

Landmark \$300 million DOJ settlement in national opioid case against Walgreens Pharmacy

DOJ intervened in several *qui tam* actions alleging Medicare fraud and illegal drug dispensing.



In a landmark victory for justice and public health, Searcy Denney attorney **Sia Baker-Barnes** announced a \$300 million settlement against Walgreen Company and its subsidiaries. The settlement follows a multiyear investigation by the U.S. Department of Justice (DOJ) that was prompted by four *qui tam* actions filed against Walgreens by whistleblowers alleging violations under the False Claims Act (FCA) and the Controlled Substances Act (CSA) arising from unlawful dispensing of the dangerous opioids that helped fuel the nation's opioid epidemic. Under FCA *qui tam* provisions, a private individual with evidence of fraud against the US government may file a lawsuit on behalf of the government against a company or person who committed the fraud. The "whistleblower" would file the action and join with the government as a plaintiff.

For nearly eight years, Sia Baker-Barnes of Searcy Denney and Adam Rabin of Rabin Kammerer Johnson represented Elmer Mosley, Pharm.D., a Walgreens pharmacist for nearly 50 years based in Palm Beach County, Florida, in one of four lawsuits that sparked the government's investigation. In January 2025, DOJ filed a complaint in intervention in the cases. DOJ alleged that Walgreens filled millions of illegal opioid prescriptions nationwide that lacked a "legitimate medical purpose," and were outside the usual

course of professional pharmacy practice. These actions put the corporation's profits ahead of customers' health by submitting false or fraudulent claims to federal healthcare programs such as Medicare, Medicaid, and Tricare. A representative number of Walgreen Pharmacies ignored "red flags" that indicated a prescription lacked legitimate medical purpose and/or were at such high dosage that it created substantial risk of death or harm. A common thread among the four *qui tam* actions was that corporate management often pressured, and sometimes disciplined, pharmacy workers for refusing to fill prescriptions when the "red flags" were present. The settlement garnered national media attention and illustrates the importance of corporate accountability in the battle against opioid addiction. "This settlement is a powerful example of how courage, grit, and collaboration can create real change," said Ms. Baker-Barnes. "We are proud to represent a client who stood up against corporate pressure to protect patients and prevent further harm. It is a privilege to support whistleblowers whose integrity helps safeguard communities nationwide and hold companies accountable for placing profits over safety."

Walgreens will pay \$150 million under the FCA and another \$150 million under the CSA for its violations. The company also agreed to enter into a seven-year Memorandum of Agreement with the Drug Enforcement Administration and a five-year Corporate Integrity Agreement with the Department of Health and Human Services' Office of the Inspector General to ensure stricter oversight and prevent future violations. An additional \$50 million will be due if Walgreens is sold or merged before fiscal year 2032. "This monumental settlement sends a message that those who put profits over patients' health and lives will be held accountable," said Mr. Rabin. ♦



(l-r): Adam Rabin, Elmer Mosley and Sia Baker-Barnes.

If you are aware of a situation in which a company or person has defrauded a federal program – including healthcare, government procurement processes, disaster relief, immigration or customs processes, education funding, or construction projects –

Contact attorney Sia Baker Barnes at (561) 686-6300 for information that may assist in stopping these crimes.