



STATE OF HAWAII
KA MOKU 'ĀINA O HAWAII

DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

ANNE LOPEZ
ATTORNEY GENERAL
LOIO KUHINA

**WALGREENS AGREES TO PAY NEARLY \$98 MILLION TO RESOLVE
ALLEGATIONS IT BILLED THE GOVERNMENT FOR UNCOLLECTED
PRESCRIPTIONS**

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FOR IMMEDIATE RELEASE

March 4, 2025

HONOLULU - Attorney General Anne Lopez announced today that the state of Hawai'i has joined the 49 other attorneys general in a settlement against Walgreens Boots Alliance, Inc. and Walgreen Co. (together, Walgreens). Under the terms of the agreement, Walgreens -- which operates one of the largest retail pharmacy chains in the country from its headquarters in Deerfield, Illinois -- will pay \$97.8 million to resolve allegations that it unlawfully billed government health care programs for prescriptions that were never collected or otherwise received by patients.

The settlement agreement will resolve allegations set forth in two qui tam lawsuits: the *Turck Civil Action* (United States ex rel. Turck, et al. v. Walgreens Boots Alliance, Inc., et al., No. 4:19-cv-315 (E.D. Tex. filed Apr. 26, 2019)); and the *Jacob Civil Action* (United States, et al. ex rel. Jacob v. Walgreens Boots Alliance, Inc., No. 8:20-cv-858-T-60TGW (M.D. Fla. filed Apr. 23, 2020)). These lawsuits specifically allege that between 2009 and 2020, Walgreens unlawfully billed Medicare, Medicaid, and other government health care programs for prescriptions drugs that were never picked up by beneficiaries. As a result of this unlawful conduct, Walgreens received tens of millions of dollars for uncollected prescriptions that it never actually provided to patients.

After the suits were filed, Walgreens implemented enhancements to its billing systems designed to prevent any future unlawful billing for uncollected prescriptions. Under the terms of the settlement agreement, Walgreens received credit for self-disclosing certain claims, and for previously refunding \$66.3 million in connection with the settled claims. The total recovery for all Medicaid programs under the settlement is \$9.6 million. Of that amount, Hawai'i will receive \$3,524.83 in recoveries.

A National Association of Medicaid Fraud Control Units (NAMFCU) Team investigated the allegations in conjunction with the U.S. Department of Justice and United States Attorneys' Offices in Texas and Florida. The NAMFCU Team included representatives from the respective Office of the Attorney General for the states of Wisconsin, California, Texas, Maine, Oregon and Massachusetts.

Landon M.M. Murata, the Director of the [Medicaid Fraud Control Unit \(Hawai'i MFCU\)](#), under the Department of the Attorney General, and Judy Mohr Peterson, Ph.D., Med-QUEST Division Administrator at the Department of Human Services, entered into the settlement agreement on behalf of the state of Hawai'i.

"This is a significant win in the fight against healthcare fraud in our country. We appreciate all the hard work and dedication of our federal and state partners who made this settlement possible. It is important that remain vigilant to ensure that taxpayer dollars dedicated to supporting our critical healthcare programs like Medicaid, are not being squandered." said Hawai'i MFCU Director Murata.

The Hawai'i MFCU is a specialized unit within the Department of the Attorney General that is charged with conducting criminal and civil investigations and prosecutions of (1) provider fraud against the Medicaid Program, (2) fraud in the administration of the Medicaid Program, and (3) abuse and neglect of Medicaid beneficiaries and residents of board and care facilities throughout the state of Hawai'i.

The Hawai'i MFCU is funded through a grant totaling \$3,670,956.00 for Federal Fiscal Year 2025, from the U.S. Department of Health and Human Services - Office of Inspector General. The Federal Share of these funds is 75% totaling \$2,753,220.00. The State Matching Share of these funds is 25% totaling \$917,736.00 and is provided by the Medicaid Investigations Recovery Fund.

The Walgreens settlement agreement with Hawai'i can be found [here](#).

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Media contacts:

Dave Day
Special Assistant to the Attorney General
Office: 808-586-1284
Email: david.d.day@hawaii.gov
Web: <http://ag.hawaii.gov>

Toni Schwartz
Public Information Officer
Hawai'i Department of the Attorney General
Office: 808-586-1252
Cell: 808-379-9249
Email: Toni.E.Schwartz@hawaii.gov
Web: <http://ag.hawaii.gov>