

For Immediate Release

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CVS Settles with California Attorney General over Allegations of Selling Expired Products, Failure to Adequately Protect Confidential Information

Brown's Actions May Bring an End to Practices Publicly Exposed by Change to Win's Cure CVS Initiative.

Washington, D.C. – CVS Caremark Corporation has agreed to pay almost \$1 million to settle allegations of misleading customers and unfair business practices stemming from the sale of expired products including baby food and over-the-counter medications. CVS has also agreed to settle charges that it failed to adequately protect and dispose of customers' confidential personal and medical information.

Findings released today by the office of California Attorney General Edmund G. Brown Jr. were similar to those discovered by Change to Win's Cure CVS investigation in California. Change to Win forwarded evidence to General Brown's office as part of its efforts to reform CVS's practices.

"CVS has demonstrated that it is either unwilling or unable to adequately protect private consumer data and protect consumers from the potential dangers of expired products. We applaud the California Attorney General for taking action to protect Californians from CVS's retail practices. There's no reason why CVS shouldn't adopt new corporate policies based on the stipulations of this settlement," said Chris Chafe, Executive Director of Change to Win. Change to Win is engaged with community partner organizations to reform the drugstore industry, starting with CVS, the country's largest drugstore chain and leading provider of prescription drugs.

CVS Caremark's Failure to Protect Confidential Information

CVS Caremark also paid a \$2.25 million settlement with the Federal Trade Commission and the Department of Health and Human Services in February 2009 after a joint agency investigation of patient and consumer privacy violations. Improperly dumped consumer financial and medical information can expose consumers to identity theft and harassment and enable prescription theft and abuse, according to the FTC.

The Texas Attorney General brought suit in 2007 after determining CVS Caremark had dumped more than 1,000 customer's records – including names, addresses, dates of birth, types of medications, and credit card numbers – into a garbage container outside a CVS store. CVS Caremark agreed to settle the Texas complaint by agreeing to "overhaul" its information security program, train

its employees on privacy procedures, and conduct regular inspections of its stores' patient information disposal practices. However that agreement only applies in Texas.

The Indiana Attorney General filed similar complaints against CVS with the Indiana State Board of Pharmacy, alleging improper disposal of patient records that included treatment information and other personal information.

The New York Attorney General has filed suit against CVS over selling expired products.

CVS's Problems with Expired Goods, Patient Privacy Widespread

Change to Win has conducted surveys in more than 2,200 CVS stores in 21 markets and has uncovered a pattern among CVS stores of selling expired products and inadequately protecting confidential information, among other issues. [Cure CVS: From Low Quality to High Prices. How CVS is Failing Our Communities](#) is available at www.CureCVSNow.org.

Cure CVS is an initiative by Change to Win and partner organizations to reform the drugstore industry, starting with CVS, the country's leading provider of prescription drugs and largest drugstore chain. By joining concerned citizen groups with the six million members of Change to Win unions, Cure CVS aims to ensure that CVS provides equal access across all communities and income levels to its stores and services, offers fair and accurate prices, provides quality products and services, protects customers' privacy and puts quality pharmacy care first.

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