

CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION  
CALIFORNIA CORRECTIONAL HEALTH CARE SERVICES  
Health Care Department Operations Manual

**3.5.21 Break-In, Theft/Loss from Pharmacy or Medication Storage Areas**

**(a) Procedure Overview**

- (1) Any suspected breach of security or known medication theft or loss from the pharmacy or other medication storage areas due to break-in, theft, or unexplained inventory shortages shall be promptly reported and investigated.

**(b) Purpose**

- (1) To ensure breaches of security or losses due to theft or another cause are addressed promptly, medications are not diverted for misuse or abuse, and inventory shrinkage does not impact patient access to medications.

**(c) Procedure**

- (1) This procedure applies to:
  - (A) Discovery of a break-in to the pharmacy or to any other licensed areas where medications are stored (including, but not limited to, a correctional treatment center, correctional clinic, or automated drug delivery system) whether or not a loss of medication is detected; or
  - (B) Discovery of a theft or other loss of medications at the pharmacy or any licensed areas where medications are stored.
- (2) The Pharmacist-in-Charge (PIC), or designee, shall be notified immediately by the person discovering the break-in, theft or loss.
- (3) The PIC, or designee, shall perform an immediate assessment and report the breach in security or medication loss in the pharmacy or non-pharmacy medication storage area pursuant to the Health Care Department Operations Manual (HCDOM), Section 5.1.4, Reporting of Actual or Suspected Incidents of Fraud, Errors, and Improper Governmental Activities.
- (4) Controlled substances destroyed as waste requires a witness. Unwitnessed waste shall be treated as loss.
- (5) When a pharmacy reports a controlled substance loss to the California State Board of Pharmacy or to the Drug Enforcement Administration, an inventory reconciliation report shall be prepared for the identified controlled substances lost. Refer to the HCDOM, Section 3.5.16, DEA Schedule II-V Controlled Substances, for the requirement of an inventory reconciliation of controlled substances.

**(6) Notifications**

**(A) California Department of Corrections and Rehabilitation Institutions**

1. During pharmacy business hours, the PIC, or designee if the PIC is unavailable during the required reporting period, shall notify in writing the Chief of Pharmacy Services, the Regional Pharmacy Services Manager, and the following stakeholders at the institution as soon as possible after discovery and prior to the end of the shift:
  - a. Investigative Services Unit
  - b. Warden
  - c. Chief Executive Officer
  - d. Chief Medical Executive
  - e. Chief Nurse Executive
  - f. Supervising Dentist
2. After pharmacy business hours, the Supervising Registered Nurse II on duty shall notify the stakeholders listed in Section (c)(6)(A)(1) and the PIC or designee.

**(B) Central Fill Pharmacy (Food and Drug Administration-Licensed Area)**

1. During pharmacy business hours, the PIC, or designee if the PIC is unavailable during the required reporting period, shall notify in writing the following as soon as possible after discovery and prior to the end of the shift:
  - a. California Highway Patrol
  - b. Chief of Pharmacy Services
  - c. Deputy Director, Medical Services
  - d. Business Services, California Correctional Health Care Services (CCHCS), pursuant to HCDOM, Section 5.5.2, Building Security and Access
2. After pharmacy business hours, the alarm company shall notify the Central Fill Pharmacy's property management, Business Services, CCHCS, and California Highway Patrol. If a break-in is confirmed, Business Services, CCHCS, shall notify the PIC or a pharmacy supervisor at the Central Fill Pharmacy.

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The PIC, or designee if the PIC is unavailable during the required reporting period, shall then notify the stakeholders listed in Section (c)(6)(A)(1).

(7) After notifying the Chief of Pharmacy Services, the PIC, or designee if the PIC is unavailable during the required reporting period, shall notify the following agencies as required:

(A) California State Board of Pharmacy

1. The pharmacy or clinic shall report to the Board of Pharmacy any drug loss, including amounts and strengths of each drug, the date of discovery of the loss, and the identified causes for the loss within 30 days of discovery of the following:
  - a. Any loss of controlled substances in one of the following categories that causes the aggregate amount of unreported losses discovered in that category, on or after the same day of the previous year, to equal or exceed:
    - i. For tablets, capsules, or other oral medications, 99 dosage units.
    - ii. For single-dose injectable medications, lozenges, film (such as oral, buccal, and sublingual), suppositories, or patches, 10 dosage units.
    - iii. For injectable multi-dose medications, medications administered by continuous infusion, or any other multi-dose unit not described above, two or more multi-dose vials, infusion bags, or other containers.
  - b. Any other significant loss as determined by the pharmacist-in-charge including, but not limited to, losses deemed significant relative to the dispensing volume of the pharmacy.
2. If the pharmacy or clinic is unable to identify the cause of the loss, further investigation shall be undertaken to identify the cause and actions necessary to prevent additional losses of controlled substances.
3. Every pharmacy shall report to the Board of Pharmacy within 14 days of discovery any loss (controlled substance or non-controlled substance) involving theft, diversion, or self-use by licensed individuals employed within the pharmacy. Refer to the Business and Professions Code, Chapter 9, Division 2, Article 6, Section 4104, Licensed Employee, Theft or Impairment: Pharmacy Procedures, for reporting details.

(B) Drug Enforcement Administration (DEA)

1. Pursuant to Code of Federal Regulations, Title 21, Chapter II, Part 1301, Section 1301.76, Other Security Controls for Practitioners, a registrant shall notify the administration in writing of the theft, significant loss or pattern of loss of any controlled substances within one business day of discovery of such loss or theft. The registrant shall also complete and submit an electronic DEA Form 106 regarding the loss or theft. DEA Electronic Form 106 is available at the following link: <https://www.deadiversion.usdoj.gov/>. (Refer to the HCDOM, Section 3.5.16, DEA Schedule II-V Controlled Substances.)

(8) The PIC, or designee if the PIC is unavailable during the required reporting period, shall document the date and times of notification of each of the stakeholders listed in Section (c)(6)(A)(1) and federal and state agencies. The PIC, or designee, shall make a final written report within 72 hours of the conclusion of the investigation.

(A) The report shall contain circumstances surrounding the breach of medication security and/or loss of medication, including the amount and type of medication losses if applicable, and the resolution of any investigation whenever possible.

(B) The Chief of Pharmacy Services shall request and determine the frequency of supplemental reports if the investigation becomes lengthy.

(C) All reports shall be sent to the stakeholders listed in Section (c)(6)(A)(1), the institution Medication Management Committee, and federal and state agencies as applicable.

## References

- Code of Federal Regulations, Title 21, Chapter II, Part 1301, Section 1301.76, Other Security Controls for Practitioners
- Drug Enforcement Administration Pharmacists Manual, Section IX, Security Requirements
- California Business and Professions Code, Division 2, Chapter 9, Article 6, Section 4104, Licensed Employee, Theft or Impairment: Pharmacy Procedures
- California Code of Regulations, Title 16, Division 17, Article 2, Section 1715.6, Reporting Drug Loss

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- California Code of Regulations, Title 16, Division 17, Article 2, Section 1715.65, Inventory Activities and Inventory Reconciliation Reports of Controlled Substances
- Health Care Department Operations Manual, Chapter 3, Article 5, Section 3.5.16, DEA Schedule II-V Controlled Substances
- Health Care Department Operations Manual, Chapter 5, Article 1, Section 5.1.4, Reporting of Actual or Suspected Incidents of Fraud, Errors, and Improper Governmental Activities
- Health Care Department Operations Manual, Chapter 5, Article 5, Section 5.5.2, Building Security and Access

**Revision History**

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