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**STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION
BEFORE THE ADMINISTRATIVE DIRECTOR**

In Re: PROVIDER SUSPENSION

ORDER OF SUSPENSION

**HARBOR DRUG COMPANY, INC. DBA
STEVEN'S PHARMACY,

Respondent.**

Labor Code section 139.21(a)(1)(D) requires the Administrative Director of the Division of Workers' Compensation (Administrative Director) to suspend any entity from participating in the California workers' compensation system as a physician, practitioner, or provider if the entity controlled by an individual who has been convicted of a felony or misdemeanor described in Labor Code section 139.21(a)(1)(A).

Labor Code section 139.21(a)(1)(A) requires the Administrative Director to suspend any physician, practitioner, or provider from participating in the California workers' compensation system as a physician, practitioner, or provider if the individual or entity has been convicted of any felony or misdemeanor and that crime either: (1) involves fraud or abuse of the federal Medicare or Medicaid programs, the Medi-Cal program, or the workers' compensation system, or fraud or abuse of any patient; (2) relates to the conduct of the individual's medical practice as it pertains to patient care; or (3) is a financial crime that relates to the federal Medicare or Medicaid programs, the Medi-Cal program, or the workers' compensation system.

Labor Code section 139.21(a)(3) provides that an entity is controlled by an individual if the individual: (1) is or was an officer or director of the entity; (2) is or was a shareholder with a 10 percent or greater interest in the entity; or (3) held de facto ownership of the entity or de facto control consistent with the rights and duties of an officer or director of the entity. (See Villanueva v. Teva Foods (2019) WCAB Case No. ADJ9332041, 84 Cal. Comp. Cases 198 [significant panel decision].)

1 On or about December 6, 2019, Charles Terrence Bonner, an individual, was
2 convicted in the Superior Court of California, County of Orange, of crimes described in
3 Labor Code section 139.21(a)(1)(A). (People vs. Charles Terrence Bonner, Case No.
4 17CF0815.)

5 Respondent Harbor Drug Company, Inc. dba Steven's Pharmacy (Harbor Drug),
6 is controlled by Charles Terrence Bonner, pursuant to Labor Code section 139.21(a)(3).

7 On or about November 15, 2022, the Administrative Director mailed to
8 Respondent Harbor Drug a written notice of the right to a hearing regarding the
9 suspension and the procedure to follow to request a hearing, as provided in Labor Code
10 section 139.21(b)(2) and California Code of Regulations, title 8, section 9788.1.

11 Pursuant to Labor Code section 139.21(b)(2) and California Code of Regulations,
12 title 8, section 9788.1(d), the written notice advised Respondent Harbor Drug that the
13 suspension would start thirty (30) calendar days after the date of mailing of written
14 notice, unless Respondent Harbor Drug submitted a written request for a hearing within
15 ten (10) calendar days of the date of mailing of the notice.

16 Respondent Harbor Drug did not submit a written request for hearing within ten
17 (10) calendar days of the date of mailing of the notice.

18 The Administrative Director is required to suspend any physician, practitioner, or
19 provider pursuant to Labor Code section 139.21 and California Code of Regulations,
20 title 8, section 9788.2, after thirty (30) days from the date the notice was mailed, unless
21 the physician, practitioner, or provider submits a written request for a hearing within ten
22 (10) calendar days of the date of mailing of the notice.

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1 **IT IS HEREBY ORDERED** that Respondent Harbor Drug Company, Inc. dba
2 Steven's Pharmacy, is hereby suspended from participating in the California workers'
3 compensation system as a physician, practitioner, or provider.

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5 Date: December 28, 2022

/S/ George P. Parisotto

6 George P. Parisotto
7 Administrative Director
8 Division of Workers' Compensation
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