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Client Alert: Have You Looked at Who is Coming to Dinner and How It Impacts Your Compliance?

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Grant P. Dearborn

MEDIA CONTACT

Wendy M. Byrne
wbyrne@shumaker.com

Several States' Attorneys General reported resolving a case alleging that Gilead Sciences ran an illegal kickback scheme to promote the use of its HIV medications. The government alleged that Gilead utilized various methods, such as awards, meals, and travel expenses, to incentivize health care providers prescribing. The settlement amount was $202 million.

The government specifically alleged that:

"A nurse practitioner in New York City attended 40 HIV Dinner Programs on the same topic three times or more within a six-month period. This nurse practitioner often brought their sibling—a pediatric nurse practitioner and non-prescriber of Gilead HIV drugs—to the programs.

In certain instances, the same group of doctors repeatedly attended the same HIV Speaker Programs together at various restaurants. For example, a group of ten doctors in Manhattan spoke at or attended approximately 384 HIV Dinner Programs at which the others were in attendance. Over 300 of these 384 HIV Dinner Programs were led by one of these 10 doctors. Each of the doctors repeatedly attended HIV Speaker Programs within 90 days of speaking on the same topic. In many instances, they attended a Dinner Program less than two weeks after speaking on the same topic."

(See https://ag.ny.gov/press-release/2025/attorney-general-james-secures-over-200-million-gilead-sciences-paying-illegal).

In-house counsel and compliance officers need to consider how such behaviors of employees or contracted health care providers can impact your company's billings for the related goods or services. What do you know about the outside activities of your medical providers? Is it possible that such activities could influence

prescribing or other activities? Do you have an appropriate Conflict of Interest policy that would require reporting such relationships for individuals on related committees (such as a Pharmaceuticals & Therapies Committee)?

Compliance reviews must annually uncover the unknown and particularly uncover known risks. Providers being incentivized by vendors is a known risk. Have you reviewed this area in your organization?

Please contact Grant Dearborn with questions or for more information.

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