
From: Cochrane, Michael <Michael.Cochrane@Andanet.com>
Sent: Friday, May 13, 2011 2:58 PM
To: Esteves, Alberto
Cc: Cochrane, Patrick
Subject: FW:
Attachments: control substance review.doc

Please give them a copy of this memo. This was given to our local office during our inspection/audit in September 2008. Also, can you get cards and their email addresses for us down here?

Thanks
Mike

From: Michael Cochrane
Sent: Tuesday, April 12, 2011 10:01 AM
To: Alberto Esteves
Subject:

Please see attached.

Thanks
Mike





**ANDA INC.
INTEROFFICE
MEMORANDUM**

DATE: July 24, 2008
TO: Files
FROM: Brian Witte
SUBJECT: Control Substance Reviews

In July 2007 Al Paonessa III and other Watson/Anda employees were requested to meet at the DEA Headquarters in Washington, DC. During the initial contact to set-up the meeting, the DEA asked for significant changes, prior to the meeting. Anda put 1 piece daily limits on all controlled substances that are available in 100ct bottles and made every other size unavailable until the DEA meeting.

In the August meeting the DEA was concerned with the amount of controlled substances that Anda was shipping to certain customers. Anda explained the change already made to the system, the DEA already was aware of some type of change from the ARCOS submissions. The DEA mentioned that in their research they found that the average pharmacy did not use more than 5,000 dosage units of a controlled substance chemical per month; specifically Hydrocodone was used as the example. Anda used that as a benchmark to create the threshold and allow all of their customers to purchase up to the 5,000 dosage units per chemical.

The DEA is aware that there are some pharmacies that could far exceed 5,000 dosage units per month. Anda reviews past sales history as well as the percentage of controlled substance sales vs. non-controlled substance sales before giving any customers an increase over the 5,000 dosage units per month. A customer may also be asked to complete a questionnaire regarding their company. In some instances customers are asked to submit a dispensed report for 1-3 months sorted by top script. Based on the information obtained from the customer they may be recommended for an increase over 5,000. Any increases must be approved by Al Paonessa III.