Overcharging is Dope

By Reg P. Wydeven September 4, 2013

Last week I wrote about attorneys generals from 22 states asking the hip retailer Urban Outfitters to stop using its "Prescription: Coffee" line of products. The items consisted of coffee mugs and other items designed to look like prescription pill bottles and extolled the virtues of a morning cup of joe.

The AGs asked Urban Outfitters to halt production after receiving numerous complaints from consumers claiming the need for prescription medications should not be made light of and is no joking matter. I indicated that because of lots of allergies and surgeries on my busted nose, we have plenty of prescription pill bottles around our house.

We're very lucky to work with great doctors who help us work through our medical issues. We're also very lucky to have a great pharmacist who helps us by explaining our medicines, warning us of side effects and suggesting other alternatives. We put our faith and trust in our doctors and pharmacist with the health of our family, which is an extremely big deal.

That's why when that trust is violated, people can feel devastated.

Earlier this year, Walgreens paid a fine of \$29,242 to the State of Wisconsin after an investigation by the Department of Agriculture, Trade and Consumer Protection revealed that the nation's largest pharmacy chain was overcharging customers.

Over a two-day period last August, the DATCP inspected 58 Walgreens stores across the state and discovered the pharmacy was routinely overcharging customers because of price inaccuracies. Walgreens also failed to inform customers of possible refunds.

On the first day of the investigation, weights and measures inspectors found inaccurate prices on the shelves. Although the inspectors ordered that the prices be corrected, when they returned the next day, eight products in two different stores were still wrong. The inspection also revealed 11 instances where stores failed to post required signs informing customers that they were entitled to a refund when they weren't charged the lowest advertised price.

In 2009, Walgreens paid a civil forfeiture to the State for similar violations. In January, Walgreens paid more than \$1.4 million in fines and established a price guarantee program to settle a similar lawsuit in California after four Bay Area counties sued over price discrepancies.

Last week, Chris Koster, Missouri's Attorney General, also filed a lawsuit against Walgreens that accuses the company of overcharging customers and using deceptive display advertising and pricing schemes. The lawsuit seeks an injunction to force the pharmacy to stop the practices in question, in addition to unspecified fines and damages. On a side note, Koster was not one of the 22 state AGs that wrote a letter to Urban Outfitters.

Koster claims the results of the investigation were "appalling." With over 8,000 pharmacies throughout the U.S. and Puerto Rico, Koster thinks more states will also conduct investigations.

It's a good thing the bosses at Walgreens have easy access to aspirin.

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