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## Bill Powell Fined In Medicaid Investigation Pleads Guilty To Pharmacy Law Violations

By ROBERT KOENIG

Mars Hill Mayor William P. Powell entered a guilty plea in Wake County District Court last Thursday to five counts of violating state pharmacy laws. Powell, a licensed pharmacist, was fined \$10,000 by District Court Judge George Greene. Powell also entered a guilty plea in Wake County Superior Court on behalf of the Community Medical Center Pharmacy, Inc. (CMCP, Inc.) of which he is president.

Superior Court Judge Arthur Lane fined CMCP, Inc. \$40,000 for the fraud conviction. The fine is to be paid as restitution to the North Carolina Medical Assistance Program. Powell, who was represented by Mars Hill attorney Bruce Briggs, paid both the \$10,000 and \$40,000 fines before leaving the Wake County Court House.

The guilty pleas were entered as part of a negotiated settlement between Powell and the attorney general's office. The court action closes an investigation of CMCP, Inc. by the Medicaid investigation unit of the North Carolina Attorney General's office.

Investigator William Tucker told The News Record that his investigation was begun last fall following a complaint made by David George, a former director of the Madison Manor Nursing Center. In a letter to Dr. David Work, chairman of the North Carolina Pharmacy Board, George charged Powell with substituting generic drugs and samples for prescriptions ordered for patients at the nurs-

ing home. George, while still serving as the nursing home director, terminated Powell's contract with the nursing home last summer. The decision to terminate Powell was later overturned by management of Beverly Enterprises, operators of the nursing home, and George was replaced by the home's current director, Wayne Adams.

As a result of George's letter to the Board of Pharmacy, the North Carolina Department of Human Resources Division of Facility Services also conducted an investigation last fall. Several irregularities the investigation uncovered were later corrected. Thursday's convictions were the first resulting from the investigations. As part of the negotiated settlement with prosecutors, Powell will not be charged with any other violations in connection with his role as the nursing home pharmacist.

Speaking of the settlement, Bruce Briggs told reporters, "The reason for Powell's negotiating this settlement and making restitution and paying the fine was to end the matter without further litigation or involvement by himself or any other person." Briggs added that there would be no appeal of the fine or restitution.

Court records indicate that Powell was charged with substituting generic equivalent drugs for prescriptions for four patients at Madison Manor Nursing Center. The fifth violation charged that Powell obliterated a label on a sample drug package administered to a patient



BILL POWELL

at the nursing home.

Powell was charged with submitting false claims for Medicaid payments because of the substitutions. The bill of information presented to the court states that on May 26, 1983, a generic equivalent drug was substituted for a

prescription for 50 milligrams of the drug Benadryl ordered for Martha Sparks. The other violations stated that on June 30, 1983, a generic equivalent drug was substituted for a 10 milligram prescription of the drug Atarax ordered for Buria Grigg. Also on June 30, the charges state that a generic equivalent drug was substituted for a 25 milligram prescription of the drug Persantine ordered for Allie Chandler. Powell was also charged with substituting a generic equivalent drug for a 25 milligram prescription of the drug Atarax ordered for Ollie Cody.

The fifth charge states that Powell crossed out the word "sample" from a package of 5 milligrams of the drug Stelazine ordered for Mary Lee Capps. (Continued on Page 4)

## Former Director Plans Lawsuit

Although the convictions of William Powell and CMCP, Inc. bring a state investigation of pharmacy practices at Madison Manor Nursing Center to a close, the matter is far from finished, according to David George, a former director of the nursing home.

It was a letter from George to Dr. David Work of the North Carolina Pharmacy Board that started the investigation.

George served as director of the nursing home until last summer when he was dismissed following conflicts with (Continued on Page 4)

## Hunt Enters Senate Race

By DANIEL C. HOOVER

The News and Observer  
WILSON — Gov. James B. Hunt Jr., saying "it is time that we took the North Carolina approach, that makes things work, to our nation's capital," formally announced his candidacy Saturday for the U. S. Senate seat held by Republican Jesse A. Helms.

With 1,500 to 2,000 neighbors and political supporters from across the state attending a carefully orchestrated announcement program at the high school that bears his name, Hunt officially set the stage for a classic political showdown, one with national implications.

"My friends, this election is about the kind of future we are going to create. And I intend to look forward," Hunt said.

In a speech interrupted 21 times by cheers and applause, Hunt never mentioned his conservative opponent or attacked Helms directly.

The governor said he intended to be a senator "who works for a healthy and competitive

economy that creates jobs and opportunities . . . who works for a fair economy where tax cuts go to working families and the middle class, and not just loopholes and tax shelters for the rich."

"I intend to be a senator who works for an America that has the military strength to defend freedom in the world and the moral courage to save our world from nuclear war."

Hunt also said he would work to achieve "a strong and vigorous and growing and confident America, an America that has enough room for every single person, young and old, man and woman, black and white, to achieve their dreams."

At that point, Hunt ended years of speculation about his future political direction with a declaration of "my candidacy for the United States Senate."

One of the three high school bands packed into the gym broke into the Democratic Party's traditional battle tune, "Happy Days Are Here Again," as the crowd roared



GOV. JIM HUNT

and began 52 seconds of applause and rhythmic clapping. Little in the production appeared to have been left to

chance, and Hunt's image was spotlighted carefully. Many of those who attended drove in on (Continued on Page 10)

## Marshall Police Crackdown Draws Criticism

By ROBERT KOENIG

Marshall mayor Betty Wild had water bills, insurance and block grants on her mind, but Marshall residents wanted to discuss the town's new traffic crackdown at Monday night's meeting of the Board of Aldermen.

The mayor and aldermen discussed water bills and grant applications before the mayor asked if there were any questions from the audience of 20 Marshall residents who attended the meeting. When the floor was opened, several residents lodged complaints against the town's two new police officers. Both Kenny Lunsford and Bill Hodge complained that the officers were creating a problem for Marshall businesses by harassing motorists.

Hodge told the board, "These guys are like a chicken on a June bug every time someone turns the corner. This is not enforcement. This is harassment. I've seen more racing since you've started your so-called enforcement."

Lunsford complained about the officers issuing a ticket for running a stop light to a school bus driver, Chuck Chandler. Lunsford said he saw the incident and that Chandler passed through the light while it was yellow. He said the light changed as the school bus

ter off letting him go through the light? We have to decide what our priorities will be here."

Wild added, "If it goes to court and we're proven wrong, we'll do everything we can to see that he gets his license back."

*"These guys are like a chicken on a June bug every time someone turns the corner."*

passed underneath it. Chandler was driving a school bus for Marshall Primary School. He was relieved of his duties following the ticket.

Mayor Wild said that the board had discussed the incident earlier. She told Lunsford, "I felt bad about his losing his license, but he had a load of kids. If he had gotten hit while going through the light, would we have been bet-

Both Lunsford and Hodge complained about the officers chasing motorists through town. Wild said that the police had only been involved in two chases. She said that one chase was made in order to apprehend a drunken driver. The News Record later learned that a second chase led to a reckless driving citation being issued to Leonard Wills on Anderson Branch.

The police department's enforcement of parking regulations also brought some criticism. Wild said that the town board is caught in what she termed a "Catch-22" situation. "Some of the merchants say we need more parking and others say we

## Bruce Briggs Files For State Senate



## Commissioners Hold Brief Session

The Madison County Board of Commissioners held an abbreviated meeting Monday night in the county court house. The commissioners were to hear a proposal from Asheville-Buncombe Technical College president Harvey Haynes regarding the school's plan to conduct adult education classes in the county. Monday's bad weather forced a cancellation of Haynes' appearance.

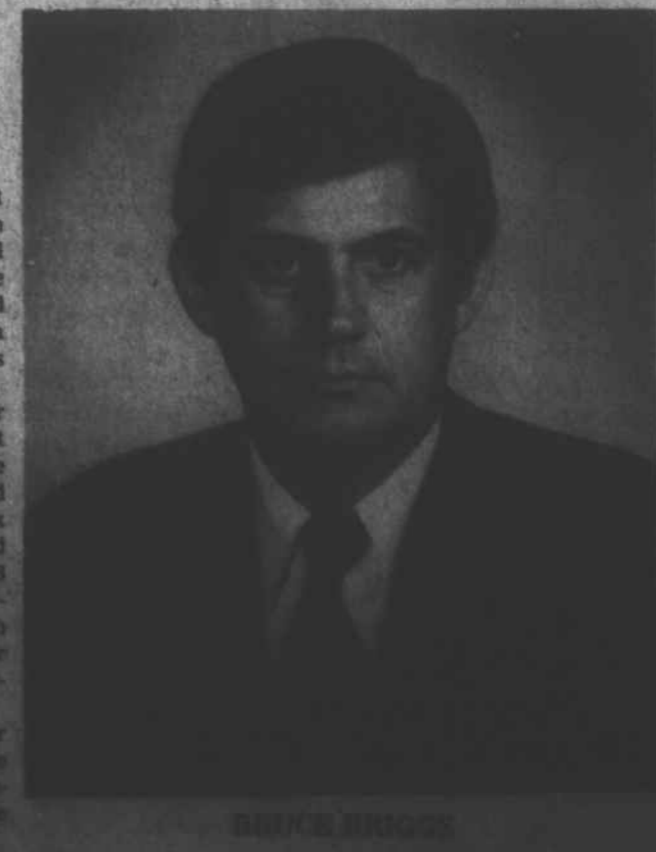
The commissioners heard a report from Emergency Medical Service director Mildred West and met with her in executive session to discuss a personnel matter, but no action was taken.

The commissioners also approved an agreement with Mars Hill College to prepare

an emergency management plan for the county. Dr. Don Anderson of the college will serve as coordinator of the project, which will be funded by a \$12,366 federal grant from the Emergency Preparedness Agency.

County finance officer David Caldwell reported that property tax collections are lagging behind. Caldwell said that the Madison County Tax Collector has collected \$215,000 in taxes levied in 1983 for a collection rate of 96 percent. The county will need to collect another \$70,000 in order to balance the budget, according to Caldwell.

Commissioner member James Eastford said, "I hope we continue to freeze bank accounts until we collect those taxes."



Three last-minute candidates filed with the Madison County Board of Elections on Monday, the final day for entering the May 8 primary.

John Dodson, a member of the Marshall Board of Aldermen, filed for the Democratic nomination for county tax collector. Dodson will challenge incumbent Harold Wallin in the May 8 primary.

Jeanette Nix filed for the Republican nomination for Madison County Register of Deeds. She will be unopposed in the May 8 primary. Nix will oppose incumbent Jess Lee Buckner in the general election. Buckner is unopposed for the Democratic nomination for the post.

Mars Hill attorney Bruce Briggs filed on Monday for the State Senate. He is the only Republican candidate from Madison County to announce plans to run.

## Hendon Files

FORMER CONGRESSMAN Bill Hendon is shown at his announcement being presented with the names of 722 individuals, from the 17 counties of the 11th District, who contributed \$1.00 each to pay his filing fee. Making the presentation is Kathy Willis of Henderson County.