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NEWS RELEASE

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CVS Pharmacy Agrees to Executive Oversight, New Penalties in Overcharging Settlement

CVS Pharmacy, Inc., has agreed to designate two executives who will be accountable for pricing issues in Southern and Northern California under a judgment modifying a 2015 settlement for allegedly overcharging customers at checkout, the Los Angeles County District Attorney's Office announced.

The Rhode Island-based company also agreed to pay an additional \$551,687 as part of the judgment approved Dec. 20 by Los Angeles Superior Court Judge Elizabeth Allen White.

The pharmacy chain reached a \$2.4 million settlement in May 2015 for allegedly engaging in misleading advertising by charging more than the advertised price for products and failing to give cash back on gift cards less than \$10 as required by state law.

The modification to that settlement resulted from new violations discovered by county weights and measures agencies and continuing problems with price accuracy. The judgment added a \$485,000 civil penalty that will be equally distributed among the prosecuting agencies in the new matter – the Los Angeles, Riverside and Santa Cruz county district attorney's offices.

The remaining money will go toward investigative costs and a trust fund used to enforce consumer protection laws.

Under the original settlement, CVS was also required to augment its "Scan Right" guarantee program by keeping track of when customers are overcharged. If an item scans at a price higher than the shelf or lowest-advertised price, the company either gives the item for free if the price is \$4 or under or \$4 is deducted from the lowest-advertised price if an item is more than \$4.

The case was handled in Los Angeles County by Deputy District Attorney Leonard Torrealba of the Consumer Protection Division.

Consumers who think they were overcharged by any company, including CVS, are encouraged to contact their county weights and measures agency. In Los Angeles County, go to:
<http://acwm.lacounty.gov>.

About the Los Angeles County District Attorney's Office

Los Angeles County District Attorney Jackie Lacey leads the largest local prosecutorial office in the nation. Her staff of nearly 1,000 attorneys, 300 investigators and 800 support staff members is dedicated to protecting our community through the fair and ethical pursuit of justice and the safeguarding of crime victims' rights.