
From: Michael Clarke
Sent: Wednesday, September 12, 2012 8:19 AM
To: Doug Boothe
Subject: Re: DEA Action

Good trip for me so far; saw my college freshman son last night at dinner.

Have "fun" at GPhA.

I'm flying to Orlando later today for Kadian sales training at the NSM, then I'll be back in the office for the next few weeks.

Michael R. Clarke,
Ethics & Compliance Officer - Americas
Actavis Inc.
908-514-2256

Sent via BlackBerry

From: Doug Boothe
Sent: Wednesday, September 12, 2012 11:04 AM
To: Michael Clarke
Cc: Michael Perfetto; Chris Young
Subject: Re: DEA Action

Thanks!

I'm in DC today/tomorrow as well, but at GPhA meetings.

DB
Doug Boothe
CEO, Actavis Inc.
973-889-6633 (office)

From: Michael Clarke
Sent: Wednesday, September 12, 2012 10:32 AM
To: Doug Boothe
Cc: Michael Perfetto; Chris Young
Subject: RE: DEA Action

Doug,

The main focus of the meeting is for the DEA to present to us what they see as trends in the industry, what efforts it is taking to combat diversion and to inform us of what it's expectations are. To the extent the DEA staffers ask us what we



are doing, we plan to present a very high level discussion of our SOM efforts—specifically our awareness of potential diversion in the distribution stream and our more recent enhancements of our monitoring efforts.

Michael

Michael R. Clarke
Actavis
973-889-6667
MCLARKE@actavis.com

From: Doug Boothe
Sent: Wednesday, September 12, 2012 10:28 AM
To: Michael Perfetto; Michael Clarke; Nancy Baran; Doug Plassche; Chris Young
Subject: Re: DEA Action

Michael -

How are you planning on leading the discussion/review w DEA?

We can't afford any backward steps here.

What exactly is the agenda, and what are we presenting?

DB
Doug Boothe
CEO, Actavis Inc.
973-889-6633 (office)

From: Michael Perfetto
Sent: Wednesday, September 12, 2012 10:23 AM
To: Doug Boothe
Subject: Fw: DEA Action

From: Nancy Baran
Sent: Wednesday, September 12, 2012 10:21 AM
To: Michael Perfetto; Ara Aprahamian RPh; Rachelle Galant; Jinping McCormick
Subject: Fw: DEA Action

From: Michael Clarke
Sent: Wednesday, September 12, 2012 09:59 AM
To: Nancy Baran; Doug Plassche; John Kaldes
Subject: DEA Action

Team,

You've probably already seen this, but I saw this article on this morning's listservs:

Bloomberg

Two CVS Stores Barred From Selling Controlled Substances

By Tom Schoenberg - Sep 11, 2012

CVS Caremark Corp. (CVS)'s licenses to sell controlled substances at two pharmacies in Sanford, Florida, were revoked after a U.S. investigation into sales of the painkiller oxycodone.

The U.S. Drug Enforcement Administration, in a filing in federal appeals court in Washington, said it notified CVS in a letter today that the agency's administrator, Michele Leonhart, decided to strip the certificates of registration for the two pharmacies.

Leonhart's reasoning was filed under seal with the court at the request of CVS lawyers, according to the filing, which said she adopted the recommendations of the administrative law judge who considered the DEA's case in April. The decision will be made public after CVS recommends to the agency what company information should remain confidential, according to the filing.

The two Florida stores have been blocked from selling controlled drugs since March after a federal judge in Washington said the DEA produced enough information to show that pharmacists at the stores filled prescriptions for oxycodone that they knew, or should have known, would lead to the drug being diverted for illegal uses.

Those temporary suspensions will be made permanent with today's ruling and take effect 30 days after being made public in the Federal Register.

'Implementing Enhancements'

"We are reviewing the decision, evaluating our options and determining the best way to continue to serve our customers," Carolyn Castel, a spokeswoman for Woonsocket, Rhode-Island-based CVS, said in an e-mailed statement. "We have responded to the DEA's concerns, including implementing enhancements to our policies and procedures for filling controlled substance prescriptions."

Barbara Carreno, a DEA spokeswoman, declined to comment on the filing.

CVS, which filed a lawsuit challenging the temporary suspension, argued in court filings that it stopped filling prescriptions written by 22 doctors responsible for the highest volume of oxycodone dispensed by the stores.

Leonhart's ruling was issued one day before the U.S. appeals court in Washington is scheduled to hear arguments over CVS's suit.

In May, Cardinal Health Inc. (CAH), the second-largest U.S. drug distributor by revenue, agreed to suspend shipments of controlled drugs from a Florida facility for two years in a settlement with the DEA.

Federal officials contended that the Lakeland, Florida, distribution center posed a public safety threat by shipping large quantities of oxycodone to pharmacies, including CVS.

Eight Times

Cardinal, based in Dublin, Ohio, last year shipped enough oxycodone to the two CVS pharmacies in Sanford to supply a population eight times the city's size, according to the U.S. The DEA alleged in court filings that Cardinal didn't question the orders or heed warnings to conduct on-site audits.

About 5 million Americans use painkillers such as oxycodone, hydrocodone and oxymorphone for non-medical purposes, according to the government's 2010 National Survey on Drug Use and Health.

A baby is born every hour in the U.S. addicted to prescription painkillers, according to a study published April 30 in the Journal of the American Medical Association.

The case Holiday CVS LLC v. Holder, 12-05072, U.S. Court of Appeals, District of Columbia Circuit (Washington).

To contact the reporter on this story: Tom Schoenberg in Washington at tschoenberg@bloomberg.net

To contact the editor responsible for this story: Michael Hytha at mhytha@bloomberg.net

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Regards,

Michael

Michael R. Clarke
Ethics & Compliance Officer- Americas



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