

Opioid Company Execs Found Guilty of Bribing Docs to Prescribe Drugs

As the country's opioid crisis continues to rage, a recent jury verdict in a federal case illustrates the widening circles of accountability. It may be easy for those untouched by the epidemic to place all the blame squarely on the individuals battling opioid addiction. Increasingly, however, the public is looking to pharmaceutical execs and decision-makers for their part in contributing to the ongoing tragedy.

The latest example of this is the case against Insys Therapeutics, a large opioid company. Executives were accused of offering physicians bribes to prescribe Insys's fentanyl-based pain medication, Subsys, to their patients. And the jury was convinced the allegations were true, charging the company's founder John Kapoor — along with four Insys executives — with criminal racketeering.

Subsys has been approved for pain management in cancer patients, but the case against Insys accused the company of clinging to the goal of high sales no matter what and no matter the patient's actual need.

Executives allegedly provided physicians with incentives to write prescriptions

The *New York Times* reported that prosecutors alleged that Insys used the cover of educational talks that never occurred to dangle bribes in front of doctors (and, in a more salacious allegation, a former employee testified to witnessing one of the company's sales directors, who happened to have experience as an exotic dancer, try to encourage a physician to prescribe Subsys via a "lap dance"). Further, prosecutors accused the company of deceiving insurance companies into paying for the drug under false pretenses.

The Boston federal jury deliberated for 15 days, finding all five executives guilty; they each face the possibility of prison time.

Going after drug companies for irresponsible or illegal practices involving opioids is not new, though judging by the number of cases underway, it does seem that it's becoming a more mainstream approach. Looking back to one of the earliest lawsuits of this sort, Purdue Pharma, the maker of OxyContin, was charged with misleading marketing in 2007. Three of the company's executives were found guilty and sentenced to probation, community service, and over \$630 million in fines.

And more recently, just last month federal prosecutors charged the Rochester Drug Cooperative (a large pharmaceutical distribution company) for actions that exacerbated the opioid epidemic, and this month another distributor, the McKesson Corporation, settled the case against it in a West Virginia court with an agreement to pay \$37 million in penalties.

Scores of suits are pending as the public seeks to hold drug companies accountable

At the present time, hundreds of lawsuits are pending against drug companies, some that originate at the federal level, some at the state level. Purdue Pharma has recently settled a case brought against it by the state of Oklahoma. And a federal judge in Cleveland has bundled together well over one thousand distinct government lawsuits in order to resolve the cases sooner than if they remained separate.

In the last two decades, the nation's drug overdose epidemic has claimed more than 700,000 lives. Experts warn



that the next decade could see hundreds of thousands more fatalities due to opioids alone if the crisis is left unchecked.

And funding for addiction treatment is one of the most important ways to shift the tides.

Legal action against drug companies not only serves the purpose of putting a stop to illegal behavior that adds fuel to the raging crisis (as it hopefully convinces other companies from even going down that path in the first place), but the monetary settlements can be used to pay for those suffering from substance use disorder to get they help they need, a sector of healthcare that has been consistently underfunded.

This article is provided for educational purposes only and is not offered as, and should not be relied on as, legal advice. Any individual or entity reading this information should consult an attorney for their particular situation. For more information/questions regarding any legal matters, please email info@nelsonhardiman.com or call 310.203.2800.