



United States
Attorney's Office
Southern District of New York

PRESS RELEASE

U.S. Attorney Announces \$202 Million Settlement With Gilead Sciences For Using Speaker Programs To Pay Kickbacks To Doctors To Induce Them To Prescribe Gilead's Drugs

Tuesday, April 29, 2025

For Immediate Release

U.S. Attorney's Office, Southern District
of New York

Gilead Admits to Paying Hundreds of Thousands of Dollars to High Prescribers of Gilead's HIV Drugs to Serve as Speakers at Programs and to Holding Programs at Luxury Restaurants

Jay Clayton, the United States Attorney for the Southern District of New York; Naomi Gruchacz, the Special Agent in Charge of the New York Regional Office of the U.S. Department of Health and Human Services, Office of Inspector General ("HHS-OIG"); Christopher M. Silvestro, the Acting Special Agent in Charge of the Northeast Field Office of the Defense Criminal Investigative Service ("DCIS"), the law enforcement arm of the Department of Defense's Office of Inspector General ("DOD-OIG"); and Christopher G. Raia, the Assistant Director in Charge of the New York Field Office of the Federal Bureau of Investigation ("FBI"), announced today that the U.S. has settled a civil fraud lawsuit against GILEAD SCIENCES, INC ("GILEAD"), a large

pharmaceutical manufacturer, that, among other things, develops, manufactures, and sells drugs for the treatment of infectious diseases, including HIV/AIDS. The settlement resolves claims that GILEAD offered and paid kickbacks in the form of honoraria payments, meals, and travel expenses to healthcare practitioners who spoke at or attended Gilead speaker events to induce them to prescribe Stribild®, Genvoya®, Complera®, Odefsey®, Descovy®, and Biktarvy® (the “Gilead HIV Drugs”) in violation of the Anti-Kickback Statute (“AKS”) and thereby caused false claims for the Gilead HIV Drugs to be submitted to and paid by federal healthcare programs in violation of the False Claims Act.

Under the settlement, which was approved yesterday by U.S. District Judge Paul A. Engelmayer, GILEAD agreed to pay a total sum of \$202 million, of which \$176,927,889.28 will be paid to the U.S. and the remainder will be paid to various states. As part of the settlement, GILEAD also made extensive factual admissions regarding its conduct.

U.S. Attorney Jay Clayton said: “For years, Gilead unlawfully sought to increase sales of its HIV drugs, by using its speaker programs to funnel kickbacks to doctors. As alleged, Gilead spent tens of millions of dollars on these programs, including over \$20 million in speaking fees and millions more in exorbitant meals, alcohol and travel, all in an effort to induce doctors to prescribe Gilead’s HIV drugs and drive up sales. With this settlement, Gilead has taken responsibility for its conduct and agreed to pay a significant financial penalty. The message is clear, companies that illegally drain taxpayer dollars from federal healthcare programs will be held accountable.”

HHS-OIG Special Agent in Charge Naomi Gruchacz said: “This impactful settlement is the result of collaborative work by law enforcement partners, revealing Gilead’s unlawful practice of providing kickbacks to physicians under the guise of its HIV educational speaker programs. Violations of the Anti-Kickback Statute, which in this case involved expensive HIV medications, can inappropriately influence physicians’ decision-making and divert the monies of taxpayer-funded federal healthcare programs.”

DCIS Acting Special Agent in Charge Christopher M. Silvestro: “This settlement is the result of the partnership among law enforcement and the Department of Justice to aggressively investigate and hold accountable companies and their employees who value greed over

healthcare. Protecting TRICARE, the healthcare system for Service members and their families, and investigating kickback schemes are priorities for DCIS.”

FBI Assistant Director in Charge Christopher G. Raia said: “This settlement ensures Gilead is held accountable for their illicit use of perks and kickbacks to entice doctors to prescribe the company’s medicine. These types of schemes are not victimless - illegal kickbacks directly affect taxpayer funded healthcare programs. The FBI will continue to investigate and stop healthcare companies attempting to benefit from deceitful and illegal practices.”

As alleged in the Complaint filed in Manhattan federal court:

The Gilead HIV Drugs are antiretroviral drugs (*i.e.*, drugs that act against retroviruses such as HIV) used for the treatment of HIV. These drugs are very expensive — Medicare typically paid well in excess of a thousand dollars for a one-month supply of Complera[®], and significantly more for many of the other Gilead HIV Drugs.

As part of its marketing efforts and to increase sales, Gilead conducted events known as “HIV Speaker Programs” at which a healthcare provider involved in the treatment of HIV was engaged to present a slide deck (prepared by Gilead) and facilitate discussion about one of the drugs or a topic concerning HIV (an “HIV Disease State Topic”) to other healthcare providers involved in the treatment of HIV (“Attendees”). Gilead’s HIV Speaker Programs were often held in the evening at restaurants (“HIV Dinner Programs”).

From January 2011 to November 2017 (the “Relevant Time Period”), Gilead conducted HIV Speaker Programs in order to promote and increase the sales of the Gilead HIV Drugs. The HIV Speaker Programs were supposed to be educational in nature and the cost of any meals provided was supposed to be modest. But in practice, during the Relevant Time Period, Gilead’s HIV Speaker Programs provided kickbacks to healthcare providers by: holding HIV Dinner Programs at high-end restaurants that were wholly inappropriate for educational events; allowing Attendees to attend HIV Dinner Programs on the exact same topic again and again and, thereby, obtain free lavish meals for events that held minimal educational value for them; and paying for HIV Speakers to travel to speak at desirable destinations — at times at the HIV Speaker’s request. Further, Gilead’s compliance program failed to prevent these improper practices, even though Gilead knew that it had to comply with the AKS and the company’s own data should have put Gilead on notice of many of these abuses.

Many healthcare providers who received these improper kickbacks then prescribed the Gilead HIV Drugs. As a result, federal healthcare programs paid millions of dollars in reimbursements for tainted prescriptions.

As part of the settlement, GILEAD admitted and accepted responsibility for certain conduct alleged by the U.S., including the following:

- Gilead paid many high-volume prescribers of HIV drugs tens or hundreds of thousands of dollars in honoraria to prepare and present as HIV Speakers. For instance, one HIV Speaker, who received over \$300,000 in total honorarium payments, wrote prescriptions for Gilead HIV Drugs that resulted in over \$6 million in Medicare, Medicaid, and TRICARE payments.
- On many occasions, Gilead covered the travel costs of HIV Speakers who traveled long distances to speak at HIV Speaker Programs at desirable travel destinations, such as Hawaii, Miami, and New Orleans. This was sometimes in response to an HIV Speaker's request to be booked for an HIV Speaker Program in that city.
- Sales representatives in Gilead's HIV therapeutic area ("Sales Representatives") organized HIV Speaker Programs at high-end restaurants across the country. For instance, a significant percentage of the HIV Speaker Programs held in New York City were held at expensive restaurants, such as the James Beard House, Del Posto, Asiate, Palma, Vacluse, Ilili, and Limani. In particular, Gilead held 157 HIV Speaker Programs at the James Beard House, making it one of Gilead's most used venues for HIV Speaker Programs. A dinner at the James Beard House typically included approximately six courses with alcoholic beverage pairings.
- Sales Representatives repeatedly invited numerous doctors and other healthcare providers to attend the same HIV program over and over. Many repeatedly attended HIV Speaker Programs covering the exact same topic, often within a short period of time.
- Over 250 prescribers of the Gilead HIV Drugs attended HIV Dinner Programs on the same topic three times or more within a six-month period. And over 80 of them attended five or more HIV Dinner Programs on the same topic within a six-month period.
- Further, many healthcare providers who were paid to be HIV Speakers on a particular topic also attended HIV Dinner Programs on exactly the same topic, often within less than six months after speaking.
- In certain instances, the same group of doctors repeatedly attended the same HIV Speaker Programs together at various restaurants. In many instances, they attended a HIV Dinner Program less than two weeks after speaking on the same topic.
- During the Relevant Time Period, Gilead's policies and procedures failed to prevent Sales Representatives and Regional Directors in its HIV therapeutic area from improperly providing honoraria payments, meals, and travel expenses to healthcare providers who spoke at or attended HIV Speaker Programs to induce them to prescribe the Gilead HIV Drugs.

In connection with the filing of the lawsuit and settlement, the Government joined a private whistleblower lawsuit that had been filed under seal pursuant to the False Claims Act.

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Mr. Clayton thanked the New York Medicaid Fraud Control Unit for their extensive collaboration in the investigation and resolution of this case, and also praised the outstanding investigative

work of the FBI, HHS-OIG and DCIS.

The case is being handled by the Office's Civil Frauds Unit. Assistant U.S. Attorneys Jacob M. Bergman, Allison M. Rovner, Rebecca S. Tinio, and Lucas Issacharoff are in charge of the case.

[u.s. v. gilead stipulation and dismissal.pdf](#) [u.s. v. gilead complaint in intervention.pdf](#)

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