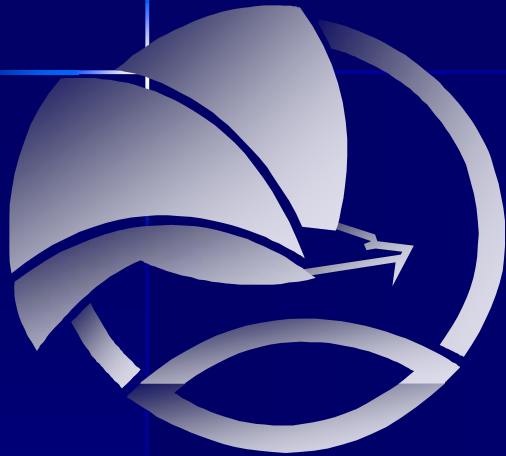


# DEA's Internet Initiative

Matthew C. Murphy  
Section Chief

Pharmaceutical Investigations



# Part 1

## *Targeting & Analysis*

*Identify and investigate suspicious  
Internet pharmacy activity*



# DEA Approach

- Identify Internet pharmacies using SearchPoint, ARCOS, complaints from field, State Boards, etc.
- Issue Administrative Inspection Warrants (AIWs) on Internet pharmacies
- Seize and analyze documentation on controlled substance activity
- Identify doctors affiliated with Internet pharmacies
- Identify web sites and web broker affiliated with each Internet pharmacy
- Identify and seize assets
- Submit evidence to legal entity for appropriate administrative, civil, and/or criminal action



# Deployments

- Initial deployment in Tampa, FL, area in February 2006
  - Operation Baywatch
  
- Additional deployments planned for 2007 with assistance from DOJ
  - Operation Lightning Strike



# Excessive One Month Sales of Hydrocodone to 7 Internet Pharmacies by a Distributor

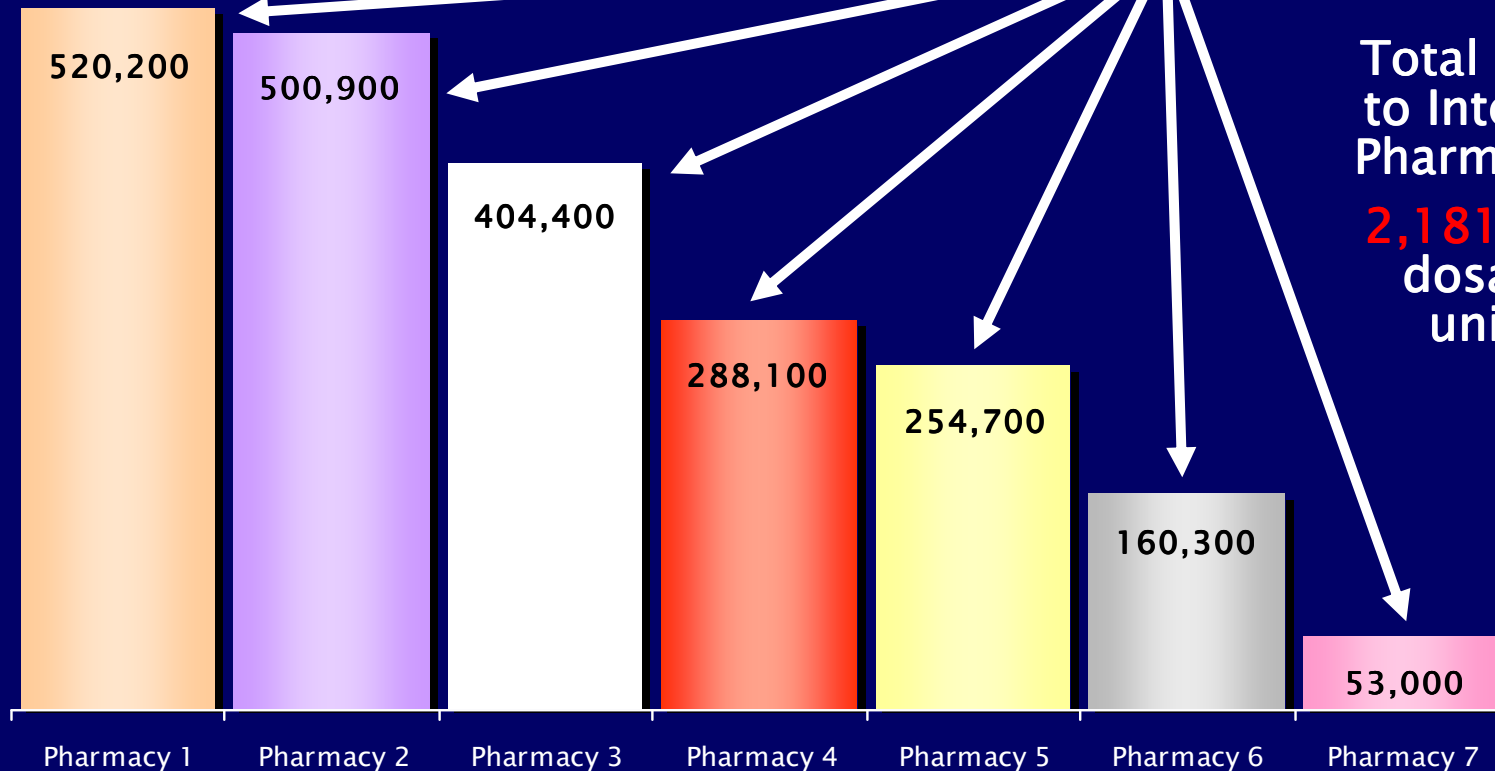
*October 2005*

Average Sales to Each Internet Pharmacy  
**311,657** dosage units

Average Sales to Other Customers  
**2,418** dosage units



DOSAGE UNITS

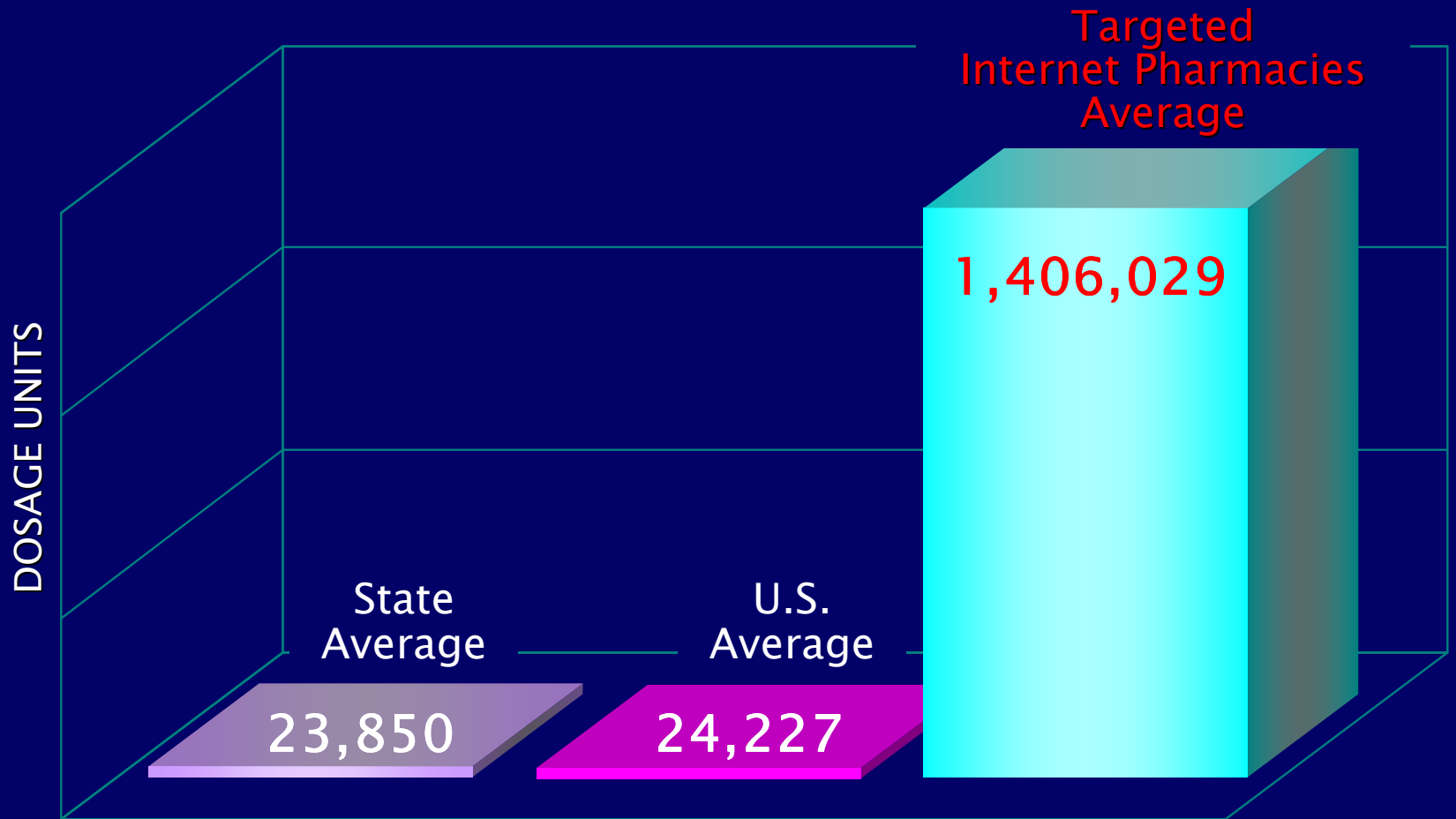


SOURCE: SearchPoint Data, DEA E-Commerce Section



# Comparison of Hydrocodone Purchases by Pharmacies Over 4 Month Period

*October 1, 2005 – January 31, 2006*



SOURCE: ARCOS Data, DEA E-Commerce Section



# Internet "Pharmacies"





# Potential for Online 'Pharmacy' Gross Sales

*Hydrocodone ONLY*

Number of Orders for 100 units Hydrocodone Filled Per Day (On Average)	Wholesale Cost of 100 Units Hydrocodone (10/325mg)	Customer Pays To Fill Order	Payment By Web Broker For Each Order Filled	Total Received by Pharmacy Per Order	Average Number Days Operating Per Year	<b>Annual Gross Sales</b>
500	\$25	\$50	\$20	\$70	312	<b>\$7.02 million</b>

SOURCE: Based on review of Internet Pharmacy records in an ongoing DEA investigation

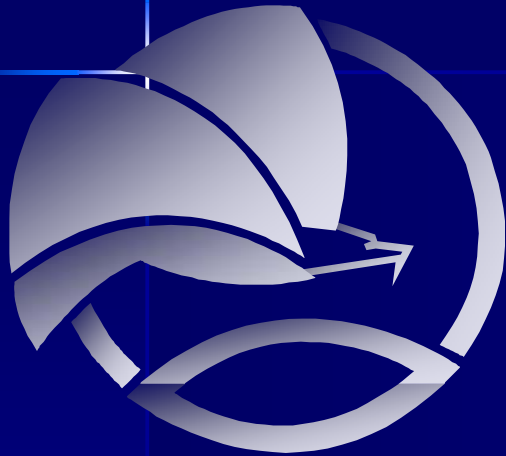


# Potential Web Broker Gross Receipts

From **ONE** Pharmacy for **Hydrocodone ONLY**

Number of Orders For Hydrocodone Filled Per Day (On Average)	Consultation Fee Charged to Customer	Payment To Pharmacy For Each Order Filled	Payment To Doctor For Each Rx Written	Net Received by Web Broker Per Order	Average Number Days Operating Per Year	<b>Potential Annual Gross Receipts</b>
500	\$120	\$20	\$20	\$80	312	<b>\$12.48 million</b>

SOURCE: Based on review of Internet Pharmacy records in an ongoing DEA investigation



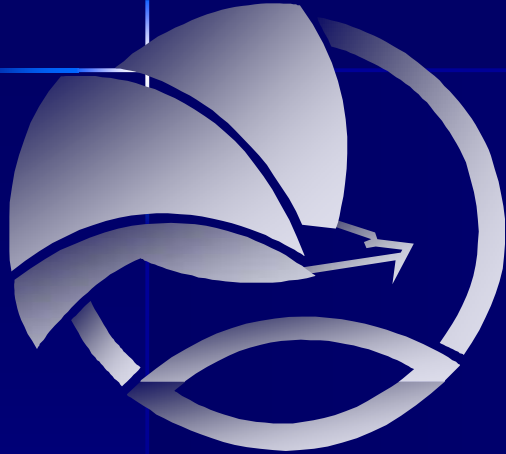
## Part 2 *Technology*

*Develop and implement new resources  
to collect information about suspicious  
Internet pharmacy activity*



# Use of Technology

- DEA's Online Investigations Project (OIP)
- Unlawful Medical Internet Reporting Effort (UMPIRE)
- 1-877-RxAbuse telephone hotline

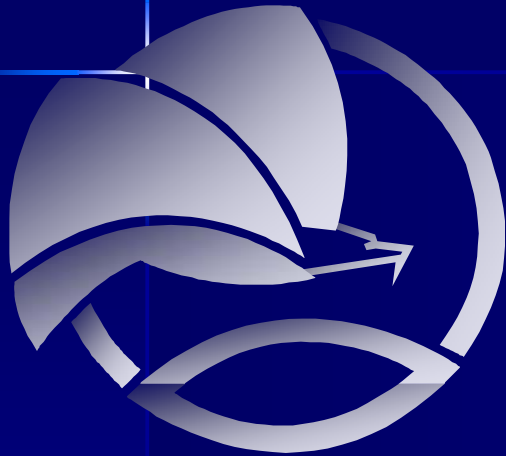


Part 3  
*Legislative  
Administrative  
Regulatory Initiatives*



# Legislative / Administrative / Regulatory Initiatives

- Support legislation to make operating illegal online pharmacies more difficult
- Support legislation to make prosecuting operators of illegal online pharmacies easier
- Regulatory changes



Part 4  
*Demand Reduction*



# DEA Approach

- Use DEA Internet sites to educate the public about controlled pharmaceutical abuse
- Provide timely, accurate, and persuasive information to a variety of audiences in order to build support for effective drug enforcement
- Educate the public about the danger of abusing controlled pharmaceuticals

# www.dea diversion.usdoj.gov

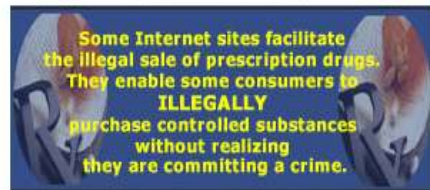


[Q&A's](#) > Dispensing and Purchasing Controlled Substances Over the Internet

## Questions & Answers

### DISPENSING AND PURCHASING CONTROLLED SUBSTANCES OVER THE INTERNET

# WARNING!



The following Questions and Answers are being published by the Drug Enforcement Administration's (DEA) Office of Diversion Control as an educational/public awareness component relative to the use of the Internet for the purposes of purchasing, prescribing, dispensing and importing of controlled substances. The DEA recognizes that while some Internet sites facilitate legitimate prescribing and dispensing practices, other sites facilitate the illegal sale of controlled substances. These sites of illicit activity enable some consumers to illegally purchase controlled substances without realizing they are committing a crime. The DEA regards this as a critical issue and is taking steps to address it. This document is intended to serve as general guidance to prescribers, pharmacists, the regulatory and

law enforcement communities, as well as the general public regarding the application of current laws and regulations to controlled substances transactions conducted via the Internet.

This document explains what constitutes legitimate controlled substances transactions via the Internet.

'Q&As' are posted on the DEA Diversion Control website addressing the prescribing, dispensing and purchase of controlled substances over the Internet



Part 5  
*Training / Education*



# Training / Outreach

- Training courses for DEA personnel, task force officers, and Assistant U.S. Attorneys
- Internet diversion training for diversion investigators
- Hold meetings with senior managers and legal counsel from leading Internet companies, express parcel carriers, and financial services companies
- Explore areas of potential cooperation and voluntary industry actions to curb the expanding illicit sale of pharmaceuticals over the internet