

# Prescription Drug Crimes

(Pharmacy Conference, 2016)



**Sgt. Matthew St. George**  
**Minneapolis Police Dept.**

# Sgt. Matthew St. George

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ž 20 Years with MPD

- 911 1<sup>st</sup> & 5<sup>th</sup> Pct.
- Minneapolis Gang Unit
- 5<sup>th</sup> Pct. CRT
- Minneapolis Narcotics
- Promoted to Sgt. 2008
- Financial Crimes 2009
- DEA/TFO 2012
- 5<sup>th</sup> Pct. Patrol Supv. 2015

# Class Objectives

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- § Scope of the Problem
- § What gets investigated.
- § Tools and resources.
- § Case Study



# Words we use

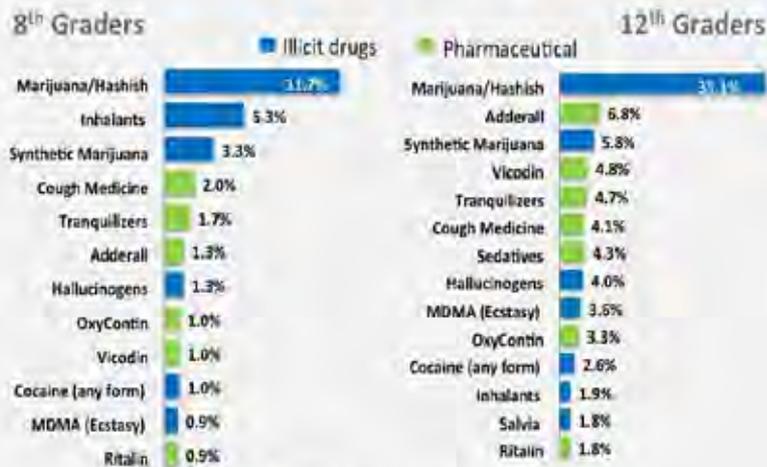
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## § Diversion:

- § The removal from the “closed supply system” of otherwise legal drugs for illegal purposes.
- § It involves the diversion of drugs from legal and medically necessary uses towards uses that are illegal and typically not medically authorized or necessary.

# Prescription Drug Epidemic

Top Drugs among 8<sup>th</sup> and 12<sup>th</sup> Graders,  
Past Year Use



\* Only 12<sup>th</sup> graders surveyed about sedatives use

Source: University of Michigan, 2014 Monitoring the Future Study

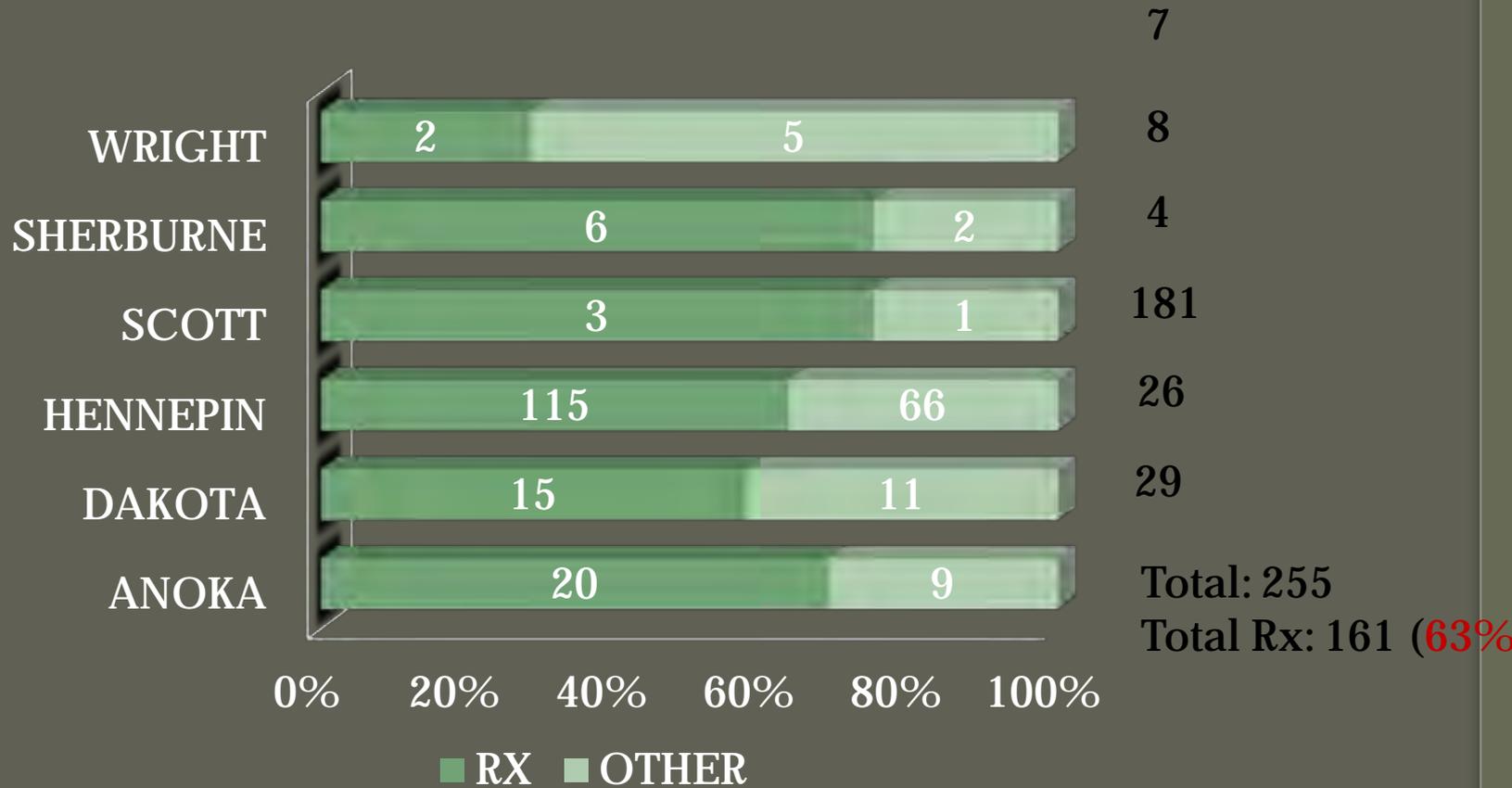
- § Estimated 23.9 Million Americans 12 year or older are illicit drug users
- § Illicit use of Drugs results in \$193 Billion annually in crime, health care and loss of work\*

# SCOPE OF THE PROBLEM



- § Rx drug abuse 30-50% of the overall drug problem in America
- § Close second to marijuana abuse
- § Rx drugs have surpassed marijuana as drug of choice for new users

# Drug overdose deaths for 2014 in Minneapolis metro\*



No 2014 data available for Ramsey County

\* Anoka County Medical Examiner (Anoka, Sherburne, Wright), Hennepin County Medical Examiner (Hennepin, Dakota, Scott)

# THE COST

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- § The Coalition Against Insurance Fraud estimates that diversion drains health insurers of up to \$72.5 billion a year, including up to \$24.9 billion annually for private insurers. The losses include insurance schemes, plus the larger hidden costs of treating patients who develop serious medical problems from abusing the addictive narcotics they obtained
- § 7,000 people begin misusing prescription drugs for the first time every day.

# Health Trend

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## § Neo-Natal Abstinence Syndrome (NAS)

§ (Heroin or Oxy babies)

§ Infants born addicted to an opiate, on average, spend 30 + days in the hospital.

§ This is being used in Tennessee as an early warning signal of regional drug abuse trends.



# Prescription Gateway

- § 1991 through 2009: prescriptions for opioid analgesics increased almost threefold, to over 200 million
- § •Drug Abuse Warning Network system: ER visits related to the nonmedical use of pharmaceutical opioids has doubled between 2005 and 2009
- § •CDC: prescription opioid overdose is now the second leading cause of accidental death in the United States, killing more people than heroin and cocaine combined



# Commonly Abused Prescription Drugs Prices

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- § Hydrocodone (Vicodin, Lortab, Lorcet) \$6- \$8
- § Oxycodone (Percocet, Percodan, Tylox) \$6 - \$8
- § (OxyContin- \$.50-1.00 mg.)
- § Methadone \$10-\$40 per dose
- § Diazepam (Valium) \$1 - \$2
- § Morphine (MS Contin)  
100mg - \$60; 60mg - \$45; 30mg - \$30
- § Alprazolam (Xanax) \$3 - \$4
- § Hydromorphone (Dilaudid) 4mg - \$60
- § Promethazine with codeine ?????

# Crimes and Investigations

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## § “Traditional” Crimes

§ Controlled Substance Crimes – Possession

§ Controlled Substance Crimes – Sale

§ Controlled Substance Crime -Prescription Forgery

§ Theft-Fraud

§ Burglary

§ Robbery

§ Identity Theft

§ Vulnerable Adult Abuse

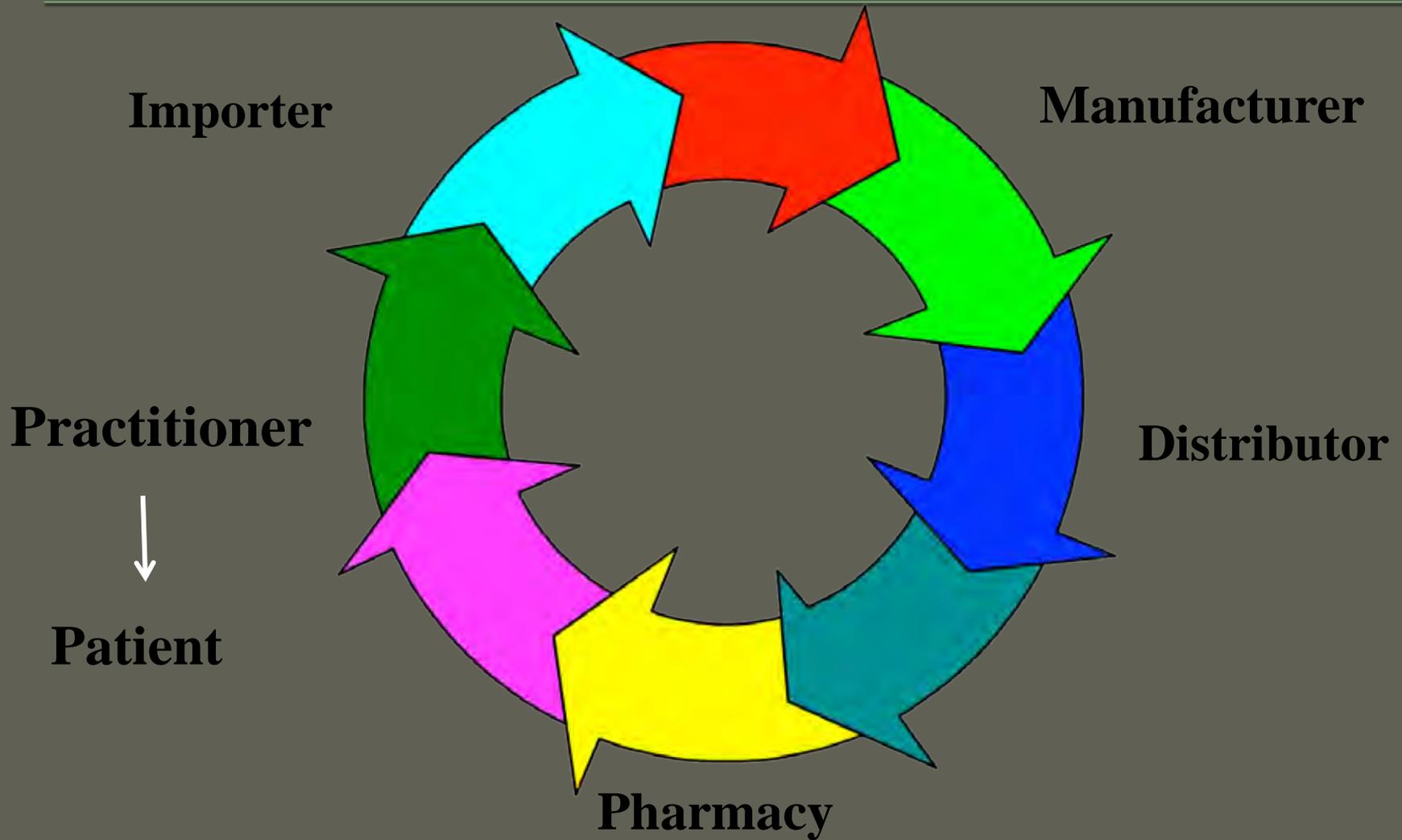
## § Methods Specific to Prescription Drugs

§ Doctor Shoppers

§ Pill Mills

# THE CLOSED SYSTEM

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# Controlled Substance Statute

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§ Minnesota Statute

§ **152.025** Controlled Substance Crime 5<sup>th</sup> Degree;

§ Sub.2 (2) (2) the person procures, **attempts to procure, possesses, or has control over a controlled substance** by any of the following means:

§ (i) **fraud, deceit, misrepresentation, or subterfuge**

# Resources

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- § Loss Prevention
- § Local Police Department
- § Board of Pharmacy
- § Federal Partners (DEA)
  - § Diversion Investigators
  - § Tactical Diversion

# Case Study

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Jenna



## ■ Case Study Background

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- § Jenna was a Pharmacy Tech. at a Minneapolis area chain pharmacy.
- § Mental health issues.
- § Befriended by a forgery/fraud ring

# Method of Detection

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- § Information received from Apple Valley Police regarding a forgery ring operating in the twin cities.
- § Pharmacy regional loss prevention identified an employee as possibly being involved with the ring.
- § Interview of Jenna revealed she was involved in the manufacture of scripts and theft of patient data.

## ■ Cost to health care

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§ Chain Pharmacy breach of Data

§ Patient IDs stolen

§ Patient Health Insurance stolen.

§ 100s of suspected victims of ID theft.

§ 7 patients identified for prosecution purposes.

§ 5 physicians identified for prosecution purposes.

§ Untold # of CIIIs and CIIIs fraudulently obtained.

§ Insurance billed for in excess of \$30,000

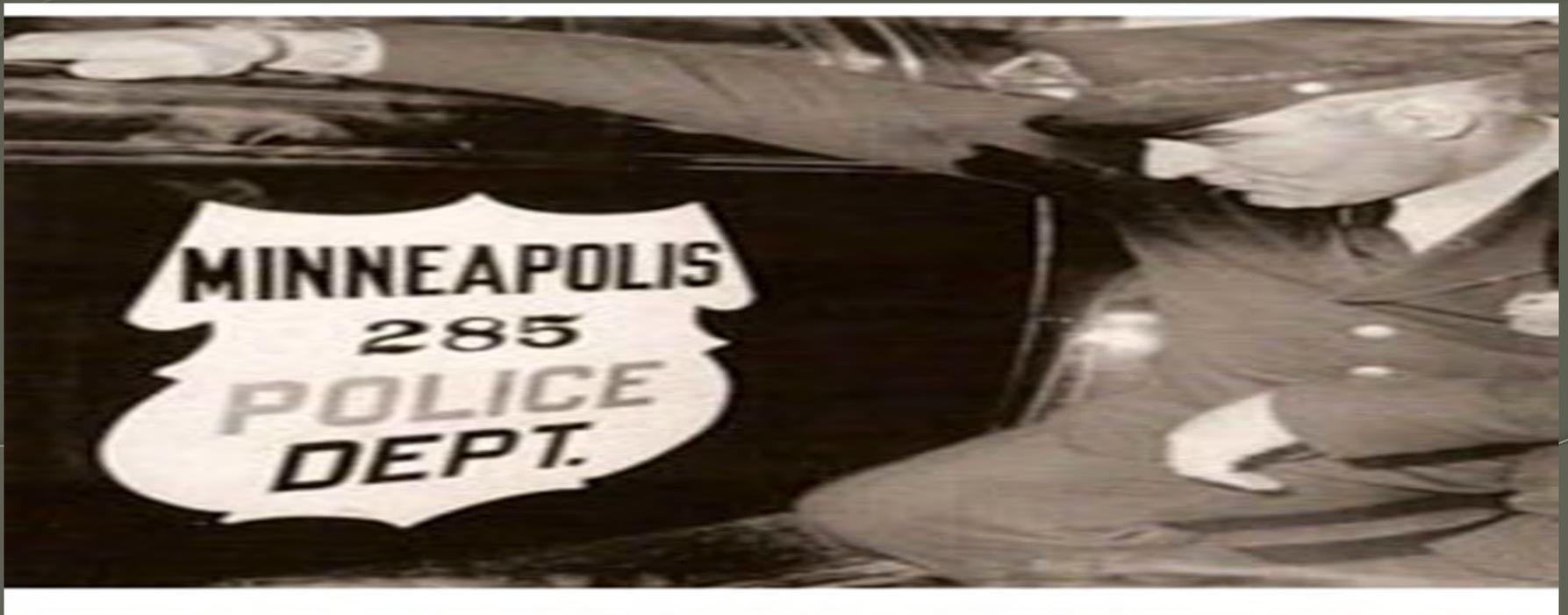
# Charges

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Jenna was charged with one count of ID theft.  
\$30,000 bail was set.

A Mental Health assessment was conducted and she was adjudicated through mental health court.

Information received furthered investigations into the forgery ring.



## Sgt. Matthew St. George

Minneapolis Police Dept.  
5<sup>th</sup> Pct. Dog Watch

612-290-8666

[Matthew.st.george@minneapolismn.gov](mailto:Matthew.st.george@minneapolismn.gov)