

**PRESS RELEASE**

# **Nationwide Lawsuit Filed in Rhode Island Alleging CVS Knowingly Dispensed Controlled Substances in Violation of the Controlled Substances Act and the False Claims Act**

Wednesday, December 18, 2024

**For Immediate Release**

District of Rhode Island

PROVIDENCE, RI – In a [civil complaint](#) unsealed today in federal court in Providence, Rhode Island, the Justice Department alleges that CVS Pharmacy, Inc., and various subsidiaries (collectively, CVS) filled unlawful prescriptions in violation of the Controlled Substances Act (CSA) and sought reimbursement from federal healthcare programs for some of the unlawful prescriptions in violation of the False Claims Act (FCA). CVS is the country’s largest pharmacy chain, with more than 9,000 pharmacies across the United States.

The government’s complaint alleges that, from October 17, 2013, to the present, CVS knowingly filled prescriptions for controlled substances that lacked a legitimate medical purpose, were not valid, and/or were not issued in the usual course of professional practice. Among the large quantities of unlawful prescriptions that CVS allegedly filled were prescriptions for dangerous and excessive quantities of opioids, early fills of opioids, and “trinity” prescriptions, an especially dangerous and abused combination of drugs made up of an opioid, a benzodiazepine, and a muscle relaxant. CVS also allegedly filled large quantities of prescriptions for controlled substances written by prescribers it knew to be engaged in “pill mill practices” – that is, prescribers who issue large numbers of controlled substance prescriptions without any medical purpose. According to the complaint, CVS ignored substantial evidence from multiple sources, including its own pharmacists and internal data, indicating that its stores were dispensing unlawful prescriptions.

The complaint alleges that CVS's violations resulted from corporate-mandated performance metrics, incentive compensation, and staffing policies that prioritized corporate profits over patient safety. CVS set staffing levels far too low for pharmacists to both meet their performance metrics and comply with their legal obligations. CVS also allegedly deprived its pharmacists of crucial information (including by, for example, preventing pharmacists from warning one another about certain prescribers) that could have reduced the number of unlawful prescriptions filled. The complaint alleges that CVS's actions helped to fuel the prescription opioid crisis and that, in some particularly tragic instances, patients died after overdosing on opioids shortly after filling unlawful prescriptions at CVS.

"Opioid deaths remain a scourge on communities across Rhode Island and the nation, robbing families of loved ones and leaving a path of devastation in their wake," said Zachary A. Cunha, U.S. Attorney for the District of Rhode Island. "This lawsuit alleges that CVS failed to exercise its critical role as gatekeeper of dangerous prescription opioids and, instead, facilitated the illegal distribution of these highly addictive drugs, including by pill mill prescribers. When corporations such as CVS prize profits over patient safety and overburden their pharmacy staff so that they cannot carry out the basic responsibility of ensuring that prescriptions are legitimate, we will use every tool at our disposal to see that they answer for it."

"Our complaint alleges that CVS repeatedly filled controlled substance prescriptions that were unlawful and pressured its pharmacists to fill such prescriptions without taking the time needed to confirm their validity," said Principal Deputy Assistant Attorney General Brian M. Boynton, head of the Justice Department's Civil Division. "The practices alleged contributed to the opioid crisis and opioid-related deaths, and today's complaint seeks to hold CVS accountable for its misconduct."

The government alleges that by knowingly filling unlawful prescriptions for controlled substances, CVS violated the CSA and, where CVS sought reimbursement from federal healthcare programs, also violated the FCA. The complaint alleges that CVS's actions helped to fuel the prescription opioid crisis. If CVS is found liable, it could face civil penalties for each unlawful prescription filled in violation of the CSA and treble damages and applicable penalties for each prescription reimbursed by federal healthcare programs in violation of the FCA. The court also may award injunctive relief to prevent CVS from committing further CSA violations, including ordering appropriate changes to corporate compliance programs and policies.

"When lives are destroyed or lost to opioid abuse, it doesn't matter if the supplier is a street-level dealer, a pill mill, or a nationwide corporation," said Jessica D. Aber, U.S. Attorney for the Eastern District of Virginia. "Our laws regarding the distribution of

opioids and other controlled substances are clear and apply to everyone. We will pursue whatever legal action is necessary to stop any enterprise, regardless of size, that places profit over the safety of our citizens.”

“CVS is alleged to have dispensed large amounts of highly addictive opioid medications to persons they knew had no medical need for them. Simply put, they put profits over their obligation to keep their customers safe,” said DEA Administrator Anne Milgram. “A pharmacy is the final step in the pharmaceutical distribution process that is in place to keep customers safe. In the fight against the opioid epidemic, DEA will continue to be relentless in holding those accountable who violate our drug laws and place our communities in danger whether they are a criminal cartel or large pharmacy chain.”

“Pharmacies and pharmacists are critical partners to ensure controlled substances are dispensed lawfully and safely to the public,” said Deputy Inspector General Christian J. Schrank of the Department of Health and Human Services Office of Inspector General (HHS-OIG). “HHS-OIG is committed to holding individuals and entities that dispense these controlled substances improperly and without legitimate medical purpose accountable.”

“Protecting TRICARE, the healthcare system for military members and their dependents, is a top priority for the Department of Defense Office of Inspector General Defense Criminal Investigative Service (DCIS),” stated Special Agent in Charge Patrick J. Hegarty, DCIS Northeast Field Office. “Today’s filing demonstrates DCIS’ ongoing commitment to partner with the Department of Justice and our law enforcement partners to investigate health care providers that submit false claims to TRICARE and put its beneficiaries at risk.”

Whistleblower Hillary Estright, who previously worked for CVS, filed an action on October 17, 2019, under the qui tam provisions of the FCA. Those provisions authorize private parties to sue on behalf of the United States for false claims and share in any recovery. The Act permits the United States to intervene and take over such lawsuits, as it has done here.

The case is captioned *United States ex rel. Estright v. Health Corporation, et al.*, No. 1:22-cv-222 (D.R.I.).

The United States’ intervention in this matter underscores the government’s commitment to combating health care fraud. One of the most powerful tools in this effort is the False Claims Act. Tips and complaints from all sources about potential fraud, waste, abuse, and mismanagement can be reported to HHS, at 800-HHS-TIPS (800-447-8477).

The United States' enforcement action is being litigated by attorneys from the U.S. Attorneys' Offices for the District of Rhode Island (First Assistant U.S. Attorney Sara M. Bloom and Assistant U.S. Attorneys Kevin Love Hubbard and Rachna Vyas), the Justice Department Civil Division's Consumer Protection Branch (Assistant Directors Amy L. DeLine and C.B. Buente, Senior Litigation Counsel Donald Lorenzen, and Trial Attorneys Benjamin Cornfeld and Amanda K. Kelly) and Commercial Litigation Branch, Fraud Section (Trial Attorneys Claire L. Norsetter, Joshua Barron, and Megan F. Engel), as well as the Eastern District of Virginia (Assistant U.S. Attorneys Clare Wuerker and John Beerbower), the District of Hawaii (Assistant U.S. Attorneys Sydney Spector and Tracy Weinstein), and the Eastern District of Texas (Assistant U.S. Attorneys James Gillingham and Adrian Garcia).

The DEA's Office of Diversion Control, Washington, D.C. Field Division, HHS-OIG, and DCIS conducted the investigation. Several other offices provided substantial assistance in the investigation, including the United States Attorneys' Offices for the Southern District of California, the Northern District of Ohio, DEA's Office of Chief Counsel, DEA's Office of Diversion Control, Los Angeles Field Division, the Office of Personnel Management, the Department of Labor Office of Inspector General, United States Postal Service Office of Inspector General, and the FBI.

*The claims asserted against the defendants are allegations only, and there has been no determination of liability.*

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[52 - complaint in intervention.pdf](#)

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