



Department of Justice

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District of Oregon

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OMNICARE AGREES TO PAY OVER \$15 MILLION TO RESOLVE ALLEGATIONS IT IMPROPERLY DISPENSED OPIOIDS AT LONG-TERM CARE FACILITIES

PORTLAND, Ore.—Omnicare, Inc., a subsidiary of CVS Health and a provider of pharmacy services to long-term care facilities, has agreed to pay the United States a \$15.3 million civil penalty to resolve allegations that it violated federal law by, among other things, allowing opioids and other controlled substances to be dispensed without a valid prescription, United States Attorney Billy J. Williams announced today.

The Cincinnati-based Omnicare operates “closed door” pharmacies – meaning they were not open to the public – that deliver controlled substances to nursing homes and other long-term care facilities (LTCFs). Omnicare makes daily deliveries of prescription medications to residents of LTCFs, and it also pre-positions limited stockpiles of controlled substances at LTCFs in “emergency kits,” which are to be dispensed to patients on an emergency basis. These emergency kits, which often include opioids and other controlled substances that are commonly abused and diverted, remain part of Omnicare’s inventory and must be tightly controlled and tracked. The controlled substances may be dispensed only pursuant to a valid prescription.

The United States alleged that Omnicare violated the federal Controlled Substances Act in its handling of emergency prescriptions, its controls over the emergency kits, and its processing of written prescriptions that lacked required elements such as the prescriber’s signature or DEA number. The federal investigation found that Omnicare failed to control emergency kits by improperly permitting LTCFs to remove opioids and other controlled substances from emergency kits days before doctors provided a valid prescription. The investigation also revealed that Omnicare had repeated failures in its documentation and reporting of oral emergency prescriptions of Schedule II controlled substances.

As part of the settlement agreement announced today, Omnicare agreed to pay the \$15.3 million civil penalty and entered into a Memorandum of Agreement with the Drug Enforcement Administration that will require Omnicare to increase its auditing and monitoring of emergency kits placed at LTCFs.

“At a time when the opioid abuse and addiction crisis continues to ravage communities across the country, vulnerable Americans must be able to trust that health care providers have their best interest in mind when administering care,” said U.S. Attorney Williams. “The Department of Justice and U.S. Attorney’s Office is committed to holding accountable companies like Omnicare who dispense powerful opioids without valid prescriptions.”

“Omnicare failed in its responsibility to ensure proper controls of medications used to treat some of the most vulnerable among us,” said DEA Acting Administrator Uttam Dhillon. “DEA is committed to keeping our communities safe by holding companies like Omnicare accountable for such failures, while ensuring continuity of care and necessary access to emergency prescription drug supplies.”

This matter was investigated by the DEA’s Field Divisions in Seattle, Denver, Los Angeles, and San Francisco, in conjunction with five United States Attorney’s Offices: the District of Oregon, the Central District of California, the Eastern District of California, the District of Colorado, and the District of Utah. The settlement agreement, which was finalized on May 6, resolves Omnicare’s civil liability for the alleged CSA violations in those five districts.

The claims settled by this civil agreement are allegations. In entering into this settlement agreement, Omnicare did not admit to any liability.

The United States Attorney’s Office for the District of Oregon was represented in this matter by Assistant United States Attorneys Clem Ashley and Alexis Lien from the Affirmative Civil Enforcement Unit.

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