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Opioid manufacturer pleads guilty to fraud

By Sascha Matuszak

Purdue Pharma LP pleaded guilty to three felony offenses: "one count of dual-object conspiracy to defraud the United States and to violate the Food, Drug, and Cosmetic Act, and two counts of conspiracy to violate the Federal Anti-Kickback Statute."[1]

Purdue admitted that from May 2007 through at least March 2017, it represented to the Drug Enforcement Administration that "it maintained an effective anti-diversion program when, in fact, Purdue continued to market its opioid products to more than 100 health care providers whom the company had good reason to believe were diverting opioids."

"Under the terms of the plea agreement, Purdue agreed to the imposition of the largest penalties ever levied against a pharmaceutical manufacturer, including a criminal fine of $3.544 billion and an additional $2 billion in criminal forfeiture. For the $2 billion forfeiture, the company will pay $225 million within three business days following the entry of a judgment of conviction in accordance with the Plea Agreement." The company has caused trillions in damage to the US, including leading to the deaths of hundreds of thousands of Americans,[2] while the Sackler family, who ran the company, stashed at least $12 billion in profits.[3]

1 U.S. Department of Justice, "Opioid Manufacturer Purdue Pharma Pleads Guilty to Fraud and Kickback Conspiracies," news release, November 24, 2020, https://bit.ly/3mxV7Nz.
2 Erik Larson, "Purdue Pharma Caused $2.15 Trillion in U.S. Economic Damage, States Say," Bloomberg, August 17, 2020, https://bloom.bg/3oEfn0P.
3 Jared S. Hopkins and Andrew Scurria, "Sacklers Received as Much as $13 Billion in Profits From Purdue Pharma," *The Wall Street Journal*, October 4, 2020, https://on.wsj.com/3mwQu6I.