

**FILED**

JAN 28 2019

SONYA KRASKI  
COUNTY CLERK  
SNOHOMISH CO. WASH.

THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
IN AND FOR SNOHOMISH COUNTY

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SNOHOMISH COUNTY, a Washington  
municipal corporation,

CASE NO.

Plaintiff,

COMPLAINT

v.

JURY DEMAND

PURDUE PHARMA, L.P., a Delaware limited  
partnership; PURDUE PHARMA, INC., a New  
York corporation; THE PURDUE FREDERICK  
COMPANY, INC., a New York corporation;  
MCKESSON CORPORATION, a Delaware  
corporation; DOCTORS OSTEOPATHIC CARE,  
P.S., INC., a Washington Corporation; DELBERT  
WHETSTONE, a Washington individual;  
SEATTLE PAIN CENTER MEDICAL  
CORPORATION d/b/a SEATTLE PAIN  
CENTER, a Washington corporation; FRANK D.  
LI, a Washington individual; STATCARE INC.  
P.S., a Washington corporation; DONALD  
DILLINGER, a Washington individual;  
THRIFTY PAYLESS INC. d/b/a RITE AID, a  
California corporation; NW GREEN MEDICAL  
PLLC, a Washington limited liability company;  
NW GREEN WELLNESS PLLC, a Washington  
limited liability company; SEVAN PHARMACY,  
LLC, a Washington limited liability company;  
HIEU TUE LE, a Washington individual; DOE  
ENTITIES 1 through 100; and JOHN AND JANE  
DOES 1 Through 100,

Defendants.

1 Plaintiff Snohomish County, for causes of action against defendants Purdue Pharma, L.P.,  
2 Purdue Pharma, Inc., The Purdue Frederick Company, Inc., McKesson Corporation, Doctors  
3 Osteopathic Care, P.S., Inc., Delbert Whetstone, Seattle Pain Center Medical Corporation d/b/a  
4 Seattle Pain Center, Frank D. Li, Statcare, Inc. P.S., Donald Dillinger, Thrifty Payless Inc. d/b/a  
5 Rite Aid, NW Green Medical PLLC, NW Green Wellness PLLC, Sevan Pharmacy, LLC, Hieu  
6 Tu Le, Doe Entities 1 through 100, and John and Jane Does 1 through 100 (collectively,  
7 “Defendants”), alleges as follows:

8 **I. SUMMARY**

9 1. Snohomish County seeks to hold defendants Purdue Pharma, L.P., Purdue  
10 Pharma, Inc., and The Purdue Frederick Company, Inc. (collectively, “Purdue”) — the  
11 manufacturer, seller, and promoter of OxyContin — and defendant McKesson Corporation  
12 (“McKesson”) — a distributor and supplier of OxyContin and other opioids —accountable for  
13 knowingly, recklessly, and/or negligently promoting, marketing, and/or supplying OxyContin to  
14 obviously suspicious physicians, clinics, and pharmacies, including defendants Doctors  
15 Osteopathic Care, P.S., Inc. (“Doctors Osteopathic”), Delbert Whetstone (“Whetstone”), Seattle  
16 Pain Center Medical Corporation d/b/a Seattle Pain Center (“Seattle Pain Center”), Frank D. Li  
17 (“Li”), Statcare, Inc. P.S. (“Statcare”), Donald Dillinger (“Dillinger”), Thrifty Payless Inc. d/b/a  
18 Rite Aid (“Rite Aid”), NW Green Medical PLLC and NW Green Wellness PLLC (collectively,  
19 “NW Green”), Sevan Pharmacy, LLC (“Sevan Pharmacy”), and Hieu Tu Le (“Le”).

20 2. Snohomish County also seeks to hold all Defendants accountable for enabling the  
21 illegal diversion of OxyContin into the black market, including to drug rings, pill mills, and other  
22 dealers for dispersal of the highly addictive pills in Snohomish County.

23 3. Purdue’s deceptive practices in the marketing of OxyContin are well-known and  
24 have resulted in a federal criminal guilty plea and numerous settlements with various states,  
25 including the State of Washington. Following the revelations of Purdue’s deceptive marketing  
26 practices, Purdue agreed to implement effective controls against the illegal diversion of

1 OxyContin.

2 4. Similarly, McKesson has repeatedly agreed to settle allegations that it failed to  
3 report suspicious orders. As part of those settlements, McKesson also agreed to implement  
4 effective controls against the illegal diversion of OxyContin.

5 5. Existing regulations also required Purdue and McKesson to track suspicious  
6 orders and notify law enforcement if criminal activity was suspected. Despite those regulations  
7 and Purdue's and McKesson's own agreements, however, Purdue and McKesson continued to  
8 knowingly, recklessly, and/or negligently aid criminal activity in order to maximize their profits.

9 6. For example, beginning in approximately 2008, a drug ring in the Los Angeles  
10 area engaged in a pattern of transparently false OxyContin orders, for the purpose of distributing  
11 OxyContin on the black market. Purdue and McKesson had both constructive and actual  
12 knowledge, and/or recklessly or negligently disregarded, that the orders facilitated by the illegal  
13 drug ring were not legitimate and that OxyContin was being diverted to the black market. But  
14 Purdue and McKesson took no action and instead they continued to supply massive and  
15 disturbing quantities of OxyContin to the drug ring until it was ultimately shut down by law  
16 enforcement. Put simply, Purdue and McKesson knowingly, recklessly, and/or negligently  
17 supplied a Schedule II controlled substance to drug traffickers in order to generate enormous  
18 profits.

19 7. In fact, for several years, Purdue and McKesson have collected, tracked, and  
20 monitored extensive data evidencing the illegal trafficking of OxyContin, including the  
21 dissemination of alarming quantities of pills through the drug ring in the Los Angeles area and  
22 (on information and belief) other clearly suspect physicians, clinics, and pharmacies in  
23 Snohomish County — including to defendants Doctors Osteopathic, Whetstone, Seattle Pain  
24 Center, Li, Statcare, Dillinger, Rite Aid, NW Green, Sevan Pharmacy, and Le — and other areas  
25 within the State of Washington. Despite their obligations, however, Purdue and McKesson  
26 intentionally, recklessly, and/or negligently failed to disclose such data to enforcement

1 authorities or stop the flow of OxyContin into the black market.

2 8. Purdue and McKesson knew about (and/or recklessly or negligently disregarded)  
3 the suspicious orders from prescribing records, pharmacy orders, field reports from sales  
4 representatives, and Purdue's and McKesson's own surveillance operations. Purdue and  
5 McKesson could have (and should have) reported and stopped the flow of OxyContin into the  
6 black market, including the prevention of illegal diversion through drug rings, pill mills, and  
7 other dealers in Snohomish County, and (for example) the drug ring that operated in the Los  
8 Angeles area, which was "clearly diversion," and dispersed pills in Snohomish County. But  
9 Purdue and McKesson intentionally, recklessly, and/or negligently chose not to follow or  
10 implement the readily available and required measures, in order for Purdue and McKesson to  
11 continue to reap large and obscene profits from its sales of OxyContin.

12 9. Similarly, defendants Doctors Osteopathic, Whetstone, Seattle Pain Center, Li,  
13 Statcare, Dillinger, Rite Aid, NW Green, Sevan Pharmacy, and Le sought to maximize their own  
14 financial gain at the expense of their patients' lives and welfare of the citizens of Snohomish  
15 County. Among other wrongful conduct, defendants Doctors Osteopathic, Whetstone, Seattle  
16 Pain Center, Li, Statcare, Dillinger, Rite Aid, NW Green, Sevan Pharmacy, and Le improperly  
17 proscribed, dispensed, or supplied OxyContin.

18 10. As a direct result of Defendants' misconduct, huge quantities of OxyContin were  
19 disseminated from Purdue, McKesson, and the other defendants to drug rings, pill mills, and  
20 other dealers and into the black market within Snohomish County. The resulting drug abuse,  
21 addiction, and crime caused by Defendants have imposed, and will continue to impose, sizeable  
22 costs on Snohomish County, both social and economic.

23 11. For example, Snohomish County has spent, and will need to continue to spend,  
24 significant amounts of taxpayer dollars combating OxyContin abuse and addiction, including  
25 substantial costs for law enforcement, prosecution, human services, jails, corrections, medical  
26 examiner, parks, and public works. And nearly every department of Snohomish County, from

1 the sheriff's office to facilities management, has been forced to devote substantial time, money,  
2 and resources to the harms caused by Defendants.

3 12. In addition, Defendants' wrongful and tortious conduct also fueled a heroin crisis  
4 in Snohomish County.

5 13. The cost to remedy and remediate the extensive damage inflicted on Snohomish  
6 County by Defendants is enormous. For example, significant and substantial sums are required  
7 to fund addiction treatment, detox and rehabilitation facilities, social services and housing, and  
8 prevention and education programs. Additional sums are also needed for law enforcement,  
9 diversion programs, and emergency medical services.

10 14. In short, Defendants' improper actions of placing profits over the welfare of the  
11 citizens of Snohomish County have caused and will continue to cause substantial damages to  
12 Snohomish County. Purdue, McKesson, and the other defendants are liable for their intentional,  
13 reckless, and/or negligent misconduct and should not be allowed to evade responsibility for its  
14 callous and unconscionable practices.

15 15. By this lawsuit, Snohomish County seeks to hold Defendants accountable for the  
16 benefit of the public.

## 17 **II. PARTIES**

18 16. Plaintiff Snohomish County is located in the State of Washington, incorporated  
19 pursuant to Chapter 36 RCW, and duly organized and existing by virtue of the laws of the State  
20 of Washington. Snohomish County brings this action in its sovereign capacity and for the  
21 benefit of the public, pursuant to the powers delegated by the State of Washington, in the  
22 traditional sovereign function of providing for public safety, health, and welfare, and recovering  
23 any other applicable forms of relief available for monetary damages and removal of the public  
24 nuisance caused by Defendants.

25 17. Defendant Purdue Pharma, L.P. is a Delaware limited partnership with its  
26 principal place of business in Stamford, Connecticut. At all relevant times, defendant Purdue

1 Pharma, L.P. was in the business of manufacturing, selling, promoting, and/or distributing  
2 OxyContin throughout the United States, including in Snohomish County.

3 18. Defendant Purdue Pharma, Inc. is a New York corporation with its principal place  
4 of business in Stamford, Connecticut. On information and belief, defendant Purdue Pharma, Inc.  
5 is the general partner of defendant Purdue Pharma, L.P. and supervised and managed its  
6 operations. At all relevant times, defendant Purdue Pharma, Inc. was in the business of  
7 manufacturing, selling, promoting, and/or distributing OxyContin throughout the United States,  
8 including in Snohomish County.

9 19. Defendant The Purdue Frederick Company, Inc. is a New York corporation with  
10 its principal place of business in Stamford, Connecticut. At all relevant times, defendant The  
11 Purdue Frederick Company, Inc. was in the business of manufacturing, selling, promoting,  
12 and/or distributing OxyContin throughout the United States, including in Snohomish County.

13 20. Defendant McKesson Corporation is a Delaware corporation with its principal  
14 place of business in San Francisco, California. McKesson operations include a facility in  
15 Snohomish County, located at 710 132nd Street SW, Everett, Washington. At all relevant times,  
16 McKesson was in the business of selling, promoting, supplying, and/or distributing OxyContin  
17 throughout the United States, including in Snohomish County.

18 21. Defendant Doctors Osteopathic Care, P.S., Inc. is or was a Washington  
19 corporation with its principal place of business in Everett, Washington. Doctors Osteopathic  
20 operated a clinic in Snohomish County located at 9629 Evergreen Way, Suite 102, Everett,  
21 Washington. At all relevant times, Doctors Osteopathic was in the business of promoting,  
22 supplying, dispensing, prescribing, and/or distributing OxyContin throughout the State of  
23 Washington, including in Snohomish County.

24 22. Defendant Delbert Whetstone is a resident of the State of Washington. Whetstone  
25 is or was the medical director, physician, owner, and/or registered agent of Doctors Osteopathic.  
26 At all relevant times, Whetstone was in the business of promoting, supplying, dispensing,

1 prescribing, and/or distributing OxyContin throughout the State of Washington, including in  
2 Snohomish County.

3 23. Defendant Seattle Pain Center Medical Corporation d/b/a Seattle Pain Center is or  
4 was a Washington corporation with its principal place of business in Seattle, Washington.  
5 Seattle Pain Center operated clinics in the Puget Sound area, including a clinic in Snohomish  
6 County located at 1001 N Broadway Avenue, Everett, Washington. At all relevant times, Seattle  
7 Pain Center was in the business of promoting, supplying, dispensing, prescribing, and/or  
8 distributing OxyContin throughout the State of Washington, including in Snohomish County.

9 24. Defendant Frank D. Li is a resident of the State of Washington. Li is or was the  
10 medical director, physician, owner, and/or registered agent of Seattle Pain Center. At all  
11 relevant times, Li was in the business of promoting, supplying, dispensing, prescribing, and/or  
12 distributing OxyContin throughout the State of Washington, including in Snohomish County.

13 25. Defendant Statcare, Inc. P.S. is or was a Washington corporation with its principal  
14 place of business in Everett, Washington. Statcare operated a clinic in Snohomish County  
15 located at 10333 19<sup>th</sup> Avenue, Suite 103, Everett, Washington. At all relevant times, Statcare  
16 was in the business of promoting, supplying, dispensing, prescribing, and/or distributing  
17 OxyContin throughout the State of Washington, including in Snohomish County.

18 26. Defendant Donald Dillinger is a resident of the State of Washington. Dillinger is  
19 or was the medical director, physician and/or owner of Statcare. At all relevant times, Dillinger  
20 was in the business of promoting, supplying, dispensing, prescribing, and/or distributing  
21 OxyContin throughout the State of Washington, including in Snohomish County.

22 27. Defendant Thrifty Payless Inc. d/b/a Rite Aid is a California corporation with its  
23 principal place of business in Camp Hill, Pennsylvania. Rite Aid operates pharmacies  
24 throughout the United States, including pharmacy #5235 in Snohomish County located at 17226  
25 Smokey Point Boulevard, Arlington, Washington. At all relevant times, Rite Aid was in the  
26 business of promoting, supplying, dispensing, and/or distributing OxyContin throughout the

1 United States, including in Snohomish County.

2 28. Defendant NW Green Medical PLLC and NW Green Wellness PLLC are or were  
3 Washington limited liability companies with their principal place of business in Everett,  
4 Washington. NW Green operated a clinic in Snohomish County located at 620 SE Everett Mall  
5 Way, Suite 210 B, Everett, Washington. At all relevant times, NW Green was in the business of  
6 promoting, supplying, dispensing, prescribing, and/or distributing OxyContin throughout the  
7 State of Washington, including in Snohomish County.

8 29. Defendant Sevan Pharmacy, LLC is or was Washington limited liability company  
9 with its principal place of business in Everett, Washington. Sevan Pharmacy operated a  
10 pharmacy in Snohomish County located at 620 SE Everett Mall Way, Suite 210, Everett,  
11 Washington. At all relevant times, Sevan Pharmacy was in the business of promoting,  
12 supplying, dispensing, and/or distributing OxyContin throughout the State of Washington,  
13 including in Snohomish County.

14 30. Defendant Hieu Tu Le is a resident of the State of Washington. Le is or was the  
15 medical director, physician, owner, and/or registered agent of NW Green. Le also frequently  
16 utilized Sevan Pharmacy to obtain OxyContin. At all relevant times, Le was in the business of  
17 promoting, supplying, dispensing, prescribing, and/or distributing OxyContin throughout the  
18 State of Washington, including in Snohomish County.

19 31. Defendants Doe Entities 1 through 10 are and/or were corporations, limited  
20 liability companies, or other entities that knowingly, recklessly, and/or negligently supplied  
21 OxyContin to obviously suspicious physicians, clinics, and/or pharmacies and/or enabled or  
22 failed to prevent the illegal diversion of OxyContin into the black market.

23 32. Defendants John and Jane Does 1 through 10 are and/or were executives, officers,  
24 and/or directors of one or more of the Defendants at all relevant times, who knowingly,  
25 recklessly, and/or negligently supplied OxyContin to obviously suspicious physicians, clinics,  
26 and/or pharmacies and/or enabled or failed to prevent the illegal diversion of OxyContin into the

1 black market.

2 **III. JURISDICTION AND VENUE**

3 33. This Court has subject matter jurisdiction by grant of authority under the  
4 Constitution of the State of Washington.

5 34. This Court has personal jurisdiction over all of the Defendants because, *inter alia*,  
6 they are domiciled and/or reside in the State of Washington, committed tortious acts in the State  
7 of Washington, and/or conduct (or, at all relevant times, conducted) business in the State of  
8 Washington and have purposefully availed themselves of the privilege of conducting business in  
9 the State of Washington. All of the Defendants have sufficient minimum contacts with the State  
10 of Washington to render the exercise of personal jurisdiction over them consistent with the  
11 traditional notions of fair plan and substantial justice.

12 35. Defendants Doctors Osteopathic, Whetstone, Seattle Pain Center, Li, Statcare,  
13 Dillinger, NW Green, Sevan Pharmacy, and Le are subject to personal jurisdiction in this Court  
14 because they are and/or were domiciled in the State of Washington, committed tortious acts in  
15 the State of Washington, and conducted business in the State of Washington.

16 36. Purdue is subject to personal jurisdiction in this Court pursuant to the long-arm  
17 statute for the State of Washington (RCW 4.28.185) and the Constitution of the United States  
18 based on at least the following:

19 a. Purdue has substantial contacts with the State of Washington and has  
20 transacted substantial business in the State of Washington.

21 b. On information and belief, Purdue promoted OxyContin to physicians and  
22 pharmacies in the State of Washington, including through sales visits to the State of Washington,  
23 despite actual knowledge and/or reckless or negligent disregard that the over-prescription of  
24 OxyContin would lead to abuse, addiction, and other harmful social impacts.

25 c. Purdue committed tortious acts, including without limitation selling  
26 OxyContin pills with actual knowledge and/or reckless or negligent disregard that such pills

1 would be illegally trafficked and abused, resulting in harm in the State of Washington. Purdue  
2 also violated the law and regulations requiring the maintenance of effective controls against  
3 diversion and failed to design and operate a system to disclose suspicious orders of controlled  
4 substances, resulting in harm in the State of Washington. In addition, Purdue violated its  
5 agreement, pursuant to a Consent Judgment entered in the State of Washington and governed by  
6 the laws of the State of Washington, to establish, implement, and follow an OxyContin abuse and  
7 diversion detection program consisting of internal procedures designed to identify potential abuse  
8 or diversion of OxyContin.

9 d. Purdue knowingly, recklessly, and/or negligently supplied OxyContin to  
10 obviously suspicious physicians and pharmacies and/or enabled or failed to prevent the illegal  
11 diversion of OxyContin into the black market, including through drug rings, other dealers, and  
12 (on information and belief) physicians and pharmacies in Snohomish County and other areas  
13 within the State of Washington.

14 e. On information and belief, Purdue has sold a significant number of  
15 OxyContin pills in the State of Washington and/or with intent, actual knowledge, and/or reckless  
16 or negligent disregard that such pills would reach the State of Washington, through channels both  
17 legal and illegal. Purdue further had actual knowledge and/or recklessly or negligently  
18 disregarded that its OxyContin sales would lead to abuse, addiction, and other harmful social  
19 impacts within the State of Washington.

20 f. Purdue's misconduct has caused actual injury in and to Snohomish  
21 County, which injury occurred in the State of Washington.

22 g. On information and belief, Purdue has purposely directed its activities and  
23 has consummated numerous transactions involving OxyContin in the State of Washington, and/or  
24 has performed acts by which Purdue purposely availed itself of the privilege of conducting  
25 activities in the State of Washington, thereby invoking the benefits and protections of the law of  
26 the State of Washington.

1           37.    McKesson is subject to personal jurisdiction in this Court pursuant to the long-  
2 arm statute for the State of Washington (RCW 4.28.185) and the Constitution of the United  
3 States based on at least the following:

4           a.    McKesson has substantial contacts with the State of Washington and has  
5 transacted substantial business in the State of Washington.

6           b.    On information and belief, McKesson promoted, supplied, and/or  
7 distributed OxyContin to physicians and pharmacies in the State of Washington, including  
8 through distribution in the State of Washington, despite actual knowledge and/or reckless or  
9 negligent disregard that the over-prescription of OxyContin would lead to abuse, addiction, and  
10 other harmful social impacts.

11          c.    McKesson committed tortious acts, including without limitation selling,  
12 supplying, and/or distributing OxyContin pills with actual knowledge and/or reckless or  
13 negligent disregard that such pills would be illegally trafficked and abused, resulting in harm in  
14 the State of Washington.    McKesson also violated the law and regulations requiring the  
15 maintenance of effective controls against diversion and failed to design and operate a system to  
16 disclose suspicious orders of controlled substances, resulting in harm in the State of Washington.

17          d.    McKesson knowingly, recklessly, and/or negligently supplied OxyContin  
18 to obviously suspicious physicians and pharmacies and/or enabled or failed to prevent the illegal  
19 diversion of OxyContin into the black market, including through drug rings, other dealers, and  
20 (on information and belief) physicians and pharmacies in Snohomish County and other areas  
21 within the State of Washington.

22          e.    On information and belief, McKesson has sold and/or distributed a  
23 significant number of OxyContin pills in the State of Washington and/or with intent, actual  
24 knowledge, and/or reckless or negligent disregard that such pills would reach the State of  
25 Washington, through channels both legal and illegal.    McKesson further had actual knowledge  
26 and/or recklessly or negligently disregarded that its OxyContin sales would lead to abuse,

1 addiction, and other harmful social impacts within the State of Washington.

2 f. McKesson's misconduct has caused actual injury in and to Snohomish  
3 County, which injury occurred in the State of Washington.

4 g. On information and belief, McKesson has purposely directed its activities  
5 and has consummated numerous transactions involving OxyContin in the State of Washington,  
6 and/or has performed acts by which McKesson purposely availed itself of the privilege of  
7 conducting activities in the State of Washington, thereby invoking the benefits and protections of  
8 the law of the State of Washington.

9 38. Rite Aid is subject to personal jurisdiction in this Court pursuant to the long-arm  
10 statute for the State of Washington (RCW 4.28.185) and the Constitution of the United States  
11 based on at least the following:

12 a. Rite Aid has substantial contacts with the State of Washington and has  
13 transacted substantial business in the State of Washington.

14 b. On information and belief, Rite Aid promoted, supplied, dispensed, and/or  
15 distributed OxyContin to physicians and pharmacies in the State of Washington, including  
16 through distribution in the State of Washington, despite actual knowledge and/or reckless or  
17 negligent disregard that the over-prescription of OxyContin would lead to abuse, addiction, and  
18 other harmful social impacts.

19 c. Rite Aid committed tortious acts, including without limitation selling,  
20 supplying, dispensing, and/or distributing OxyContin pills with actual knowledge and/or reckless  
21 or negligent disregard that such pills would be illegally trafficked and abused, resulting in harm  
22 in the State of Washington. Rite Aid also violated the law and regulations requiring the  
23 maintenance of effective controls against diversion and failed to design and operate a system to  
24 disclose suspicious orders of controlled substances, resulting in harm in the State of Washington.

25 d. Rite Aid knowingly, recklessly, and/or negligently supplied OxyContin to  
26 obviously suspicious physicians and individual and/or enabled or failed to prevent the illegal

1 diversion of OxyContin into the black market, including through drug rings, other dealers, and  
2 (on information and belief) physicians and individuals in Snohomish County and other areas  
3 within the State of Washington.

4 e. On information and belief, Rite Aid has sold, dispensed, or distributed a  
5 significant number of OxyContin pills in the State of Washington and/or with intent, actual  
6 knowledge, and/or reckless or negligent disregard that such pills would reach the State of  
7 Washington, through channels both legal and illegal. Rite Aid further had actual knowledge  
8 and/or recklessly or negligently disregarded that its OxyContin sales would lead to abuse,  
9 addiction, and other harmful social impacts within the State of Washington.

10 f. Rite Aid's misconduct has caused actual injury in and to Snohomish  
11 County, which injury occurred in the State of Washington.

12 g. On information and belief, Rite Aid has purposely directed its activities  
13 and has consummated numerous transactions involving OxyContin in the State of Washington,  
14 and/or has performed acts by which Rite Aid purposely availed itself of the privilege of  
15 conducting activities in the State of Washington, thereby invoking the benefits and protections of  
16 the law of the State of Washington.

17 39. Venue in this Court is proper in this Court pursuant to RCW 4.12.020, RCW  
18 4.12.025, and RCW 36.01.050, including because, *inter alia*, Defendants transact business in this  
19 County and/or transacted business in this County at the time the causes of action arose.

#### 20 **IV. STATEMENT OF FACTS**

##### 21 **A. Purdue Aggressively Promotes and Deceptively Markets OxyContin by** 22 **Manipulating Alleged Benefits and Minimizing Known Risks.**

23 40. Oxycodone is an "opioid," which is a synthetic chemical derivative of opium.  
24 Oxycodone is chemically related to other opium-derived substances such as morphine, heroin,  
25 and hydrocodone.

26 41. Similar to other opioids, oxycodone is a potent analgesic, but it also has an  
extremely high potential to become addictive, particularly when used for extended periods.

1 Oxycodone is, therefore, classified as a Schedule II narcotic under the Controlled Substances  
2 Act. Other Schedule II controlled substances include cocaine and methamphetamine.

3 42. Even users who begin taking oxycodone under medical supervision and for a  
4 legitimate purpose are at risk of developing an addiction. Like other opioids, oxycodone is also  
5 illegally used as a recreational drug to achieve a euphoric state or “high.” Users of oxycodone  
6 (both legitimate and illegitimate) build up a tolerance to the drug, requiring ever-larger doses to  
7 meet their needs, which also increases the risk of overdose and other complications.

8 43. In the 1990s, Purdue patented, obtained FDA approval for, and commercially  
9 released OxyContin, an oral formulation of oxycodone. OxyContin was designed to gradually  
10 release its oxycodone content over an extended period of time, with the purported benefit of  
11 allegedly providing for a longer duration of pain relief than other oxycodone drugs.

12 44. However, abusers of OxyContin quickly discovered that by minimally processing  
13 an OxyContin pill (such as by crushing it), the oxycodone content could be liberated for an  
14 intense short-term high. Since OxyContin had a higher total oxycodone content than  
15 formulations designed for immediate release, the potential for abuse and addiction posed by  
16 OxyContin was tremendous.

17 45. Because it is an oral formulation of oxycodone, OxyContin is also designated as a  
18 Schedule II narcotic, and its manufacture and distribution is subject to regulation and control by  
19 the Drug Enforcement Administration (“DEA”), as well as a complement of state and local laws  
20 and regulations. Schedule II narcotics are defined as drugs with a high potential for abuse, with  
21 use potentially leading to severe psychological or physical dependence. Schedule II narcotics,  
22 such as OxyContin, are also considered dangerous.

23 46. Due to the risk of addiction and other dangers, OxyContin and similar opioid  
24 analgesics were traditionally prescribed for either a) acute pain issues requiring only a short  
25 duration of analgesic therapy (such as post-surgical pain), or b) cancer patients or other  
26 terminally ill individuals, for whom addiction risk was less significant.

1           47. To expand the market for OxyContin, Purdue engaged in a campaign to  
2 exaggerate the benefits of and needs for OxyContin, while minimizing the known risks of  
3 OxyContin, including addiction, abuse, and diversion. And to promote the sales of OxyContin,  
4 Purdue aggressively marketed OxyContin to physicians for broader use. Purdue also deliberately  
5 misrepresented the effectiveness and addiction risk of OxyContin, both to the FDA, to  
6 physicians, and to the public via the drug’s deceptive labeling.

7           48. Although Purdue is a private, family-owned corporation, on information and  
8 belief Purdue has generated more than \$30 billion from the sales of OxyContin.

9 **B. Purdue Pleads Guilty to Federal Criminal Charges and Agrees to a Consent**  
10 **Judgment with the State of Washington.**

11           49. In 2007, Purdue and several of its executives pled guilty to federal criminal  
12 charges that they misled regulators, doctors, and patients about OxyContin’s risk of addiction and  
13 its potential to be abused. Purdue admitted that certain statements about OxyContin were made  
14 to health care professionals that were inconsistent with the FDA-approved prescribing  
15 information for OxyContin and the express warnings it contained about risks associated with the  
16 medicine. Purdue also acknowledged that it marketed and promoted OxyContin “with the intent  
17 to defraud or mislead.” To resolve criminal and civil charges regarding the mislabeling and  
18 deceptive marketing of OxyContin, Purdue agreed to pay fines and fees in excess of \$600  
19 million.

20           50. Purdue was also sued in 2007 by several states, including the State of Washington.  
21 In its lawsuit, the State of Washington alleged that “Purdue engaged in unfair or deceptive acts or  
22 practices in its marketing, promotion and sale of OxyContin, including without limitation:  
23 a) aggressively marketing OxyContin to a broad variety of doctors and patients, for an ever  
24 expanding array of ailments, sometimes contrary to its label and indications, while failing to  
25 adequately disclose and reasonably warn of and guard against the health and safety risks  
26 associated with OxyContin, including the risks associated with misuse, abuse, dependence,  
addiction and diversion; b) avoiding or minimizing the known risks of OxyContin, including the

1 risks of abuse, dependence, addiction and diversion; and c) employing a sales and incentive  
2 program that failed to reasonably guard against OxyContin abuse and diversion.”

3 51. Purdue ultimately agreed to pay \$19.5 million as a multi-state settlement and also  
4 settled with the State of Washington pursuant to a Consent Judgment filed in the State of  
5 Washington. In the Consent Judgment, among other obligations, Purdue agreed to enact  
6 safeguards to protect against the diversion of OxyContin.

7 52. Specifically, Purdue agreed to “establish, implement and follow an OxyContin  
8 abuse and diversion detection program consisting of internal procedures designed to identify  
9 potential abuse or diversion of OxyContin in certain settings (the ‘OxyContin Abuse and  
10 Diversion Detection Program’). The OxyContin Abuse and Diversion Detection Program will  
11 apply to Purdue employees and contract or third-party sales representatives, including Medical  
12 Liaisons, who contact practicing Health Care Professionals in person or by telephone for the  
13 purpose of promoting OxyContin. That Program directs those persons to report to the Office of  
14 the General Counsel situations, including, but not limited to the following examples, to the extent  
15 that such information or activities are observed or learned of by them: a) an apparent pattern of  
16 an excessive number of patients for the practice type, such as long lines of patients waiting to be  
17 seen, waiting rooms filled to standing-room-only capacity, or patient-prescriber interactions that  
18 are exceedingly brief or non-existent; b) an atypical pattern of prescribing techniques or  
19 locations, such as repeated prescribing from an automobile, or repeated prescribing at atypical  
20 times, such as after usual office hours when the Health Care Professional is not on call;  
21 c) information from a highly credible source or several sources (*e.g.*, pharmacists, law  
22 enforcement, other health care workers) that a Health Care Professional or their patients are  
23 abusing or diverting medications; d) sudden, unexplained changes in prescribing or dispensing  
24 patterns that are not accounted for by changes in patient numbers or practice type; e) a Health  
25 Care Professional who has a disproportionate number of patients who pay for office visits and  
26 dispensed medications with cash; f) multiple allegations that individuals from a particular

1 practice have overdosed; or g) unauthorized individuals signing prescriptions or dispensing  
2 controlled substances.”

3 53. In the Consent Judgment, each of defendants Purdue Pharma, L.P., Purdue  
4 Pharma, Inc., and The Purdue Frederick Company, Inc. also “warrant[ed] and represent[ed] that  
5 it and its predecessors, successors and assigns manufactured, sold and promoted OxyContin.”

6 **C. McKesson Agrees to Pay Record Settlements for Its Repeated Failures to Report**  
7 **Suspicious Orders.**

8 54. In 2008, McKesson settled allegations that it violated federal reporting provisions  
9 by, among other wrongful conduct, failing to report suspicious orders of controlled substances  
10 that it received from pharmacies and clinics even though the order were unusually large. Under  
11 the agreement between McKesson and six U.S. Attorney’s Offices, McKesson agreed to pay  
12 \$13,250,000 in civil penalties for the alleged violations of McKesson’s obligations under the  
13 Controlled Substances Act.

14 55. Similarly, in 2017, McKesson agreed to pay a record \$150 million civil penalty  
15 based on allegations that McKesson (again) failed to design and implement an effective system to  
16 detect and report “suspicious orders.” The federal government’s investigation developed  
17 evidence that even after the 2008 settlement, McKesson did not fully implement or adhere to its  
18 own program.

19 56. In addition to the payment of \$150 million, the settlement also required McKesson  
20 to suspend sales of controlled substances from distribution centers in several states for multiple  
21 years.

22 **D. Defendants are Required to Maintain Effective Controls Against Diversion,**  
23 **Including Altering the DEA of Suspicious Orders.**

24 57. Importantly, drug makers (like Purdue), drug distributors (like McKesson), and  
25 drug dispensers (like the other defendants) are also required by federal law to maintain effective  
26 controls against diversion and alert the DEA of suspicious orders. Pursuant to 21 U.S.C. § 823,  
manufacturers and distributors of controlled substances (such as OxyContin) are required to

1 register with the DEA, and must demonstrate that their manufacture and distribution of such  
2 substances is in the public interest. In determining the public interest, the DEA is required to  
3 evaluate, *inter alia*, “maintenance of effective controls against diversion,” “compliance with  
4 applicable State and local law,” “prior conviction record of applicant under Federal and State  
5 laws,” and “past experience in the manufacture of controlled substances.”

6 58. Pursuant to 21 U.S.C. § 823, practitioners (like Doctors Osteopathic, Whetstone,  
7 Seattle Pain Center, Li, Statcare, Dillinger, NW Green, and Le) and pharmacies (like Rite Aid  
8 and Sevan Pharmacy) who dispense controlled substances (such as OxyContin) are also required  
9 to register with the DEA, and must demonstrate that their manufacture and distribution of such  
10 substances is in the public interest. In determining the public interest, the DEA is required to  
11 evaluate, *inter alia*, “(1) The recommendation of the appropriate State licensing board or  
12 professional disciplinary authority; (2) The applicant's experience in dispensing, or conducting  
13 research with respect to controlled substances; (3) The applicant's conviction record under  
14 Federal or State laws relating to the manufacture, distribution, or dispensing of controlled  
15 substances; (4) Compliance with applicable State, Federal, or local laws relating to controlled  
16 substances.; [and] (5) Such other conduct which may threaten the public health and safety.”

17 59. The DEA has also promulgated regulations which require any manufacturer or  
18 distributor of controlled substances to “design and operate a system to disclose to the registrant  
19 suspicious orders of controlled substances,” and to “inform the Field Division Office of the  
20 Administration in his area of suspicious orders when discovered by the registrant.” 21 C.F.R.  
21 1301.74(b). The regulation further states that “[s]uspicious orders include orders of unusual  
22 size, orders deviating substantially from a normal pattern, and orders of unusual frequency.” In  
23 addition, whenever a practitioner or pharmacy “dispenses a controlled substance... he/she shall  
24 comply with the requirements imposed on non-practitioners in § 1301.74(a), (b), and (e),”  
25 including the obligations to report suspicious orders. 21 C.F.R. 1301.76(c).

26 60. In 2007, the DEA sent letters to every registered manufacturer or distributor of

1 controlled substances, including (on information and belief) Purdue and McKesson. As stated in  
2 the letter, “the purpose of [the] letter [wa]s to reiterate the responsibilities of controlled substance  
3 manufacturers and distributors to inform the DEA of suspicious orders in accordance with 21  
4 C.F.R. 1301.74(b).”

5 61. In the letter, the DEA expressly warned that the regulation “requires that the  
6 registrant inform the local DEA Division Office of suspicious orders when discovered by the  
7 registrant.” The DEA also warned that “[r]egistrants are reminded that their responsibility does  
8 not end merely with the filing of a suspicious order report. Registrants must conduct an  
9 independent analysis of suspicious orders prior to completing a sale to determine whether the  
10 controlled substances are likely to be diverted from legitimate channels. Reporting an order as  
11 suspicious will not absolve the registrant of responsibility if the registrant knew, or should have  
12 known, that the controlled substances were being diverted.”

13 62. In addition, the DEA warned that the “regulation specifically states that suspicious  
14 orders include orders of an unusual size, orders deviating substantially from a normal pattern, and  
15 orders of an unusual frequency. These criteria are disjunctive and are not all inclusive. For  
16 example, if an order deviates substantially from a normal pattern, the size of the order does not  
17 matter and the order should be reported as suspicious. Likewise, a registrant need not wait for a  
18 ‘normal pattern’ to develop over time before determining whether a particular order is  
19 suspicious. The size of an order alone, whether or not it deviates from a normal pattern, is  
20 enough to trigger the registrant’s responsibility to report the order as suspicious. The  
21 determination of whether an order is suspicious depends not only on the order patterns of the  
22 particular customer, but also on the patterns of the registrant’s customer base and the patterns  
23 throughout the relevant segment of the regulated industry.”

1 **E. Purdue and McKesson Knowingly, Recklessly, and/or Negligently Supply**  
2 **OxyContin to Obviously Suspicious Physicians, Clinics, and Pharmacies for Illegal**  
3 **Diversion in Snohomish County.**

4 63. Despite federal, state, and local regulations, and Purdue's agreement in the  
5 Consent Judgment and McKesson's agreements via its multiple settlements, Purdue and  
6 McKesson deliberately and repeatedly chose to maximize their profits at the expense of the  
7 welfare of Snohomish County and its citizens.

8 64. On information and belief, Purdue and McKesson knowingly, recklessly, and/or  
9 negligently supplied suspicious quantities of OxyContin to obviously suspicious physicians and  
10 pharmacies in Snohomish County (and other areas within the State of Washington) for the illegal  
11 diversion of OxyContin within Snohomish County, without disclosing suspicious orders as  
12 required by regulations. As part of their wrongful pattern and practice, Purdue and McKesson  
13 also circumvented their obligations by enabling and/or failing to prevent the illegal diversion of  
14 OxyContin into the black market, including through drug rings, pill mills, and other dealers in  
15 Snohomish County, with actual knowledge and/or reckless or negligent disregard that its highly  
16 addictive pills would be illegally trafficked and abused.

17 65. For example, in approximately 2008 a criminal drug ring formed in Los Angeles,  
18 California with the objective of obtaining massive amounts of OxyContin and distributing  
19 OxyContin for illegal use, which distribution ultimately included black market sales and other  
20 dissemination in Snohomish County. Specifically, the drug ring formed a clinic called Lake  
21 Medical to use as a front for its racketeering operation. The drug ring recruited several  
22 physicians and other staff to purportedly "practice" at Lake Medical.

23 66. The drug ring also employed "cappers" and "runners" to recruit and transport  
24 phony patients, including homeless individuals, to Lake Medical. These individuals had no  
25 legitimate medical need for OxyContin. At the clinic, the purported medical staff would generate  
26 a bogus medical record and would then prescribe very powerful doses of OxyContin, particularly  
the 80 milligram dose, which was referred to on the street as "80s" and was favored on the black

1 market among drug abusers, but only very rarely prescribed by legitimate doctors to actual  
2 patients.

3 67. The phony patients were shuttled to one of several Los Angeles area pharmacies  
4 to obtain the OxyContin. The drug ring kept the OxyContin and made a small cash payment or  
5 other consideration to the phony patients. The drug ring distributed the OxyContin to various  
6 places around the country, including in Snohomish County, through gang networks and other  
7 means.

8 68. In particular, a drug dealer named Jevon Lawson (“Lawson”), who had moved to  
9 Everett, Washington (in Snohomish County) from Southern California, acquired substantial  
10 quantities of OxyContin from the drug ring. On information and belief, Lawson’s source in the  
11 drug ring would arrange to have the OxyContin pills transported to the State of Washington. The  
12 OxyContin was then ultimately disseminated to, among others, drug abusers in Everett.

13 69. The drug ring and the associated pharmacies made massive orders of OxyContin,  
14 which were completely out of line with the typical volume of orders for legitimate medical uses.  
15 And these atypical orders were tracked by Purdue and McKesson, which had access to highly  
16 detailed prescription ordering data. Through their monitoring system, Purdue and McKesson  
17 detected, or at very least should have detected, the suspicious nature of the Lake Medical orders.

18 70. For example, since at least 2002, Purdue has collected, tracked, and monitored  
19 extensive data concerning suspicious physicians and pharmacies. On information and belief,  
20 Purdue’s database contains a list of more than 1,800 doctors, who Purdue suspected of recklessly  
21 prescribing OxyContin for drug dealers or addicts. Purdue calls that list “Region Zero.”

22 71. In 2008, Purdue added the name of at least one of Lake Medical’s physicians,  
23 Eleanor Santiago (“Santiago”), to Region Zero. Shortly after Lake Medical had opened, Purdue  
24 was already tracking and suspicious of the enormous volume of prescriptions for 80s (*i.e.*, 80-  
25 milligram OxyContin pills) written by Santiago. On information and belief, at nearly the same  
26 time that Purdue added Santiago to Region Zero, a pharmacist informed Purdue that Lake

1 Medical was exploiting homeless individuals to acquire prescriptions for OxyContin.

2 72. Other pharmacists also provided similar information to Purdue. On information  
3 and belief, Purdue received more than 10 reports that abnormal and suspicious OxyContin  
4 prescriptions were being written at Lake Medical. Those additional notifications were provided  
5 to Purdue in the months shortly after Purdue had already red-flagged Santiago by adding her  
6 name to Region Zero.

7 73. In addition, in 2009, a District Manager for Purdue visited Lake Medical to  
8 investigate the suspicious volume of prescriptions for OxyContin. The District Manager for  
9 Purdue immediately concluded the clinic was a front for a criminal operation by an organized  
10 drug ring and was "clearly diversion." That District Manager also instantly recognized that it  
11 was too dangerous even to be present at the clinic.

12 74. In an email dated September 1, 2009, the District Manager told Purdue that the  
13 DEA should be contacted:

14 -----Original Message-----

15 From: Ringler, Michele

16 Sent: Tuesday, September 01, 2009 7:24 PM

17 To: Crowley, Jack

18 Cc: Limer, Gina; Taggart, Bruce

19 Subject: RE: RE: [REDACTED]

20 Jack,

21 Thank you. The fires are actually very close to where I live, but my immediate neighborhood  
22 has not had to evacuate. The air quality is terrible and they are anticipating that it will  
23 take 2 weeks to put the fires out!

24 I'm glad to hear that the wholesaler is not going to be selling to this pharmacy, but I'm not  
25 sure why they are going to call on those doctors. I think it is very dangerous for the  
26 wholesaler to call on this clinic. I'm also very concerned that the owner of St. Paul's  
Pharmacy is going to say something to these physicians that he was paid a visit by the Purdue  
reps. This is clearly diversion. Shouldn't the DEA be contacted about this?

Michele

1           75.     The District Manager also sent additional emails to Purdue's executives warning  
2 that she was "very certain" that "this is an organized drug ring" and strenuously urged Purdue to  
3 contact the DEA:

4     -----Original Message-----

5     From: Ringler, Michele  
6     Sent: Wednesday, September 02, 2009 1:56 AM  
7     To: Crowley, Jack  
8     Cc: Limer, Gina; Taggart, Bruce  
9     Subject: RE: [REDACTED]

10     Jack,

11     Thanks for all of the information. My concern with wholesalers going to this clinic is that if  
12 they have no experience with this type of situation, it could be very dangerous. Obviously, it  
13 is their prerogative to do so, but when I went to the clinic with my rep, it was packed with a  
14 line out the door, with people who looked like gang members. I feel very certain that this is  
15 an organized drug ring and when these doctor's get cut off, the people behind them are going  
16 to be very angry. It just seems that trained professionals like the DEA would be better  
17 equipped to do further investigation of this clinic. Hopefully the wholesalers will agree.

18     Thanks,

19     Michele

20           76.     Similarly, the Director of Regulatory Affairs for McKesson agreed that the  
21 pharmacies involved with the organized drug ring were "OUTLETS OF CONCERN" and  
22 described "pharmacies of interest" that required serious discussion:

23     -----  
24     From: Mahoney, Bill [mailto:Bill.Mahoney@McKesson.com]  
25     Sent: Thursday, April 22, 2010 12:09 PM  
26     To: Crowley, Jack; McDonald, Tom; Oriente, Michael; Gustin, Dave  
27     Subject: RE: for our call at 2pmET

28     Jack—

29     On the second page of the PPT, I did include some pharmacies of interest, either for specific or general discussion...the ones in  
30 colors below are from Michael's territory (and with time being short might be the most interesting—they have the highest  
31 thresholds); [REDACTED]  
32 [REDACTED]

1           77.     The Director of Regulatory Affairs for McKesson also admitted to the Executive  
2 Director of Controlled Substance Act Compliance for Purdue that the suspicious “accounts” on  
3 Purdue’s list were also “of interest” to McKesson:

---

4     **From:**           McDonald, Tom  
5     **To:**             Crowley, Jack; Mahoney, Bill; Oriente, Michael; Gustin, Dave  
6     **Sent:**           4/22/2010 12:09:34 PM  
7     **Subject:**        RE: for our call at 2pmET

8     Jack,  
9     All on your list have been of interest at one time or another. I'm interested to hear your perspective.

10    Regards,

11    Tom McDonald  
12    Director of Regulatory Affairs  
13    Western Region  
14    McKesson Pharmaceuticals  
15    9501 Norwalk Blvd.  
16    Santa Fe Springs, CA 90670  
17    office 562-463-2250  
18    cell 562-577-7699  
19    fax 562-463-2251

20           78.     Based on, among other things, Purdue’s and McKesson’s own tracking systems  
21 and investigations, as well as the numerous pharmacy notifications, Purdue and McKesson had  
22 actual and/or constructive knowledge of, or recklessly and/or negligently disregarded, the fact  
23 that the OxyContin prescriptions by Lake Medical were fraudulent and that extraordinary  
24 quantities of OxyContin were being diverted.

25           79.     In fact, the Executive Director of Controlled Substance Act Compliance for  
26 Purdue admitted that McKesson had previously notified Purdue of the alarming circumstances,  
and that one of the suspect pharmacies was in Purdue’s monitoring system:

-----Original Message-----  
From: Crowley, Jack  
Sent: Tuesday, September 01, 2009 7:07 PM  
To: Ringler, Michele  
Cc: Taggart, Bruce; Limer, Gina  
Subject: FW: [REDACTED]

One final comment - the wholesaler brought St. Paul's to my attention first.

While St. Paul's Pharmacy is on our Order Monitoring System, our committee hadn't gotten around to discussing it yet. We asked you for input the same day it was brought to our attention.

Best regards,

Jack

1           80.    On information and belief, that same Executive Director referred to Purdue's  
2 tracking system and database as a "gold mine" and admitted that Purdue was easily able to  
3 identify the highly suspicious volume of prescriptions for 80s written by Lake Medical.

4           81.    Despite such knowledge, however, Purdue and McKesson failed to properly notify  
5 the DEA or other authorities. Nor did Purdue or McKesson stop the flow of OxyContin through  
6 Lake Medical. Instead, Purdue and McKesson intentionally, recklessly, and/or negligently  
7 allowed the flow of OxyContin to continue through Lake Medical and waited to provide  
8 information to authorities only after Lake Medical was shut down in 2010, and following the  
9 arrest of several of the key criminals in the drug ring at Lake Medical. Numerous individuals  
10 have subsequently pled guilty or have been convicted in a federal criminal action filed in the  
11 Central District of California.

12           82.    In addition, Lawson was arrested, charged, and pled guilty to federal drug  
13 trafficking charges in the Western District of Washington. On information and belief, by the  
14 time Lake Medical was closed, more than 1 million OxyContin pills had been diverted into the  
15 black market, on which Purdue earned in excess of \$15 million.

16           83.    Lawson admitted to receiving many thousands of those OxyContin pills into the  
17 State of Washington and distributing them in Snohomish County. As a direct result of Purdue's  
18 and McKesson's misconduct, therefore, destructive quantities of OxyContin were illegally  
19 distributed in Snohomish County through the Lake Medical drug ring, which Purdue itself called  
20 "clearly diversion."

21 **F.    Defendants Knowingly, Recklessly, and/or Negligently Supply OxyContin For Illegal**  
22 **Diversion into the Black Market, including to Drug Rings, Pill Mills, and Other**  
23 **Dealers for Dispersal in Snohomish County.**

24           84.    Unfortunately, the illegal diversion through the Lake Medical drug ring is merely  
25 one of numerous examples of Purdue's and McKesson's callous and unconscionable pattern and  
26 practices.

          85.    On information and belief, Purdue and McKesson also knowingly, recklessly,

1 and/or negligently supplied suspicious quantities of OxyContin to obviously suspicious  
2 physicians, clinics, and pharmacies in Snohomish County (and other areas within the State of  
3 Washington), including defendants Doctors Osteopathic, Whetstone, Seattle Pain Center, Li,  
4 Statcare, Dillinger, Rite Aid, NW Green, Sevan Pharmacy, and Le, without disclosing suspicious  
5 orders as required by regulations and otherwise circumventing Purdue's and McKesson's  
6 obligations.

7 86. In addition, on information and belief, with actual knowledge and/or reckless or  
8 negligent disregard that the highly addictive OxyContin pills would be illegally trafficked and  
9 abused, Defendants enabled and/or failed to prevent the illegal diversion of OxyContin through  
10 drug rings, pill mills, and other dealers in Snohomish County.

#### 11 **Whetstone and Osteopathic Care**

12 87. For example, Whetstone was a practitioner who owned and operated Osteopathic  
13 Care in Snohomish County. Whetstone knowingly and intentionally prescribed alarming (and  
14 suspicious) quantities of OxyContin outside the scope of professional practice and not for a  
15 legitimate medical purpose.

16 88. In November 2008, a Purdue sales representative filed a report detailing a  
17 disturbing conversation with a pharmacy technician in Snohomish County. The technician told  
18 her "that one of the pharmacists [at a different store] refuses to fill scripts for Dr. Whetstone's  
19 patients." The technician also described "an episode when one of Dr. Whetstone[']s patients  
20 came in to fill an 80mg. prescription of Oxycontin. He states that Dr. Whetstone's patients  
21 frequently fit this description—He states that the prescriptions are always cash pay, he states that  
22 the one he is thinking about was wearing \$380. tennis shoes. It did not appear to him that this  
23 patient was in pain. He states that frequently Dr. Whetstone[']s patients fit the 20 year old males,  
24 80 mg. tablets and always pay cash description."

25 89. In an internal Purdue report, Purdue similarly described "Dr. Whetstone's patients  
26 are 'all 20 year old thugs with diamonds in their ears and \$350.00 tennis shoes who always pay

1 cash.” The same internal Purdue report notes that Whetstone’s son, who had previously “made a  
2 comment to [the sales representative] in the past about the 20 year olds getting OxyContin 80 mg  
3 prescriptions from Dr. Whetstone” was no longer working for his father.

4 90. The November 2008 report was “one of several reports that [the sales  
5 representative] has made over the past 16 months regarding Dr. Whetstone.”

6 91. In addition, Purdue was again alerted to diversion and abuse of OxyContin by  
7 Whetstone and his “patients” by at least September 2010, when one of its sales representatives  
8 filed a report after receiving alarming information from another pharmacy in Snohomish County.  
9 According to the pharmacy, “they have received several phone calls each day demanding the old  
10 formulation of OxyContin. [The pharmacist] said Dr. Whetstone previously would write a  
11 prescription for 2-3 medications on one script and has now changed to writing separate  
12 prescription for OxyContin so his patients can shop around to get the old formulation.” Purdue  
13 responded by explaining to the pharmacy staff that “we have no data stating OxyContin is more  
14 difficult to manipulate.”

15 92. An internal Purdue document shows that Whetstone had written more a thousand  
16 prescriptions for OxyContin worth \$436,120.06 in a six month period in 2008. The DEA’s  
17 review of prescription data also revealed that Whetstone wrote prescriptions for 87,977 for the 80  
18 milligram dose of OxyContin, which was referred to on the street as “80s” and was favored on  
19 the black market among drug abusers, during a ten month period in 2009.

20 93. Despite its knowledge of diversion and abuse, Purdue did not alert authorities as  
21 required. Instead, Purdue wrongfully continued reaping extraordinary profits from an organized  
22 criminal enterprise.

23 94. In October 2010, the U.S. Department of Justice filed a complaint against  
24 Whetstone. Ultimately, in February 2012, Whetstone pleaded guilty to, among other crimes,  
25 distribution of a controlled substance.  
26

1           **Li and Seattle Pain Center**

2           95.     Li was a practitioner who owned and operated Seattle Pain Center, including a  
3 clinic in Snohomish County. Li was the sole medical doctor, and one of its only pain  
4 management specialists. In addition, as the owner of Seattle Pain Center and the employer for all  
5 the clinic providers, Li established the business model, treatment protocols, and training for  
6 treating chronic pain patients. However, rather than acting in the best interests of his patients, Li  
7 sought to advance his own financial interests and the interests of Seattle Pain at the expense of its  
8 patients and the welfare of the citizens of Snohomish County.

9           96.     To churn through patients and maximize revenues, Li and the Seattle Pain Center  
10 employed a revolving cast of inexperienced nurse practitioners and physician assistants. In  
11 interviews provided to the Washington Attorney General Medicaid Fraud Control Unit  
12 (“MCFU”), former employees of Seattle Pain Center revealed that Li recruited them with  
13 promises of new facilities and expensive machinery that never materialized. The hiring process  
14 was superficial and training was limited.

15           97.     Li and Seattle Pain Center pressured its practitioners to fill prescriptions a  
16 suspicious rate. And because they were pressured to fill prescriptions, the practitioners at Seattle  
17 Pain Center routinely disregarded signs of abuse. For example, Seattle Pain Center’s practice of  
18 collecting urine samples on every visit only served to increase medical billings. The test results  
19 themselves were consistently disregarded and patients who tested positive for illicit drug abuse,  
20 or negative for opioids, suggesting that those patients were seeking OxyContin to then resell on  
21 the street, were still prescribed OxyContin.

22           98.     Witnesses interviewed by MCFU with knowledge of Li and Seattle Pain Center’s  
23 practices indicated that Seattle Pain Center became “well known amongst opioid addicts and  
24 other drug seekers as an easy place to get drugs.” Former employees of Seattle Pain Center have  
25 openly described Seattle Pain Center as a “pill mill.”

26           99.     On July 14, 2016, the Medical Quality Assurance Commission (“MQAC”)

1 summarily suspended Li's license to practice medicine in the State of Washington. The  
2 suspension was warranted because MQAC concluded that "[Seattle Pain Center] business model  
3 and clinical practice appears to be influenced by [Li]'s financial interest. [Seattle Pain Center]  
4 established a business model and clinical practice that focused on maximizing billable amounts  
5 by increasing the number of patients treated, the frequency of patient office visits, and the  
6 volume of billable services. [Li] and [Seattle Pain Center] sought out vulnerable chronic pain  
7 patients enrolled in Medicaid insurance and maintained these patients on opioid therapy by  
8 providing continuing prescriptions despite knowledge of medication abuse, diversion and  
9 overdose.

10 100. On February 13, 2017, the DEA also revoked Li's registrations to dispense  
11 controlled substances.

12 **Dillinger and Statcare**

13 101. Dillinger was a practitioner who owned and operated Statcare in Snohomish  
14 County. Purdue targeted Dillinger with marketing and encouraged Dillinger to write an ever-  
15 increasing number of prescriptions for OxyContin.

16 102. For example, from 2007 through 2016, Dillinger wrote 9,974 prescriptions of  
17 OxyContin, which was twenty-six times more than the average prescriber in Everett,  
18 Washington. Purdue's efforts were so successful that its sales call notes reflect that "[h]e says all  
19 of his patients are on opioids," and that "his favorite long-acting opioid is OxyContin," and later  
20 confirming that "OxyContin is still his opioid of choice."

21 103. Given the unusual size, substantial deviation from a normal pattern, and  
22 prescriptions of unusual frequency, Purdue and McKesson knew (or should have known) that  
23 they were supplying OxyContin to an obviously suspicious physician and enabling the illegal  
24 diversion of OxyContin into the black market. But, on information and belief, Purdue and  
25 McKesson ignored the warning signs and their own data. In fact, Purdue used its data for the  
26 opposite (and wrongful) means: targeting high-prescribing practitioners in Snohomish County

1 (like Dillinger).

2 104. Ultimately, proceedings were initiated against Dillinger and, in August 2017, the  
3 MQAC found that the Department of Health had proved by “clear and convincing evidence” that  
4 Dillinger had engaged in improper treatment of patients.

5 **Rite Aid**

6 105. Rite Aid owns and operates pharmacies throughout Snohomish County, including  
7 pharmacy #5235 located in Arlington, Washington. On information and belief, with actual  
8 knowledge and/or reckless or negligent disregard that the highly addictive OxyContin pills would  
9 be illegally trafficked and abused, Rite Aid supplied, dispensed, and/or distributed OxyContin for  
10 improper and suspicious prescriptions and enabled and/or failed to prevent the illegal diversion of  
11 OxyContin through drug rings, pill mills, and other dealers in Snohomish County.

12 106. On information and belief, Purdue and McKesson also knowingly, recklessly,  
13 and/or negligently supplied suspicious quantities of OxyContin to Rite Aid, without disclosing  
14 suspicious orders as required by regulations and otherwise circumventing Purdue’s and  
15 McKesson’s obligations.

16 **Le, NW Green, and Sevan Pharmacy**

17 107. Le was a practitioner who owned and operated NW Green in Snohomish County.  
18 On information and belief, between March 2012 and July 2013, Le wrote Oxycontin  
19 prescriptions through NW Green that he knew was not issued for legitimate medical purposes.  
20 Le also obtained Oxycontin from Sevan Pharmacy that he then sold for cash to individuals that  
21 he knew did not have a legitimate medical need for the OxyContin pills.

22 108. On information and belief, Le would often hand-deliver Oxycontin prescriptions  
23 that he had written to Sevan Pharmacy, and then Le would pick up the filled prescriptions himself  
24 and sell OxyContin to individuals and drug dealers. In addition, on information and belief, Le  
25 knew that several people who were buying OxyContin from him were intending to re-sell the  
26 OxyContin into the black market.

1           109. Ultimately, in April 2014, Le was sentenced to five years in prison and three years  
2 of supervised release for distribution of a controlled substance. Le admitted that “[h]e crossed  
3 the line into writing illegitimate prescriptions, and rather than alleviating illness, he contributed  
4 to it.”

5           110. Defendants Doctors Osteopathic, Whetstone, Seattle Pain Center, Li, Statcare,  
6 Dillinger, Rite Aid, NW Green, Sevan Pharmacy, and Le improperly and unlawfully promoted,  
7 prescribed, dispensed, supplied, and/or distributed OxyContin. On information and belief, with  
8 actual knowledge and/or reckless or negligent disregard that the highly addictive OxyContin pills  
9 would be illegally trafficked and abused, defendants Doctors Osteopathic, Whetstone, Seattle  
10 Pain Center, Li, Statcare, Dillinger, Rite Aid, NW Green, Sevan Pharmacy, and Le also enabled  
11 and/or failed to prevent the illegal diversion of OxyContin through drug rings, pill mills, and  
12 other dealers in Snohomish County.

13           111. Based on, among other things, Purdue’s and McKesson’s own tracking systems  
14 and investigations, as well as other notifications, Purdue and McKesson had actual and/or  
15 constructive knowledge of, or recklessly and/or negligently disregarded, the fact that the  
16 OxyContin prescriptions and/or disbursements by defendants Doctors Osteopathic, Whetstone,  
17 Seattle Pain Center, Li, Statcare, Dillinger, Rite Aid, NW Green, Sevan Pharmacy, and Le were  
18 fraudulent and that extraordinary quantities of OxyContin were being diverted.

19           112. All of the Defendants could have (and should have) reported and/or stopped the  
20 flow of OxyContin into the black market. But Defendants intentionally, recklessly, and/or  
21 negligently failed to investigate, report, and halt suspicious orders. Accordingly, as a direct  
22 result of Defendants’ misconduct, substantial and dangerous quantities of OxyContin were  
23 illegally diverted to and in Snohomish County.

1 **G. Defendants' Misconduct and Unfair Practices Causes Serious Harm to Snohomish**  
2 **County, Significant Injury to Snohomish County, Substantial Damages to**  
3 **Snohomish County, and Sizeable Costs for Snohomish County.**

4 113. Snohomish County and its residents have been damaged by Defendants'  
5 intentional, reckless, and/or negligent misconduct, including Purdue's and McKesson's failure to  
6 investigate, report, and halt suspicious orders of OxyContin. The wrongful conduct by  
7 Defendants have caused and will continue to cause serious harm, significant injury, and  
8 substantial damages to Snohomish County and its residents.

9 114. On information and belief, numerous individuals within Snohomish County  
10 became addicted to OxyContin. Overdoses of OxyContin are (and were at all relevant times) all  
11 too common. Overdoses have also resulted in many deaths in Snohomish County.

12 115. OxyContin abuse has also led to a raft of other social and economic ills. For  
13 example, the use and overdose of OxyContin endangers lives, requiring intervention by sheriff's  
14 office, human services, and/or the office of neighborhoods. Addicts often commit other crimes to  
15 raise money to fuel their addiction, requiring additional law enforcement activities and costs. In  
16 fact, during all relevant times, OxyContin was a factor in a significant number of the crimes  
17 committed in Snohomish County.

18 116. In addition, drug paraphernalia is often left on public properties, requiring  
19 cleanup. Several departments, including code enforcement, human services, public works, and  
20 the fire marshal have also been forced to address numerous nuisance properties.

21 117. OxyContin is also a gateway drug for heroin, which provides a similar high at a  
22 cheaper street price. The illegal diversion of OxyContin, therefore, has also resulted in heroin  
23 abuse in Snohomish County, because many users who become addicted to OxyContin ultimately  
24 switch to heroin to feed their opioid addictions. In other words, the heroin crisis that has gripped  
25 Snohomish County is directly attributable to Defendants' wrongful and tortious conduct.

26 118. Snohomish County has incurred and will continue to incur sizeable costs in  
dealing with the OxyContin (and consequent heroin) abuse, addiction, and crime caused by

1 Defendants, including the expenditure of substantial sums to address the social and economic  
2 impacts of the opioid epidemic in Snohomish County. For example, Snohomish County has  
3 spent, and will need to continue to spend, significant money on law enforcement, corrections,  
4 human services, and public works. Other departments of Snohomish County, including the  
5 sheriff's office, code enforcement, and facilities management have also been forced to devote  
6 substantial time, money, and resources to the harms caused by Defendants. Snohomish County  
7 has also suffered lost economic opportunity as a result of Defendants' wrongdoing.

8 119. In addition to the significant amounts of taxpayer dollars that Snohomish County  
9 has already been forced to spend and will continue to be forced to spend, the cost to remedy and  
10 remediate the extensive damage imposed by Defendants on Snohomish County is sizeable. For  
11 example, substantial sums are needed for law enforcement, diversion programs, and emergency  
12 medical care to provide additional services beyond current operating budgets. Significant and  
13 substantial sums are required to fund addiction treatment, detox and rehabilitation facilities,  
14 social services and housing, and prevention and education programs.

15 120. Accordingly, Defendants have caused and will continue to cause serious harm,  
16 significant injury, and substantial damages to Snohomish County. As a direct result of  
17 Defendants' misconduct and unfair practices, therefore, Snohomish County has incurred and will  
18 continue to incur sizeable costs.

19 **V. CAUSES OF ACTION**

20 **FIRST COUNT: GROSS NEGLIGENCE**

21 121. Snohomish County repeats and re-alleges each and every allegation contained in  
22 the paragraphs above, as if fully set forth herein.

23 122. Defendants owed a duty of care to Snohomish County, including to take  
24 reasonable precautions to prevent diversion of its highly addictive OxyContin into the hands of  
25 criminal drug traffickers and abusers.

26 123. Defendants knew or should have known, and/or recklessly disregarded, that the

1 OxyContin pills they manufactured, distributed, dispensed, or supplied were being diverted to the  
2 black market and for illegal use.

3 124. Defendants failed to exercise slight care to Snohomish County, including by, *inter*  
4 *alia*, deceptively promoting, marketing, and/or dispensing OxyContin; failing to take appropriate  
5 action to stop the diversion of OxyContin, including through the Lake Medical drug ring and  
6 other suspect physicians, clinics, and/or pharmacies in Snohomish County, despite Defendants'  
7 actual or constructive knowledge and/or reckless disregard; circumventing regulations,  
8 obligations, and their own agreements and procedures; supplying OxyContin to drug rings, pill  
9 mills, and other dealers, and/or to obviously suspicious physicians, clinics, and pharmacies,  
10 without disclosing suspicious orders; enabling or failing to prevent the illegal diversion of  
11 OxyContin into the black market; failing to maintain effective controls against diversion and  
12 failing to design, implement, and operate a system to disclose suspicious orders of controlled  
13 substances as required by regulations; and/or failing to establish, implement, and follow an  
14 OxyContin abuse and diversion detection program consisting of internal procedures designed to  
15 identify potential abuse or diversion of OxyContin.

16 125. As a direct, proximate, and foreseeable result of Defendants' gross negligence,  
17 Snohomish County has been damaged, suffered harm and injury, and has incurred (and will  
18 continue to incur) significant costs.

19 126. Accordingly, Snohomish County is entitled to damages in an amount to be proven  
20 at trial.

21 **SECOND COUNT: NEGLIGENCE**

22 127. Snohomish County repeats and re-alleges each and every allegation contained in  
23 the paragraphs above, as if fully set forth herein.

24 128. Defendants owed a duty of care to Snohomish County, including to take  
25 reasonable precautions to prevent diversion of its highly addictive OxyContin into the hands of  
26 criminal drug traffickers and abusers.



1           134. Pursuant to RCW 7.48.120, nuisance is broadly defined as follows: “Nuisance  
2 consists in unlawfully doing an act, or omitting to perform a duty, which act or omission either  
3 annoys, injures or endangers the comfort, repose, health or safety of others, offends decency, or  
4 unlawfully interferes with, obstructs or tends to obstruct, or render dangerous for passage, any  
5 lake or navigable river, bay, stream, canal or basin, or any public park, square, street or highway;  
6 *or in any way renders other persons insecure in life, or* in the use of property.” (emphasis  
7 added).

8           135. Washington’s pattern jury instructions include a similar definition of nuisance:  
9 “Nuisance is unlawfully doing an act or failing to perform a duty, which act or failure to act: (1)  
10 Annoys, injures, or endangers the comfort, repose, health, or safety of others; (2) Offends  
11 decency; (3) Unlawfully interferes with, obstructs or tends to obstruct, or renders dangerous for  
12 passage, any lake, navigable river, bay, stream, canal, or basin; (4) Unlawfully interferes with,  
13 obstructs or tends to obstruct, or renders dangerous for passage any public park, square, street, or  
14 highway; or (5) In any way renders other persons insecure in life, or in the use of property.” WPI  
15 380.01 Nuisance in General—Definition, 6A Wash. Prac., Wash. Pattern Jury Instr. Civ. WPI  
16 380.01 (6th ed.) (emphasis added; brackets omitted).

17           136. “A public nuisance is one which affects equally the rights of an entire community  
18 or neighborhood, although the extent of the damage may be unequal.” RCW 7.48.130.

19           137. In addition to Chapter 7.48 RCW, Washington also proscribes “common law  
20 nuisance.” *See Kitsap Cty. v. Kitsap Rifle & Revolver Club*, 184 Wn. App. 252, 282, 337 P.3d  
21 328 (2014), amended on denial of reconsideration (Feb. 10, 2015); *see also* WPI 380.00  
22 Introduction, 6A Wash. Prac., Wash. Pattern Jury Instr. Civ. WPI 380.00 (6th ed.) (“State law  
23 nuisance claims are based on specific statutory provisions and the common law.”).

24           138. Under Washington law, a nuisance per se is an act, thing, omission, or use of  
25 property which of itself is a nuisance, and hence is not permissible or excusable under any  
26 circumstance. For example, engaging in any business or profession in defiance of a law

1 regulating or prohibiting the same “is a nuisance per se.” *Kitsap Cty. v. Kev, Inc.*, 106 Wn.2d  
2 135, 138, 720 P.2d 818 (1986).

3 139. Defendants manufactured, sold, promoted, marketed, supplied, distributed, and/or  
4 dispensed OxyContin in a manner that created or participated in creating a public nuisance that is  
5 harmful and injurious to Snohomish County and its residents.

6 140. Defendants knowingly, intentionally, recklessly, and/or negligently, disseminated  
7 massive quantities of OxyContin to suspect physicians, clinics, and pharmacies, and/or  
8 improperly promoted, marketed, or dispensed OxyContin, and into the black market, including  
9 the Lake Medical drug ring and other drug rings, pill mills, and dealers.

10 141. Defendants also enabled and/or failed to prevent the illegal diversion of  
11 OxyContin into the black market, including through drug rings, pill mills, and other dealers in  
12 Snohomish County, with actual knowledge, intent, and/or reckless or negligent disregard that  
13 such pills would be illegally trafficked and abused.

14 142. Defendants’ conduct annoys, injures, and/or endangers the comfort, repose,  
15 health, and safety of others.

16 143. Defendants’ conduct caused and continues to cause harm to Snohomish County.

17 144. Defendants’ wrongful conduct has given rise to a public nuisance, including the  
18 unlawful availability and abuse of OxyContin and addiction within Snohomish County.

19 145. The rights, interests, and inconvenience to Snohomish County and the general  
20 public far outweigh the rights, interests, and inconvenience to Defendants, which profited heavily  
21 from the illegal diversion of OxyContin.

22 146. At all relevant times, each of Defendants’ misconduct has been injurious to health,  
23 indecent, and/or offensive to the senses, and an obstruction to the free use of property, so as to  
24 interfere with the comfortable enjoyment of the life and property. Snohomish County’s property  
25 has also been injuriously affected and Snohomish County’s and its residents’ enjoyment has been  
26 lessened by Defendants’ misconduct.

1           147. Defendants unlawfully did an act, and/or omitted to perform a duty, which act or  
2 omission annoys, injures or endangers the comfort, repose, health and/or safety of others, offends  
3 decency, and unlawfully interferes with, obstructs or tends to obstruct, or renders dangerous for  
4 passage (among other things) public parks, squares, roads, and/or highways; and renders other  
5 persons insecure in life or in the use of property.

6           148. Defendants' misconduct affects equally the rights of the entire community and/or  
7 neighborhood(s) of Snohomish County.

8           149. In addition, at all relevant times, Defendants' wrongful conduct substantially and  
9 unreasonably interfered with Snohomish County's and its residents use and enjoyment of life and  
10 property.

11           150. Through its misconduct described above, Defendants have created and  
12 maintained, and/or contributed to or assisted in creating and maintaining, a condition that is  
13 injurious to the health and safety of Snohomish County and its residents, and interferes with the  
14 comfortable enjoyment of life and property in violation of Washington law.

15           151. The public nuisance created by Defendants' misconduct is substantial and  
16 unreasonable, has caused and continues to cause serious harm, significant injury, substantial  
17 damages, and sizeable costs to Snohomish County, which is outweighed by any offsetting  
18 benefit, and has required the devotion of substantial time, money, and resources by nearly every  
19 department of Snohomish County, including the fire marshal, parks, sheriff's office, and public  
20 health and safety departments.

21           152. Defendants' misconduct has injuriously affected, and continues to affect,  
22 Snohomish County property, patrons, employees, and individuals within Snohomish County. For  
23 example, at all relevant times, diversion and abuse of OxyContin took place on the roads of  
24 Snohomish County, in public parks, and on other Snohomish County property. Individuals  
25 addicted to OxyContin who lost stable housing have encamped on Snohomish County property.  
26 Such encampments have necessitated significant and costly debris removal and cleaning of

1 Snohomish County property.

2 153. In addition, the results of OxyContin diversion and abuse, including drug  
3 paraphernalia and other waste, have littered Snohomish County roads, parks, and other public  
4 properties, also requiring costly cleanup. Snohomish County has also been forced to devote the  
5 resources of several departments, including code enforcement, human services, public works, and  
6 the fire marshal, to address numerous nuisance properties a result of the OxyContin diversion and  
7 abuse.

8 154. Snohomish County property has also been committed for use as housing for  
9 individuals who have used and/or are addicted to OxyContin. Such use precludes utilizing  
10 Snohomish County property for other purposes.

11 155. The diversion, use, and overdose of OxyContin also endangers lives, requiring  
12 intervention by the sheriff's office, human services, and/or office of neighborhoods on  
13 Snohomish County roads, in parks, and other public properties. Such emergencies and related  
14 disturbances regularly occurred on, required use of, and detracted from or precluded the intended  
15 uses of, Snohomish County property.

16 156. In addition, addicts often commit other crimes to obtain money to support their  
17 addiction, requiring additional law enforcement activities, use of Snohomish County property,  
18 and costs. During all relevant times, OxyContin was a factor in a significant number of the  
19 crimes committed in Snohomish County, which take place on Snohomish County's property,  
20 including roads, rights of ways, and other public spaces. Law enforcement activity in relation to  
21 such criminal activity also detracted from, or precluded the intended use of, Snohomish County  
22 property.

23 157. OxyContin diversion and abuse has resulted in numerous nuisance properties  
24 throughout Snohomish County. At any one time, Snohomish County may have up to 85 open  
25 nuisance property investigations. In fact, more than 200 nuisance properties have been identified  
26 in Snohomish County. The numerous nuisance properties are addressed by various departments,

1 including the fire marshal, public works, human services, and code enforcement.

2 158. Defendants' misconduct has also caused deaths, serious injuries, and a severe  
3 disruption of the public peace, order, comfort, health, and safety, including on Snohomish  
4 County property. Oxycontin dealers and addicts congregate on public spaces and other  
5 Snohomish County property, which has rendered such property and the surrounding property less  
6 safe or unsafe. Such disruption obstructs or tends to obstruct, and renders dangerous for  
7 passage, public parks, municipal squares, roads, and other public property, and renders  
8 Snohomish County's residents insecure in life and in the use of Snohomish County property.

9 159. Defendants could have (and should have) reported and stopped the flow of  
10 OxyContin into the black market. Instead, Defendants' failure to investigate, report, and halt  
11 suspicious orders of OxyContin was, at all relevant times, injurious to health and interfered with  
12 the comfortable enjoyment of life and property. OxyContin use, abuse, and overdoses, including  
13 loss of life, increased at all relevant times and also fueled a heroin crisis in Snohomish County.

14 160. At all relevant times, Defendants' misconduct, including its failure to report and  
15 stop the flow of OxyContin into the black market, also annoyed, injured, and endangered the  
16 comfort, repose, health, and safety of others. The resulting drug abuse, addiction, and crime  
17 caused by Defendants have imposed, and will continue to impose, social and economic harm,  
18 injury, and sizeable costs.

19 161. Defendants' actions and omissions are of themselves a nuisance, and Defendants'  
20 misconduct is not permissible or excusable under any circumstance. Among other misconduct,  
21 Defendants have defied the laws regulating controlled substances and prohibiting the illegal  
22 diversion of OxyContin into the black market. Thus, Defendants' wrongful conduct also  
23 constitutes a nuisance per se.

24 162. Pursuant to Chapter 7.48 RCW, Washington common law, and its inherent police  
25 powers, Snohomish County is entitled to abatement of the public nuisance (and/or costs to abate),  
26 to an injunction preventing Defendants' wrongful conduct, and to obtain disgorgement,

1 restitution, and/or damages occasioned by the public nuisance.

2 163. Accordingly, Snohomish County requests an order providing for abatement,  
3 injunctive or other equitable relief, and disgorgement, restitution, and/or damages in an amount  
4 to be proven at trial.

5 **FOURTH COUNT: CONSUMER PROTECTION ACT**

6 164. Snohomish County repeats and re-alleges each and every allegation contained in  
7 the paragraphs above, as if fully set forth herein.

8 165. Defendants engaged in unfair or deceptive acts or practices in violation of RCW  
9 19.86 *et seq.* by, *inter alia*, deceptively promoting and/or marketing Oxycontin; improperly  
10 distributing, supplying, and/or dispensing OxyContin into the black market, including to drug  
11 dealers, pill mills, and other dealers; and/or distributing or supplying (and continuing to sell)  
12 OxyContin to, or based on alleged prescriptions by, obviously suspicious physicians, clinics, and  
13 pharmacies to generate huge profits for Defendants, despite actual or constructive knowledge  
14 from, and/or reckless or negligent disregard of, prescribing records, pharmacy orders, field  
15 reports from sales representatives, and Defendants' own surveillance operations, while failing to  
16 maintain effective controls against diversion and failing to design and operate a system to  
17 disclose suspicious orders of controlled substances as required by regulations, and/or failing to  
18 establish, implement and follow an OxyContin abuse and diversion detection program consisting  
19 of internal procedures designed to identify potential abuse or diversion of OxyContin, including  
20 as agreed by Purdue in its Consent Judgment.

21 166. Defendants' unfair or deceptive acts or practices occurred in trade or commerce,  
22 and was and is capable of deceiving a substantial portion of the public.

23 167. Defendants' unfair or deceptive acts or practices impact the public interest  
24 because such misconduct is capable of affecting consumers throughout the State of Washington  
25 and is capable of repetition.

26 168. Defendants' unfair or deceptive acts or practices caused damages to Snohomish

1 County and Snohomish County is entitled to an injunction to enjoin further violations and to  
2 recover actual damages and treble damages, along with reasonable attorney's fees and costs.

3 169. Accordingly, Snohomish County is entitled to actual damages and treble damages  
4 in amounts to be proven at trial, as well as reasonable attorney's fees and costs.

5 **FIFTH COUNT: UNJUST ENRICHMENT**

6 170. Snohomish County repeats and re-alleges each and every allegation contained in  
7 the paragraphs above, as if fully set forth herein.

8 171. Defendants were required to maintain effective controls against diversion and to  
9 design and operate a system to disclose suspicious orders of controlled substances. Defendants  
10 also agreed to establish, implement, and follow an OxyContin abuse and diversion detection  
11 program consisting of, *inter alia*, internal procedures designed to identify potential abuse or  
12 diversion of OxyContin.

13 172. Defendants induced Snohomish County (as a municipality in the State of  
14 Washington) in relation to the enforcement of OxyContin as a controlled substance, but  
15 Defendants failed its obligations and circumvented their agreements, and Defendants have been  
16 unjustly enriched at the expense of Snohomish County.

17 173. Accordingly, Snohomish County is entitled to damages in an amount to be proven  
18 at trial.

19 **DEMAND FOR JURY TRIAL**

20 174. Pursuant to Rule 38 (or any other applicable state or local rule), Snohomish  
21 County demands a trial by jury on all matters triable by a jury.

22 **PRAYER FOR RELIEF**

23 Wherefore, Snohomish County respectfully asks this Court to award the following relief:

24 A. For judgment against Defendants and an award of all compensatory damages  
25 allowed by law, in an amount to be proven at trial;

26 B. For an injunction and/or other equitable relief to prevent further misconduct and

1 unfair practices by Defendants;

2 C. For treble damages pursuant to RCW 19.86.090;

3 D. For punitive damages as provided by law, under the laws of the State of  
4 Connecticut, the State of California, State of Pennsylvania, and/or any other state, to the extent  
5 applicable as confirmed by the evidence obtained during discovery. *See, e.g., Bryant v. Wyeth,*  
6 *879 F. Supp. 2d 1214, 1220-25 (W.D. Wash. 2012).*

7 E. For attorney's fees and costs pursuant to any applicable provision of law;

8 F. For pre- and post-judgment interest as allowed by law;

9 G. For leave to amend this Complaint as necessary; and

10 H. For any other relief that the Court deems just and proper.

11  
12  
13 DATED this January 28, 2019.

14 **GOLDFARB & HUCK ROTH RIOJAS, PLLC**

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