Wilmore also stated that the Smith County Drug Pharmacy has a significant local customer base.

The investigation determined that for a six month period from October 1, 2010 to March 29, 2011, Smith County Drug Center Pharmacy had fulfilled 17,799 prescriptions for schedules II through V controlled substances for practitioners located in and around Carthage, TN

The investigation has shown that there are several compelling circumstances that account for the high volume of prescriptions, specifically controlled substance prescriptions filled by Smith County Drug Center Pharmacy:

- Closing of a Rite Aid Pharmacy located in Carthage, TN.
- The location of the pharmacy in relation to the Riverview Regional Medical Center and the numerous medical building and offices which are located directly behind the pharmacy.
- There are two pharmacies located within three miles of Riverview Medical Center and the medical offices. Smith County Drug Center Pharmacy is the closest pharmacy to these facilities.
- Smith County Drug Center Pharmacy hours are Monday through Friday from 8:00AM to 6:00PM, Wednesday from 8:00AM to 5:30PM and on Saturday from 8:00AM to 4:00PM, which allows for prescriptions to be filled by patients leaving the medical center or medical offices.
- Smith County Drug Center Pharmacy has four pharmacists, six pharmacy technicians and two clerks working in the pharmacy. The pharmacy fulfills a high volume of patient prescriptions in the Carthage, TN geographical area.

The most significant and compelling issue determined by the investigation; seven of the top ten prescribers of controlled substances are employed by two medical groups located in Carthage, TN. The Carthage Family Practice Specialist Clinic, located at 130 Lebanon Highway, Carthage, TN is operated by Dr. Richard Rutherford (CEO), he employs Dr. Larry Turner and Physicians Assistant Peter Alfano. The Carthage Family Practice Specialist Clinic is responsible for 16% of the controlled substance prescriptions filled at the Smith County Drug Pharmacy. The Carthage Family Healthcare Clinic,

located at 133 Hospital Drive, Suite 200, Carthage, TN is operated by Dr. Ernest Jones and employs the following three Nurse Practitioners; Todd Lewis, Stormie Eldred, and until January 2011, Heather Lambert. The Carthage Family Healthcare Clinic is responsible for 29% of the controlled substance prescriptions filled at the pharmacy. The aforementioned practitioners are responsible for prescribing accelerated levels of controlled substances associated with pain management; Alprazolam, Hydrocodone, and Endocet. Specific details are listed in the body of this report.

Most practitioners noted in this report have been practicing medicine in Carthage, TN for more than five years. Database inquiries did not indicate the practitioners were pain specialists or were operating a pain management clinic. The two medical practices mentioned above claim to treat patients for numerous medical situations. Other than the actions taken by the Tennessee Medical Board against Dr. Angela Sue Moss, the practitioners mentioned in this report have not had sanctions against their state medical license or DEA registration.

The details of the investigation conducted by the Pharma Compliance Group are listed below. The dispensing data derived from the Smith County Drug Pharmacy has been analyzed and collated. The data has been categorized by drug and strength, as well as prescriber information. The complete data analysis is an attachment to this report. Public database inquiries have been performed relative to the top ten prescribers associated with the pharmacy. The results are also an attachment to this report.

The PCG report of investigation has determined that the Carthage Family Healthcare Clinic and the Carthage Family Practice Specialist Clinic are responsible for prescribing a high volume of pain medication which is subsequently dispensed by Smith County Drug Pharmacy. The high volume of prescriptions filled from the two clinics, as well as other factors listed above, resulted in the pharmacy dispensing controlled substances, specifically, pain medication **at levels approximately ten percent above the average pharmacy.**

On April 22, 2011, PCG Consultant Murphy spoke with Carthage Police Department Chief John Hogan. Chief Hogan stated that the Carthage Family Healthcare Clinic and the Carthage Family Practice Specialist Clinic are both longstanding medical practices with strong ties to the Carthage, TN community. Chief Hogan further stated that he is not aware of any issues with either practice regarding overprescribing or being sought out by addicts of pain medication drugs, or for those seeking pain medication drugs for illicit purposes. To the contrary, Chief Hogan stated that Pharmacist Wilmore will call the Carthage PD when he believes that a prescription is fraudulent.

Based on the results of the investigation it is the recommendation of the Pharma Compliance Group that HD Smith continue to supply controlled and non controlled substances to Smith County Drug Pharmacy. PCG also recommends the following to minimize any potential liability to HD Smith:

1. Monitor the levels of controlled substances that the practitioners associated with the Carthage Family Practice Specialist Clinic and the Carthage Family Healthcare Clinic prescribe to their patients. Perform annual scheduled due diligence investigations to ensure the legitimacy of the prescriptions. Why is there a high quantity of prescriptions, specifically pain medication drugs being written by these medical doctors and Nurse Practitioners?
2. Determine the volume of controlled substances dispensed by other pharmacies located in Carthage, TN, in relation to Smith County Drug Center Pharmacy.
3. Continuous monitoring of controlled substance ordering patterns by Smith County Drug Pharmacy to determine elevated levels of those controlled substances associated with pain management doctors and clinics.

## DETAILS OF INVESTIGATION

A Usage Information Report was created for this investigation. The report indicates that between the periods October 1, 2010 to March 31, 2011, Smith County Drug Center Pharmacy filled 17,799 controlled substance prescriptions. Three drugs accounted for 57% of the total controlled substance prescriptions dispensed by the pharmacy. The drugs were: Hydrocodone 24%, Alprazolam 21% and Endocet 11%. The total of these three controlled substances accounted for 10,046 prescriptions of the total 17,799 controlled substance prescriptions.

The week of March 21, 2011 was selected for review. The dates consisted of Monday March 21, 2011 through Friday March 25, 2011. During that period of time the pharmacy fulfilled 2,994 prescriptions for controlled and non-controlled substances. According to the Usage Information report, 539 of those prescriptions were for controlled substances which accounted for 18% of the total prescriptions for that week.

Based on the average of 600 prescriptions for controlled and non-controlled substances filled on a daily basis and the dispensing information obtained through the use of the Usage Information Report, it could be estimated that an average of 25% of the total prescriptions were filled for controlled substances.

- October 2010 – Approximately 14,400 prescriptions; 3,421 were for controlled substances which accounted for 24% of the total
- November 2010 – Approximately 15,500 prescriptions; 3,069 were for controlled substances which accounted for 20% of the total
- December 2010 – Approximately 15,000 prescriptions; 3,008 were for controlled substances which accounted for 20% of the total
- January 2011 – Approximately 15,000 prescriptions; 2,717 were for controlled substances which accounted for 19% of the total
- February 2011 – Approximately 14,400 prescriptions; 3,564 were for controlled substances which accounted for 25% of the total
- March 2011 – Approximately 15,600 prescriptions; 2,775 were for controlled substances which accounted for 18% of the total

There are ten practitioners identified accounting for 11,776 prescriptions or 67% of the total of 17,799 controlled substance prescriptions. The prescribers consisted of five Medical Doctors, one Doctor of Osteopathic Medicine, three Nurse Practitioners, and one Physician Assistant. Reference is made to the Prescribing Practitioner attachment for additional information.

There were three drugs that accounted for 57% of the total controlled substance prescriptions dispensed by the pharmacy. The drugs were: Hydrocodone 25%, Alprazolam 19% and Endocet 13%. The total of these three controlled substances accounted for 10,046 prescriptions out of a total of 17,799 controlled substance prescriptions.

The Usage Information Report does not identify refilled prescriptions for Hydrocodone or Alprazolam nor does the Patient Information identify those refilled prescriptions. Also, the report does not list patient information which would identify those patients who are reoccurring patients being prescribed Endocet.

## HOURS OF OPERATION

Smith County Drug Center Pharmacy operates six days a week. The hours are listed as follow:

- Monday, Tuesday, Thursday and Friday from 8:00AM to 6:00PM
- Wednesday from 8:00AM to 5:30PM
- Saturday from 8:00AM to 4:00PM

According to Pharmacist Wilmore the busiest day of the week is Monday because most of the local physicians are in their offices treating patients. The busiest week of the month is the first week of the month since the Tennessee Medicaid regulations allows the fulfilling of up to five prescriptions per member only during the first week of the month.



## PHARMACY POLICY

Pharmacist Wilmore stated that Smith County Drug Center Pharmacy has a Due Diligence pharmacy policy for dispensing any controlled substance in the form of a prescription to a customer. He stated that the pharmacy is in close proximity to numerous medical centers and physician offices that have resulted in the dispensing of about 600 prescriptions for controlled and non-controlled substances on a daily basis of which 25 percent are for controlled substances.

Pharmacist Wilmore stated that he has established a verbal due diligence policy which applies to all pharmacy personnel including the pharmacist and the pharmacy technicians which has assisted in identifying questionable prescriptions. Pharmacy personnel are instructed to review the information that is listed on any prescription in order to determine the legitimacy of the prescription and that all the required information is noted on the prescription.

Pharmacist Wilmore stated that their customers reside within a 30 mile radius of the pharmacy. Any prescription for a patient outside their mileage zone, or out-of-state customer or for any out-of-state physician is generally rejected by the staff and given back to the patient.

If the prescription is for a recurring patient who is known to the pharmacy staff, the customer is questioned to determine if there are changes in the use of the medication, requiring the pharmacy to contact the physician. If there are changes to the prescription; whether a different drug is prescribed, the quantity being prescribed, or the directions written on the prescription, the physician is contacted by the pharmacy staff in order to correct any potential errors.

Pharmacist Wilmore stated that a new customer residing in the 30 mile radius of the pharmacy that brings a new prescription and is not known to the pharmacy staff will be required to provide personal ID information. In addition to the prescribing physician's information, the customer is questioned regarding the purpose of the prescription and physician information if the physician is not known to the pharmacy staff.

Regarding payment for prescriptions, most customers utilize a medical card for the prescription services provided by the pharmacy. Pharmacist Wilmore stated that about 95 percent of patients reside within the 30 mile radius of the pharmacy and are seen by a physician who also practices medicine within that same area.

Most physicians located within the 30 mile radius of the pharmacy also treat for pain but are not specializing in pain management. Prescriptions filled by the pharmacy as part of a patient treatment plan are only filled if the pharmacy staff is familiar with the patient, their pain treatment plan and the prescribing physician. Most physicians have been practicing medicine from their office for many years. The pharmacy is not aware of a prescriber recently moving into the area specializing in pain management, nor are they familiar with any pain management clinic identified as a YPill Mill.Φ



## CONTROLLED SUBSTANCES DISPENSING RECORDS

To determine the dispensing history of Smith County Drug Center Pharmacy, a report of all controlled substances dispensed was provided by Pharmacist Wilmore covering the time period October 1, 2010 through March 29, 2011. The information provided by Pharmacist Wilmore was modified by The Pharma Compliance Group personnel in order to determine the dispensing history of controlled substances by Smith County Drug Center Pharmacy. The Usage Information Report (Attachment #1) includes: the drug, strength, prescription number, date of dispensing, practitioner, DEA number and zip code of the patient. Patient information was not part of the request. The report focuses on the number of prescriptions filled and the physician who wrote the prescription.

If noted on the prescription, each Schedule III through V controlled substance prescription can be allocated five refills within six months. The aforementioned report does not reflect whether a prescription for these schedule drugs was refilled as part of the initial report. Schedule II prescriptions are not permitted to be refilled by a pharmacy and the report does not identify reoccurring patients.

The Usage Information Report is divided into several sub-folders in order to determine the frequency of prescriptions written by the practitioners and those fulfilled and dispensed by Smith County Center Pharmacy. The sub-folders are labeled as follows:

- **TOTAL DRUGS** – This folder includes all controlled substances by drug and strength. The folders are ordered by the controlled substance dispensed from the most to the least. The total number of prescriptions filled during the time period amounted to 17,799 during the six month period.
- **TOTAL FOR THE TOP TEN**- Of the 17,799 prescriptions, this folder includes the prescribing information for the top ten prescribers mentioned in this report. The information includes: date filled, prescription number, drug with strength, practitioner, DEA number and patient's zip code. The top ten includes:
  - Ernest Jones, M.D. – Total 2,273 prescriptions (13% of 17,799)
  - Bowdoin Smith, D.O. – Total 2,100 prescriptions (12% of 17,799)
  - Todd Lewis, N.P. – Total 1,966 prescriptions (11% of 17,799)
  - Richard Rutherford, M.D. – Total 1,695 prescriptions (10% of 17,799)
  - Angela Sue Moss, M.D. – Total 1,473 prescriptions (8% of 17,799)
  - Larry Turner, M.D. – Total 682 prescriptions (4% of 17,799)
  - Stormie Eldred, N.P. – Total 522 prescriptions (3% of 17,799)
  - Pete Alfano, P.A. – Total 431 prescriptions (2% of 17,799)
  - Heather Lambert, N.P. – Total 305 prescriptions (2% of 17,799)
  - Robert G. Roy, M.D. – Total 329 prescriptions (2% of 17,799)
- **DRUGS (BY MONTH)** – This folder contains the total of dispensed prescriptions by the month it was fulfilled by Smith County Drug Center Pharmacy. The six month period begins October 1, 2010 and ends March 31, 2011 for a total of 17,799 controlled substance prescriptions.

October 2010 – Total of 3,421 prescriptions  
November 2010 – Total of 3,069 prescriptions  
December 2010 – Total of 3,008 prescriptions  
January 2011 – Total of 2,817 prescriptions  
February 2011 – Total of 2,717 prescriptions

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March 2011 – Total of 2,775 prescriptions

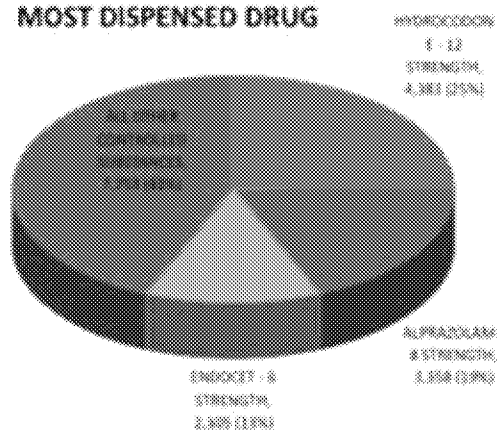
- **DRUGS (MARCH 2011)** – This folder contains the total number of controlled substance prescriptions filled by Smith County Drug Center Pharmacy during the month of March 2011. The numbers is high at the beginning of the month as opposed to the end of the month. Pharmacist Wilmore explained that it was due to the fact that Tennessee Medicaid regulation requires that Medicaid prescriptions be filled at the beginning of each month and for no more than five prescriptions. See PHARMACY DISPENSING IN MARCH 2011 Section for further explanation.
- **HYDROCODONE (BY DRUG)** – This folder contains Hydrocodone in tablets (eleven strengths) and in liquid form (two strengths). The most dispensed strength is listed on the top while the least dispensed is on the bottom. The prescriptions accounted for 11 strengths accounting for 4,104 prescriptions in tablets and 2 strengths accounting for 276 prescriptions in liquid form. The most dispensed strengths were 7.5/500 mg which accounted for 1,282 prescriptions, the 10/500 mg which accounted for 934 prescriptions, and the 5/500mg which accounted for 728 prescriptions. They accounted for 2,944 or 67% of the total Hydrocodone prescriptions. Of all controlled substance prescriptions Hydrocodone accounted for 25% of the total.
- **HYDROCODONE (BY PRESCRIBER)** – This folder contains the number of Hydrocodone prescriptions written by prescribers including physicians, nurse practitioners and physician assistants.
- **ALPRAZOLAM (BY DRUG)** – This folder contains Alprazolam tablets in eight strengths. The most dispensed is listed on the top while the least dispensed is on the bottom. A total of 3,358 Alprazolam prescriptions were accounted for in the report. The most dispensed strength was the 1.0 mg which accounted for 1,804 prescriptions, the 0.5 mg which accounted for 911 prescriptions while the 2.0 mg accounted for 617 prescriptions. Therefore, the three strengths accounted for 99% of the Alprazolam prescriptions. Alprazolam accounted for 19% of the total of all controlled substance prescriptions.
- **ALPRAZOLAM (BY PRESCRIBER)** - This folder contains the number of Alprazolam prescriptions written by prescribers including physicians, nurse practitioners and physician assistants.
- **ENDOCET (BY DRUG)** – This folder contains Endocet tablets in six strengths. Endocet is a generic form of Percocet which contains Oxycodone and Acetaminophen. The most dispensed is listed on the top while the least dispensed is on the bottom. A total of 2,305 Endocet prescriptions were accounted for in the report. The most dispensed strength was 10/325 mg tablet which accounted for 1,461 prescriptions or 63% of all Endocet prescriptions. Endocet accounted for 13% of all controlled substance prescriptions.
- **ENDOCET (BY PRESCRIBER)** - This folder contains the number of Endocet prescription written by prescribers including physicians, nurse practitioners and physician assistants.
- **SUMMARY SHEET** – This folder is divided into two sections. Section one list the top prescribed controlled substances. Utilizing the information provided by Smith County Drug Center Pharmacy, there were three drugs that accounted for 57% of the total controlled substance prescriptions dispensed by the pharmacy. The drugs were: Hydrocodone 25%, Alprazolam 19% and Endocet 13%. The total of these three controlled substances accounted for 10,046 prescriptions out of a total of 17,799 controlled substance prescriptions.

Section Two contains 10 prescribers accounting for 11,776 prescriptions or 66% of the total of 17,799 controlled substance prescriptions. The prescribers consisted of five Medical Doctors, one Doctor of Osteopathic Medicine, three Nurse Practitioners, and one Physician Assistant.

Both Hydrocodone and Endocet are used as part of a medical treatment plan when dealing with pain management. Alprazolam in many cases is prescribed for patients dealing with anxiety and the anxiety related to pain encountered by the patient as a result of an injury or other credible disease.

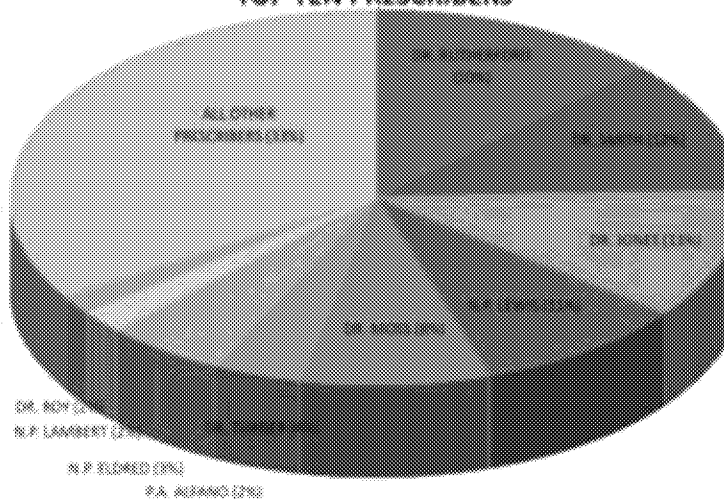
MOST DISPENSED DRUG			
Rank	PRESCRIPTIONS	CONTROLLED SUBSTANCE	% OF TOTAL
1	4,383	HYDROCODONE - 12 STRENGTH	25%
2	3,358	ALPRAZOLAM - 8 STRENGTH	19%
3	2,305	ENDOCET - 8 STRENGTH	13%
Remainder	7,753	ALL OTHER CONTROLLED SUBSTANCES	43%

## MOST DISPENSED DRUG



TOP TEN PRESCRIBERS			
Rank	PRESCRIPTIONS	DOCTOR	% OF TOTAL
1	2273	ERNEST JONES, M.D.	13%
2	2100	BOWDOIN SMITH, D.O.	12%
3	1966	TODD LEWIS, NP	11%
4	1,895	RICHARD RUTHERFORD, M.D.	10%
5	1,473	ANGELA SUE MOSS, M.D.	8%
6	682	LARRY TURNER, M.D.	4%
7	522	STORMEE ELDRED, N.P.	3%
8	431	PETE ALFANO, P.A.	2%
9	329	ROBERT G. ROY, M.D.	2%
10	305	HEATHER LAMBERT, N.P.	2%
Remainder	5,023	ALL OTHER PRESCRIBERS	32%

## TOP TEN PRESCRIBERS



## PHARMACY DISPENSING IN MARCH 2011

This folder contains the total number of controlled substance prescriptions filled by Smith County Drug Center Pharmacy during the month of March 2011. The numbers are high at the beginning of the month as opposed to the end of the month. This is due to the fact that Tennessee Medicaid regulation requires that Medicaid prescriptions be filled at the beginning of each month and for no more than five prescriptions.

During the above interview, Pharmacist Wilmore stated that the pharmacy filled on average 600 prescriptions for controlled and non-controlled prescriptions. During the week of March 21, 2011 a total of 3,834 prescriptions for controlled and non-controlled substances were filled by the pharmacy. This figure was provided by Pharmacist Wilmore from their Pharmacy Daily Dispensing Logs that are generated by a pharmacy at the end of the day and signed by the pharmacist in charge for that day. The breakdown showed the following:

March 21, 2011 - 840 total prescriptions (148 controlled substance prescriptions – 18% of total)  
March 22, 2011 - 551 total prescriptions (110 controlled substance prescriptions – 20% of total)  
March 23, 2011 - 545 total prescriptions (118 controlled substance prescriptions – 22% of total)  
March 24, 2011 - 557 total prescriptions (86 controlled substance prescriptions – 16% of total)  
March 25, 2011 - 501 total prescriptions (77 controlled substance prescriptions – 15% of total)

## PRESCRIBING PRACTITIONERS

As noted in the Summary Sheet of the Usage Information Report, the prescribers consist of five Medical Doctors, one Doctor of Osteopathic Medicine, three Nurse Practitioners and one Physician Assistant. Public database inquiries indicate they are registered with the Drug Enforcement Administration in their specific area of practice and with the Tennessee Medical Boards.

SMITH COUNTY DRUG CENTER HIGH PRESCRIBING DOCTORS

LAST NAME	FIRST NAME	CITY/STATE	STATE COURT RECORD <sup>1</sup>	STATE DISCIPLINARY ACTIONS <sup>2</sup>	FEDERAL CRIMINAL COURT RECORD <sup>3</sup>	DEA ACTIONS <sup>4</sup>
Alleno**	Peter F.	Carthage, TN	none found	none found	none found	none found
Eldred*	Stormiee	Carthage, TN	none found	none found	none found	none found
Jones	Ernest J.	Carthage, TN	none found	none found	none found	none found
Lambert*	Heather D.	Carthage, TN	none found	none found	none found	none found
Lewis*	C. Todd	Carthage, TN	none found	none found	none found	none found
Roy	Robert G.	Carthage, TN	none found	none found	none found	none found
Rutherford	Richard T.	Carthage, TN	none found	none found	none found	none found
Smith	Bowdoin G.	Carthage, TN	none found	none found	none found	none found
Turner	Larry L.	Carthage, TN	none found	none found	none found	none found

\* Nurse  
Practitioner  
\*\* Physician  
Assistant

<sup>1</sup> The Tennessee Courts website does not provide any information on cases. Above results reflect a general web search for any negative information on these doctors.

<sup>2</sup> HealthPractix.com / The leading independent healthcare coverage organization

<sup>3</sup> Public Access to Court Electronic Records (PACER) - Prosecutions found within state for violations of the CJA.

<sup>4</sup> DEA /Office of Diversion Control website

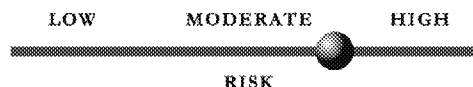
Based on the percentage of certain controlled substances written by the prescribers associated with the Smith County Drug Pharmacy, The Pharma Compliance Group has assigned a risk factor to the top ten prescribers.

**Ernest Jones, M.D.**

**DEA: AR2379320**

**TN Medical License: Medical Doctor 27451**

### MODERATE TO HIGH RISK



According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Dr. Jones accounts for 2,273 (13%) of the total 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

Public database inquiries and the Tennessee Department of Health determined that Dr. Jones is the owner of the Carthage Family Healthcare Clinic located at 133 Hospital Drive, Suite 200, Carthage, TN 37030. Tennessee Medical Boards Records state that Dr. Jones was licensed to practice medicine on November 2, 1995 by the Tennessee Medical Board. There have been no disciplinary actions taken against Dr. Rutherford by the Tennessee Medical Board.

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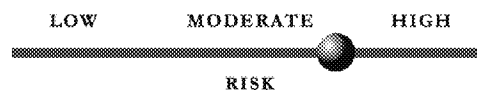
The **PHARMA**  
Compliance Group

Dr. Jones holds staff privileges at two hospitals located in Tennessee: Riverview Regional Medical Center and Smith County Memorial Hospital. His practice is a participant of the TennCare Medical Plan which includes Blue Care, PHP and the Xantus Plans.

**Bowdoin Smith, D.O.**

**DEA: BS1056399**

**TN Medical License: Osteopathic Doctor 741**



**MODERATE TO HIGH RISK**

According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Dr. Smith accounts for 2,100 (12%) of the total 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

Public database inquiries and the Tennessee Department of Health determined that Dr. Smith practices medicine in an office located at 9 Maggart Circle, Carthage, TN 37030. Public database inquiries indicate Dr. Smith was licensed to practice medicine on August 3, 1987 by the Tennessee Medical Board. There have been no disciplinary actions taken against Dr. Smith by the Tennessee Medical Board.

Dr. Smith holds staff privileges at Riverview Regional Medical Center located in Carthage, TN. His practice is a participant of the TennCare Medical Plan which includes Blue Care and the Phoenix Plans.

**Todd Lewis, N.P.**

**DEA: ML0752128**

**TN Medical License: Nurse Practitioner 8091**



**MODERATE TO HIGH RISK**

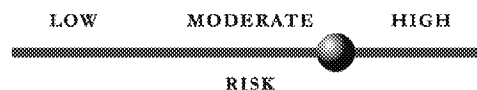
According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Nurse Practitioner Lewis accounts for 1,966 (11%) of the 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

Public database inquiries and the Tennessee Department of Health determined Nurse Practitioner Lewis practices medicine at 133 Hospital Drive, Suite 200, Carthage, TN 37030. Database inquiries indicate that Nurse Practitioner Lewis was licensed to practice medicine as a Nurse Practitioner on August 13, 2004 by the Tennessee Medical Board and Dr. Ernest Jones is listed as his supervising physician. He is board certified with ANCC as a Certified Nurse Practitioner. There have been no disciplinary actions taken against Nurse Practitioner Lewis by the Tennessee Medical Board.

**Richard Rutherford, M.D.**

**DEA: AR 2379320**

**TN Medical License: Medical Doctor 15146**



**MODERATE TO HIGH RISK**

According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Dr. Rutherford accounts for 1,695 (10%) of the total 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

Public database inquiries and the Tennessee Department of Health determined that Dr. Rutherford is the CEO of Carthage Family Practice Specialist Clinic located at 130 Lebanon Hwy, Carthage, TN 37030. The clinic is housed in an office building that is part of the Riverview Regional Medical Center which is owned and operated by High Point Health System. Riverview Regional Medical Center is a 63-bed acute care hospital which provides 24-hour emergency services, general medical/surgical care and has on staff more than 80 physicians and mid-level providers.

Database inquiries indicate that Dr. Rutherford was licensed to practice medicine on October 6, 1983 by the Tennessee Medical Board. Dr. Rutherford is certified by the American Board of Family Practice with a specialty in Family Practice. He is a faculty member at Trevecca Nazarene University, Carthage, TN and is listed as a Clinical Instructor. There have been no disciplinary actions taken against Dr. Rutherford by the Tennessee Medical Board

Dr. Rutherford holds staff privileges at Riverview Regional Medical Center and Trousdale Medical Center. His practice is a participant of the TennCare Medical Plan which includes Blue Care, PHP and the Phoenix Plans.

**Angela Sue Moss, M.D.**

**DEA: BM7306409**

**TN Medical License: Medical Doctor 15952**



#### **MODEATE RISK**

According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Dr. Moss accounts for 1,473 (8%) of the 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

Public database inquiries and the Tennessee Department of Health determine that Dr. Moss practices medicine at Gordonsville Clinic, 126 Jmz Drive, Gordonsville, TN 38563. Public database inquiries indicate that Dr. Moss was licensed to practice medicine on March 7, 2001 by the Tennessee Medical Board. Dr. Moss holds staff privileges at Riverview Regional Medical Center located in Carthage, TN.

According to the Tennessee Department of Health, On November 2, 2009 Dr. Moss' ability to practice medicine in Tennessee was placed on probation for two years under Case No. 2007014351 for failing to adequately document a patient's treatment plan. Dr. Moss was required to meet all the terms noted in the agreement and was assessed a \$5,000 civil fine.

**Larry Turner, M.D.**

**DEA: AT8160791**

**TN Medical License: Medical Doctor 11288**



#### **LOW RISK**

According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Dr. Turner accounts for 682 (4%) of the 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

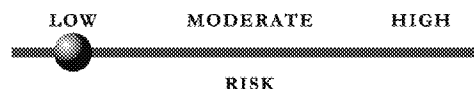
Public database inquiries and the Tennessee Department of Health determine that Dr. Turner practices medicine at Carthage Family Practice Specialties, located at 130 Lebanon Highway, Suite B, Carthage, TN 37030 which is owned and operated by Dr. Richard Rutherford. Public database inquiries indicate Dr. Turner was licensed to practice medicine on July 10, 1978 by the Tennessee Medical Board. There have been no disciplinary actions taken against Dr. Turner by the Tennessee Medical Board.

Dr. Turner holds staff privileges at Riverview Regional Medical Center located in Carthage, TN and Baptist DeKalb Hospital, Smithville, TN. His practice is a participant of the TennCare Medical Plan which includes Blue Care, Access Med Plus and the Phoenix Plans.

**Stormie Eldred, N.P.**

**DEA: ME2323614**

**TN Medical License: Nurse Practitioner 15513**



#### LOW RISK

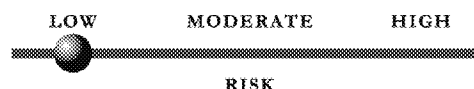
According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Nurse Practitioner Eldred accounts for 522 (3%) of the 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

Public database inquiries and the Tennessee Department of Health determine that Nurse Practitioner Eldred practices medicine at Carthage Family Healthcare Clinic, located at 133 Hospital Drive, Suite 200, Carthage, TN 37030 which is owned and operated by Dr. Ernest Jones. A check shows that Nurse Practitioner Eldred was licensed to practice medicine on January 25, 2011 by the Tennessee Medical Board, and Dr. Ernest Jones is listed as the Supervising Physician. There have been no disciplinary actions taken against Nurse Practitioner Eldred by the Tennessee Medical Board

**Pete Alfano, P.A.**

**DEA: MA0575918**

**TN Medical License: Physician Assistant 432**



#### LOW RISK

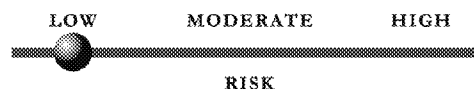
According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Physician Assistant Alfano accounts for 431 (2%) of the 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

According to database inquiries and the Tennessee Department of Health, Physician Assistant Alfano practices medicine at Carthage Family Practice Specialists, located at 130 Lebanon Highway, Suite B, Carthage, TN 37030 which is owned and operated by Dr. Richard Rutherford. Public database inquiries indicate that Physician Assistant Alfano was licensed to practice medicine on November 28, 1994 and Dr. Richard Rutherford is listed as the Supervising Physician. There have been no disciplinary actions taken against Physician Assistant Alfano by the Tennessee Medical Board.

**Heather Lambert, N.P.**

**DEA: ML0637198**

**TN Medical License: Nurse Practitioner 7920**



#### LOW RISK

According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Nurse Practitioner Lambert accounts for 305 (2%) of the 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

According to Pharmacist Wilmore, Nurse Practitioner Lambert was employed by Carthage Family Healthcare Clinic until January 2011, which is owned and operated by Dr. Ernest Jones. According to the Tennessee Medical Board, Nurse



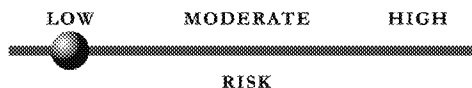
Practitioner Lambert is now associated with Women's Health Center located at 1421 W. Baddour Parkway, Suite B, Lebanon, TN. Her primary supervising physician is identified as Dr. Alan W. Roundtree by the Tennessee Medical Board.

Public database inquiries determine that Nurse Practitioner Lambert was licensed to practice medicine on August 13, 2004 by the Tennessee Medical Board and Dr. Ernest Jones is the Supervising Physician. There have been no disciplinary actions taken against Nurse Practitioner Lambert by the Tennessee Medical Board.

**Robert G. Roy, M.D.**

**DEA: BR5051470**

**TN Medical License: Medical Doctor 31258**



## LOW RISK

According to the Usage Information Report based on information provided by Smith County Drug Center Pharmacy, Dr. Roy accounts for 329 (2%) of the 17,799 controlled substance prescriptions filled by the pharmacy during the aforementioned time period.

Public database inquiries and the Tennessee Department of Health determined that Dr. Roy practices medicine in an office located at Tanglewood Medical Center, 259 Dixon Springs Highway, Carthage, TN 37030. Public database inquiries indicate that Dr. Roy was licensed to practice medicine on March 17, 1999 by the Tennessee Medical Board. There have been no disciplinary actions taken against Dr. Smith by the Tennessee Medical Board.

Dr. Roy holds staff privileges at Riverview Regional Medical Center located in Carthage, TN. His practice is a participant of the TennCare Medical Plan which includes Blue Care and the Phoenix Plans.

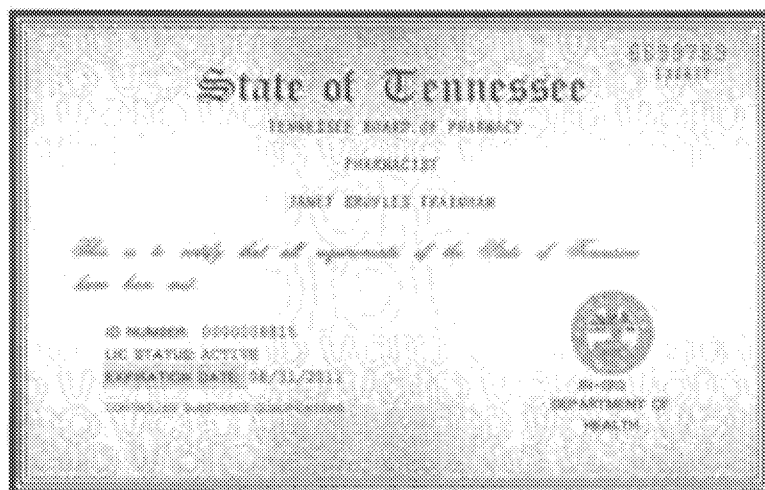
## REQUIRED REGISTRATIONS AND LICENSES

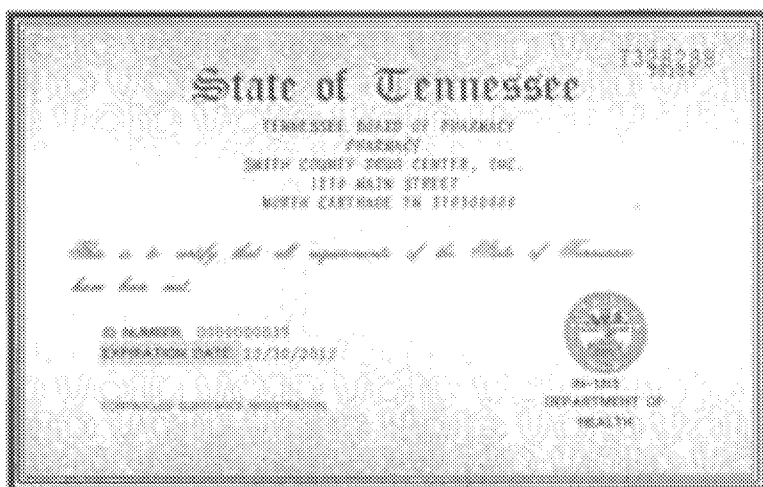
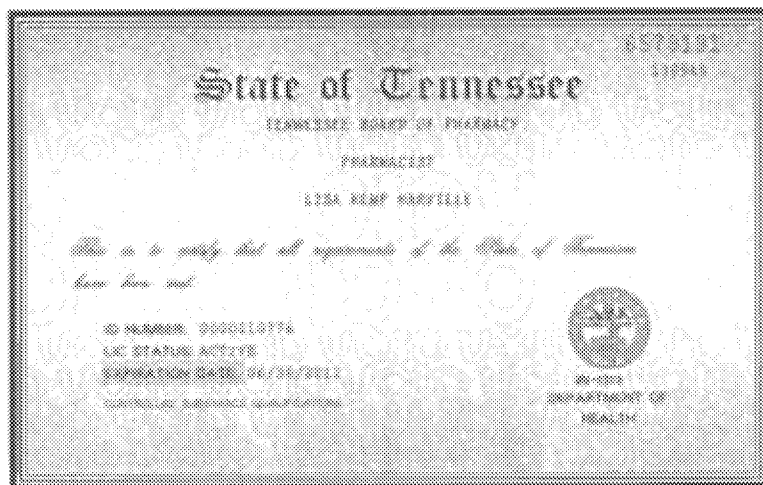
The following registrations and licenses were obtained by Smith County Drug Center Pharmacy in order to operate as a retail pharmacy.

Smith County Drug Center Pharmacy is registered with DEA under registration #AS2660365 listing the business activity as a Retail Pharmacy with Schedules II through V privileges. The expiration date is February 29, 2012. Other DEA certificates include a CSOS Certificate and a CMEA Certificate.

Smith County Drug Center Pharmacy is registered (#000000039) as a Pharmacy with the Tennessee Board of Pharmacy. Other information provided by Smith County Drug Center Pharmacy includes the Tennessee pharmacist's registration certificates for Pharmacists Lisa Kemp Harville, Cozette West Manus, Janet Broyles Trainham and Steve Wilmore.







The image shows two sample Tennessee Prescription Renewal forms. The top form is for Schedule II-IV controlled substances, and the bottom form is for Schedule V controlled substances. Both forms include fields for patient information, prescriber information, and a section for the pharmacist to fill out.

## PHYSICIAN MEDICAL PRACTICE INFORMATION

The following information was obtained through public database inquiries and the Tennessee Department of Health.

According to its website [www.carthagefamilypractice.com](http://www.carthagefamilypractice.com), the Carthage Family Practice Specialists Clinic is owned and operated by Dr. Richard Rutherford who was identified as the CEO and is located at 130 Lebanon Highway, Suite B, Carthage, TN. Also listed practicing medicine at this location is Dr. Larry Turner and Physician Assistant Pete Alfano. The Carthage Family Practice Specialists website identifies 24 staff employees. Also listed on the website is Nurse Practitioner Joel Hart as the ER provider for Carthage ER Associates, LLC. The website notes that the medical practice is a family oriented practice and not a pain management clinic.

Based on the aforementioned dispensing records listed on the Usage Information Report, Dr. Rutherford, along with Dr. Turner and Physician Assistant Alfano, accounted for 2,808 controlled substance prescriptions or 16% of the 17,799 controlled substance prescriptions fulfilled by Smith County Drug Center Pharmacy during the six months noted on the Usage Information Report.

Carthage Family Healthcare is owned and operated by Dr. Ernest Jones at 133 Hospital Drive, Suite 200, Carthage, TN. Also listed practicing medicine at this location is Nurse Practitioners Todd Lewis and Stormie Eldred. According to the Usage Information Report, Dr. Jones, Nurse Practitioners Lewis and Lambert accounted for 5,066 controlled substance prescriptions or 28% of the 17,799 controlled substance prescriptions filled during the six months noted on the Usage Information Report.

These two practices account for seven of the ten prescribing practitioners mentioned in this report. The Usage Information Report shows that they account for 7,874 prescriptions or 44% of the 17,799 controlled substance prescriptions filled by Smith County Drug Center Pharmacy. The three primary controlled substances prescribed included various strengths and forms of Endocet (Schedule II Narcotics), Hydrocodone (Schedule III Narcotics), and Alprazolam (Schedule IV). Dr. Bowdoin Smith, Dr. Angela Sue Moss, and Dr. Robert Roy accounted for 3,902 or 22% of the 17,799 controlled substance prescriptions. The remaining or 34% of the 17,799 controlled substance prescriptions were written by a variety of practitioners practicing medicine in Carthage, TN.

**NOTE:** The elements of the Usage Information Report do not identify refilled prescriptions for Hydrocodone or Alprazolam nor does the Patient Information identify those refilled prescriptions. Also, the report does not list patient information which would identify those patients who are reoccurring patients being prescribed Endocet.

### LOCATION OF CLINICS TO THE PHARMACY

The Carthage Family Practice Specialists located at 130 Lebanon Highway, Carthage, TN is located less than a mile from Smith County Drug Center Pharmacy. Carthage Family Healthcare is located about one tenth of a mile from the pharmacy. The other physician's offices listed in the report are located less than five miles of the pharmacy

### INFORMATION ON SMITH COUNTY

Smith County Drug Center Pharmacy is located in Smith County in the State of Tennessee. The population of Smith County is 19,201 as of July 2009 and it is 314 square miles. According to [www.superpages.com](http://www.superpages.com) there are only three pharmacies within five miles of Smith County Center Pharmacy. They are listed as follow:

- Hospital Discount Drug Center, 124 Lebanon Highway, Carthage, TN
- Hackett's Discount Drugs, 70 Dixon Springs Highway, Carthage, TN
- Rite Aid, 74 Dixon Springs Highway, Carthage, TN

Smith County Drug Center Pharmacy is located less than a mile from the Riverview Regional Medical Center located at 158 Hospital Drive, Carthage, TN which is a 24/7 hospital with full emergency services for Smith County. Riverview Regional Medical Center has a North Campus and South Campus located within two miles of Smith County Center Pharmacy. Located directly behind the pharmacy are several other large medical center buildings.

## THE PHARMA COMPLIANCE GROUP SOLUTION

The Drug Enforcement Administration (DEA) through their Office of Diversion Control is responsible for the enforcement of federal laws and DEA regulations pertaining to the handling of controlled substances and regulated chemicals in order to detect and prevent the diversion of controlled substances and regulated chemicals into the illicit market. The DEA YKnow Your Customer Policy<sup>Φ</sup> is the due diligence that is required from DEA registered Manufacturers and Distributors handling Schedules I through V controlled substances and regulated chemical products in order to detect and prevent diversion of these products into the illicit market.

Since the passage of the Controlled Substances Act, emphasis has been placed on Manufacturers and Distributors, registered with DEA, to design and operate a system that will disclose suspicious orders of controlled substances and regulated chemical products by their customers. The responsibilities by DEA registered Manufacturers and Distributors is to assure DEA that all purchased and dispensed controlled substances and regulated chemical products are for legitimate use. The responsibility is not only for their customer but also their customer's customers.

In conclusion, the Pharma Compliance Group has performed a comprehensive due diligence investigation of the Smith County Drug Pharmacy. During the course of the investigation, PCG consultants reviewed the pharmacy dispensing habits with the mindset of **how would the DEA evaluate this pharmacy**. The PCG consultants,

who are former DEA investigators, have determined that there are compelling factors which are contained in this report that account and justify the elevated levels of prescriptions, particularly controlled substance prescriptions dispensed by Smith County Drug Pharmacy.

Furthermore, the PCG investigation is based on research and data that has been reviewed and substantiated to justify the recommendations articulated in this report.

The Pharma Compliance Group looks forward to a continued partnership with the HD Smith Drug Co. to prevent the illicit diversion of controlled substances.