U.S. Attorney Philip R. Sellinger District of New Jersey United States v. AmerisourceBergen Corporation Press Call – 29 December 2022

Thank you, Associate Attorney General Gupta.

The opioid epidemic has devastated the lives of millions of Americans. Addiction, abuse, and death have gripped communities across the country for years.

We're here today because AmerisourceBergen, one of the country's largest opioid suppliers, helped fuel this epidemic by blatantly, brazenly, and repeatedly defying its legal obligation to report suspicious opioids orders to law enforcement.

The complaint alleges, as just one example that AmerisourceBergen learned of drugs deals in a pharmacy parking lot. One of Amerisource Bergen's own employees described this as "the reddest of red flags." Yet, an AmerisourceBergen subsidiary went on shipping thousands of opioids orders to this pharmacy — and did not report a single one of them to the DEA.

The complaint further alleges that, over the course of nearly a decade, AmerisourceBergen and its subsidiaries violated the Controlled Substances Act by failing to report at least hundreds of thousands of suspicious opioids orders to the DEA. In a very real way, AmerisourceBergen put its profits from selling opioids over the safety of the American people.

The complaint specifically highlights five pharmacies for which AmerisourceBergen allegedly was aware of significant "red flags" of diversion, but nevertheless continued to sell opioids to for years and reported few, if any, suspicious orders to the DEA.

One of the pharmacies was based in New Jersey and has recently pleaded guilty to unlawfully selling controlled substances. Despite telling the DEA that it had stopped selling controlled substances to this

pharmacy, an AmerisourceBergen subsidiary used a proxy distributor – a straw – to secretly continue funneling hundreds of opioids orders to that same pharmacy.

The other pharmacies include:

- another New Jersey pharmacy whose pharmacist-in-charge has been indicted for drug diversion;
- one pharmacy in Florida and another in West Virginia for which AmerisourceBergen allegedly knew that the drugs it distributed were being sold in parking lots for cash; and
- a Colorado pharmacy that AmerisourceBergen is alleged to have known was its largest purchaser of oxycodone in the entire state and for which one of its employees identified patients as "drug addicts."

The Complaint alleges that these incidents were part of a systemic failure by AB including dramatically understaffing and underfunding its compliance programs. In one year, AB spent more on taxicabs and office supplies than on its CSA compliance budget.

In fact, as alleged in the complaint, AmerisourceBergen purposely revised its electronic order monitoring program to ensure that its suspicious-order reports to DEA dropped by about 99%. As a result, by 2017, the company reported less than 350 suspicious orders to DEA — compared to over 200,000 and over 40,000 by its two primary competitors in the same year.

Today's complaint demonstrates our Office's continued resolve to hold accountable those who have fueled the opioid crisis using all the tools at our disposal. I'd like to recognize our partners in this effort, including the Consumer Protection Branch and the U.S. Attorney's Office for the Eastern Districts of Pennsylvania and New York and the District of Colorado, as well as the DEA Newark Field Office who has led this investigation with us.