

The Deadly Counterfeit Drug Trade Thrives in Kentucky

August 2018, Olive Hill: Detectives seized enough fentanyl to kill the entire population of Carter County

July 2015, Versailles: A woman died after she took a counterfeit oxycodone pill made with fentanyl

The country has seen an upsurge in counterfeit prescription pills masquerading as painkillers and Xanax. These pills are disguised as real medications but made with deadly fentanyl or its even deadlier variants, and **even a fraction of a single pill can mean death in less than 30 minutes** of ingesting it.

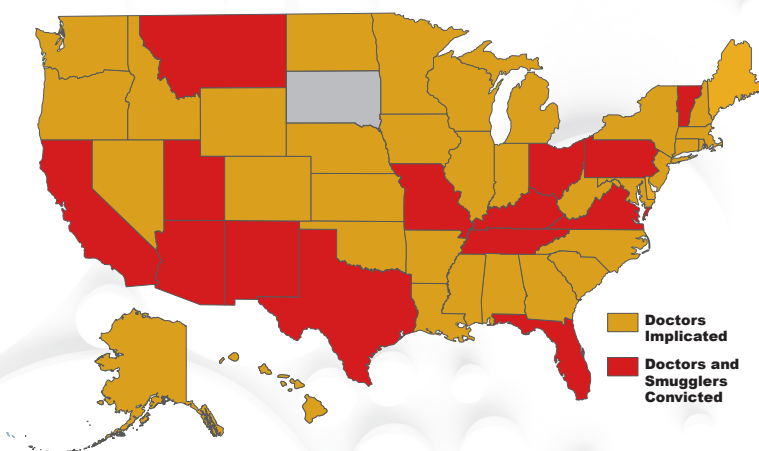
Fentanyl is a serious threat in Kentucky. Since 2015, when law enforcement shut down a fake oxycodone operation in Hardin County, **fentanyl has been found in powder and pill form in Lawrenceburg, Lexington, Mount Sterling, and Carter and Boyd Counties.** In July 2018, the Kentucky Office of Drug Control Policy reported that overdose deaths rose 11.5 percent from 2016 to 2017, and that fentanyl accounted for more than half of all deaths.

50 Kentucky Doctors Linked to Fake Drug Rings

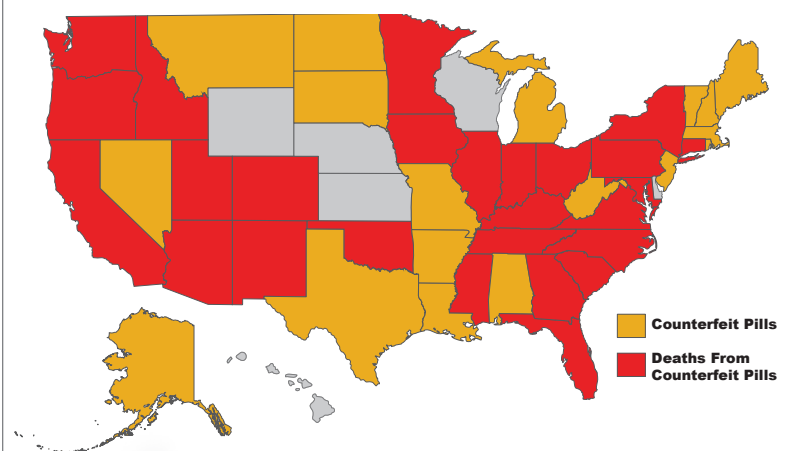
Counterfeit cancer drugs have touched Kentucky as well. 50 medical practices in Kentucky have been implicated in various black market supply chains associated with counterfeit cancer treatments and other therapies. Families who have lost relatives to cancer will never know if their loved ones were given real medication or fake, and if they died from a lack of treatment.

Opening the U.S.'s closed drug supply chain puts Kentucky lives at risk of serious injury or death.

Fake Cancer Drug Crisis



Fentanyl-Laced Counterfeits & Related Deaths



Counterfeit and Black Market Drug Investigations in Kentucky (2012–2018)

Based on reported investigations.

Note that each investigation could have affected hundreds of Kentucky residents.

Fentanyl and Counterfeit Pills Containing Fentanyl

- August 2018:** In Olive Hill, members of the FIVCO Area Drug Enforcement Task Force, Carter County Sheriff's Office and the Olive Hill Police Department seized 65 grams of fentanyl—more than enough to kill the entire population of Carter County.¹
- August 2018:** Demetre Brown-Lovelace of Michigan was sentenced to 10 years in prison for conspiring to distribute 209 grams of fentanyl in Boyd County. Another conspirator, Noelle Tufts of Ohio received a five-year sentence.²
- July 2018:** The Kentucky Office of Drug Control Policy reported that overdose deaths rose 11.5 percent from 2016 to 2017. Fentanyl accounted for more than half of all deaths.³
- May 2018:** Three Ohio residents were indicted for allegedly trafficking counterfeit fentanyl pills made to look like oxycodone. They allegedly purchased the pills in Louisville.⁴
- March 2018:** Four individuals in Lexington were among 57 charged in the U.S. and Mexico for their alleged roles in an Ohio-based fentanyl distribution scheme linked to the Mexican Sinaloa Cartel.⁵
- December 2017:** Police in Lawrenceburg seized a kilogram of fentanyl and arrested two men allegedly tied to an international drug organization.⁶
- March 2017:** Florida resident Eric C. Falkowski received a more than 15-year sentence for importing fentanyl, pressing it into counterfeit pills such as Xanax and Percocet and selling them to people in Tennessee and Kentucky.⁷
- January 2017:** The search of a home in Lexington led to the seizure of 140 grams of fentanyl, as well as other drugs. The residents of the home, Michael D. Jackson and Brandi Stamper, pleaded guilty to drug trafficking in April 2018.⁸
- July 2016:** Lexington Police seized 121 grams of fentanyl and 69 grams of a heroin/fentanyl mix while searching the home of William Dixon, a Lexington city employee. Dixon received a 10-year prison sentence in February 2017.⁹
- July 2015:** A woman in Versailles died after Gill Dewayne Garrett knowingly gave her a counterfeit oxycodone pill that actually contained fentanyl. Over the course of 2016, Garrett and his suppliers, Luis Aguirre-Jerardo and Allen P. White, pleaded guilty to charges related to distributing fentanyl. Garrett was sentenced to 20 years in September 2016.¹⁰

Black Market and Counterfeit Cancer Drugs

- April 2015:** The FDA warned two Kentucky medical practices and more than 270 nationwide to stop buying drugs from Gallant Pharmaceuticals, which sold more than 39 non-FDA approved medications.¹¹
- January 2015:** Dr. Mark Heinicke pleaded guilty and was sentenced to a year of probation and to pay more than \$500,000 after he treated unknowing patients with foreign, non-FDA approved versions of Rituxan, Actemra, Remicade, Aclasta, Prolia, and Synvisc and submitted false claims to Medicare.¹²
- October 2014:** Hematology and Oncology Center (HOC) and its former office manager, Natarajan Murugesan, received probation for charges related to buying and treating patients with imported cancer drugs. In a parallel civil case, HOC, Murugesan, and an oncologist, N. Mullai, agreed to pay \$2 million plus interest for billing Medicare fraudulently for the illegal medicines.¹³
- May 2013:** The FDA warned 780 medical practices, 16 in Kentucky, to stop doing business with unlicensed drug seller Medical Device King, which had sold 31 non-FDA approved medications, including counterfeit Avastin.¹⁴
- 2012–2013:** The FDA warned eight Kentucky doctors' offices and more than 500 across the country to stop buying medicine from CanadaDrugs.com subsidiaries that had sold American doctors counterfeit Avastin.¹⁵

Other Drugs

- November 2017:** Illinois resident Skyler Dean Pahl pleaded guilty to manufacturing his own tramadol pills using imported tramadol powder and an encapsulation machine, and shipping them to Daviess County and elsewhere. Pahl sold 80,000 units of tramadol to customers without regard for whether they had a prescription.¹⁶
- March 2016:** The FDA warned 18 Kentucky doctors and more than 1,200 nationwide to stop buying from Canadian distributor TC Medical, which sold 22 different kinds of non-FDA approved medications, including counterfeit Botox.¹⁷
- May 2015:** The Greater Hardin County Narcotics Task Force arrested 12 people for drug trafficking, seizing a variety of illicit drugs (including approximately five pounds of synthetic drugs), a pill press, and several fake oxycodone pills.¹⁸
- March 2015:** The Northern Kentucky Drug Strike Force seized counterfeit Percocet pills made with heroin during a raid of a house in Newport.¹⁹
- December 2013:** Dr. Canh Jeff Vo of Bluegrass Women's Healthcare in Elizabethtown received a sentence of one year of probation and paid more than \$75,000 in fines and restitution after he purchased foreign, non-FDA approved intrauterine devices (IUDs), inserted them into his patients, and falsely billed the Kentucky Medicaid Program and other insurers for them.²⁰
- July 2013:** The FDA warned six medical practices in Kentucky to stop purchasing fraudulent versions of Botox sold by Online Botox Pharmacy, Onlinebotox.com, and Onlinebotox.²¹

Footnotes

1. Jeremy D. Wells, "Fentanyl, Heroin and Marijuana Seized in Bust," *Grayson Journal-Enquirer*, August 15, 2018, <http://bit.ly/2x4iiUx>.
2. "Michigan and Ohio Residents Sentenced for Conspiracy to Distribute Fentanyl," U.S. Department of Justice, August 13, 2018, <http://bit.ly/2poBUlw>; Plea Agreement, U.S. District Court, Eastern District of Kentucky, 17-cr-00010-DLB, <http://bit.ly/2oZEOgr>.
3. Adam Beam, "Kentucky Drug Overdose Deaths Jump 11.5 Percent in 2017," *U.S. News and World Report*, June 25, 2018, <http://bit.ly/2xoGMkp>.
4. "Three from Summit County Indicted for Having 1,500 Pills of Fentanyl Stamped to Look like Oxycodone," U.S. Department of Justice, May 3, 2018, <http://bit.ly/2xipoxm>.
5. "Twelve Charged in Cincinnati in Connection to Mexico-Based Sinaloa Drug Cartel," U.S. Department of Justice, March 8, 2018, <http://bit.ly/2wZ5AJy>.
6. Ben Carlson, "Two Charged after Sheriff's Office, DEA Seize Kilo of Fentanyl," *The Anderson News*, December 6, 2017, <http://bit.ly/2oYpIf9>.
7. Stephanie Allen, "Orlando Man Sentenced to 15 Years in Federal Prison for Dealing Fentanyl," *Orlando Sentinel*, March 21, 2017, <http://bit.ly/2oXNoOn>.
8. "Lexington Couple Plead Guilty to Trafficking Fentanyl and Cocaine," WKYT, April 16, 2018, <http://bit.ly/2porLeR>.
9. "Lexington Man Sentenced to 10 Years for Possession with Intent to Distribute Fentanyl," U.S. Department of Justice, February 6, 2017, <http://bit.ly/2pILCir>.
10. "Versailles Man Admits Distributing Drugs that Caused Overdose Death of Woodford County Woman," US Department of Justice, August 16, 2016, <http://bit.ly/2x2vldi>; "Kentucky Man Receives 20 Year Prison Sentence for Distributing Powerful Opiate Fentanyl that Resulted in Overdose Death," U.S. Drug Enforcement Administration, September 30, 2016, <http://bit.ly/2xo52mj>.
11. "FDA Issues Letters to Doctors Who May Have Purchased Counterfeit or Unapproved Prescription Drugs," U.S. Food and Drug Administration, last updated August 17, 2017, <http://bit.ly/2DqFh4c>.
12. "Louisville Physician Pays \$515,408.85 for Treating Patients with Misbranded Drugs and Fraudulently Charging Medicare," U.S. Department of Justice, January 29, 2015, <http://bit.ly/2xixwuu>.
13. "Somerset Oncology Practice and Office Manager Plead Guilty to Food, Drug and Cosmetic Act Offenses Related to Misbranded Cancer Treatment Drug," U.S. Department of Justice, June 18, 2014, <http://bit.ly/2x4tbs6>; and Docket, 6:14-cr-00026, United States District Court for the Eastern District of Kentucky, <http://bit.ly/2wYE7Ys>.
14. "Historical Information: FDA Issues Letters to Doctors Who May Have Purchased Counterfeit or Unapproved Prescription Drugs, 2012–2014," U.S. Food and Drug Administration, last updated June 12, 2017, <http://bit.ly/2rkvR5s>.
15. "Historical Information: FDA Issues Letters to Doctors Who May Have Purchased...", <http://bit.ly/2rkvR5s>.
16. "Champaign, Illinois, Resident Sentenced to One Year in Prison for Producing and Selling Over 80,000 Homemade Tramadol Capsules to Customers Without Verifying Prescriptions," U.S. Department of Justice, March 12, 2018, <http://bit.ly/2x6jSZ4>.
17. "FDA Issues Letters to Doctors Who May Have Purchased...", <http://bit.ly/2DqFh4c>.
18. "Hardin County Drug Task Force Rounds Up 12 Suspects on Grand Jury Indictments," WDRB, May 18, 2015, <http://bit.ly/2porsRk>.
19. Terry DeMio, "Heroin Disguised as Painkiller Pills Found in NKY," *The Cincinnati Enquirer*, May 1, 2015, <https://cin.ci/2poNvaw>.
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