



8000 People Died After Taking Subsys Opioid Spray and the Manufacturer Was Sentenced to 5.5 years in Prison for Bribing Doctors to Overprescribe the Deadly Drug

John Kapoor, 77, immigrated to the US from India in his 20s and made a fortune, once worth \$3.3 billion, in America by founding the Insys pharmaceutical company that produced Subsys liquid fentanyl spray, a highly addictive synthetic opioid drug. Last week, Kapoor was sentenced to 5.5 years in prison after being prosecuted under the RICO act for multiple charges including encouraging doctors to prescribe his drug “off-label” for ordinary chronic pain, while the drug was approved only for advanced cancer patients who suffer from cancer-related pain. Seven Insys executives also have been sentenced. The company paid doctors who prescribed large quantities of their Subsys drug kick-backs disguised as speaking fees up to \$125,000 per year. Seven other Insys executives and several doctors have been sentenced to prison.

An AARP review of FDA documents found that more than 8,100 people have died since 2012 while taking Subsys. -GEG

Millions of Americans who lived through the financial crisis

probably recall that not a single executive of a major investment bank was jailed in the aftermath, despite running organizations seemingly dedicated to perpetuating a criminal fraud on nearly every counterparty and client.

But when Americans look back at the opioid crisis, they'll remember that at least one executive of a major opioid manufacturer and distributor was sentenced to a fairly weighty sentence – five-and-a-half years (66 months) in federal prison – for an illegal kickback scheme that effectively involved bribing doctors to prescribe potentially lethal doses of fentanyl. That's right: Packaged under the name brand Subsys, Insys sold a painkiller made from the same ultra-powerful synthetic opioid responsible for tens of thousands of deaths across America.

According to the FT, which, in partnership with PBS's Frontline, is producing a documentary on the opioid crisis, John Kapoor, the founder of Insys, was sentenced to prison time on Thursday after being prosecuted under the RICO act – a law adopted decades ago to help the DoJ prosecute the mafia.

Kapoor joins seven other Insys executives who have already received jail time for their role in the company's illegal shenanigans, which included uses "ruthless" sales tactics to encourage doctors to prescribe more of their drug. Several doctors who took money from the company in exchange for kickbacks transparently disguised as speaking fees are also either being prosecuted, or have already been sentenced to jail time.

Earlier on Thursday, Alec Burlakoff, Insys's former head of sales and one of the government's key cooperating witnesses accepted a sentence of 26 months in prison. The jail sentences were handed down despite a long tradition of allowing big pharma to skate by with fines that often amounted to a slap on the wrist.

Subsys was approved by the FDA to target so-called “breakthrough pain”, something experienced by many patients with advanced cancer. But most of the doctors Insys targeted weren’t oncologists. The company encouraged them to prescribe the drug “off label” – meaning not for its approved purpose – to treat normal chronic pain.

Kapoor is a serial entrepreneur who immigrated to the US from India in his early 20s. The fentanyl spray that was the company’s main product was approved in 2012.

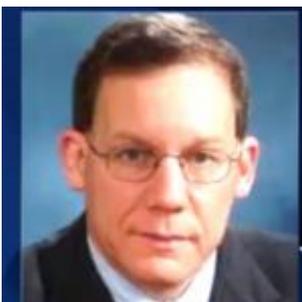
Under the company’s kick-back scheme, doctors who prescribed large quantities of the drug could earn up to \$125,000 a year in speaking fees.

The company depended on sales associates whom Kapoor described as “PHD” – “poor, hungry and desperate” or “poor, hungry and dumb.” One of the sales reps who got mixed up in the prosecution was a former stripper, a detail from the investigation that was widely covered in the press.

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Additional source:

<https://www.aarp.org/health/drugs-supplements/info-2019/insys-opioid-bribery-case.html>



Head of Harvard Chemistry Department and Two Chinese Nationals Charged with Trying to Steal American Research and Technology

The Trump Administration is cracking down on Chinese academic and corporate espionage and has made several arrests of suspects, including a Harvard professor and two Chinese nationals, who may have funneled information to China.

Charles Lieber, the chair of Harvard's department of chemistry and chemical biology, was arrested on charges of lying to investigators about being paid up to \$50,000 a month by Wuhan University of Technology from 2012 to 2017, and receiving more than \$1.5 million to establish a lab. Critics observed that Lieber's actions look like an attempt at espionage with a generous monetary reward.

In a separate case, Yanqing Ye, a lieutenant in China's People's Liberation Army, concealed her foreign military service to gain entry into the US as a researcher. She is accused of sending US documents to China and assessing US military websites under orders from the Chinese military. She has not been arrested as she is in China.

Another Chinese national, Zaosong Zheng, a medical student, was charged with attempting to smuggle 21 vials of 'biological materials' out of the country in a sock in his luggage before a flight to China. Authorities say that Zheng later confessed to having stolen the vials from Beth Israel Hospital. -GEG

The U.S. Attorney's Office announced Tuesday cases against

three individuals accused of concealing ties to the People's Republic of China while conducting research in Massachusetts.

Charles Lieber, chairman of the department of chemistry and chemical biology at Harvard University, was arrested Tuesday on charges of making false statements. Authorities say he failed to disclose ties to a Chinese government-run program setup to entice scientists and researchers in the U.S. to share their expertise and research with China.

Lieber will appear Tuesday afternoon before judge Marianne B. Bowler in federal court in Boston. He is on paid administrative leave from Harvard and will not have access to the campus nor will be able to continue in his teaching and research roles.

In a separate case, the Department of Justice said Yanqing Ye, a lieutenant in the People's Liberation Army had gained a non-immigrant visa to conduct studies at Boston University. According to court documents, Ye was conducting research in the Department of Physics, Chemistry and Biomedical Engineering at the Center of Polymer Studies at Boston University.

Authorities say on Ye's visa application she misrepresented her foreign military service to gain entry to the U.S.

United States Attorney Andrew Lelling said in a press conference at the John Joseph Moakley United States Courthouse Tuesday that Ye was working as an unregistered agent of the People's Republic of China and concealed her military connections while working as a researcher.

"A colonel in the People's Republic of China gave Ye numerous assignments while she was in the United States, such as assessing U.S. military websites," Lelling said. "She lied about her involvement with Chinese military projects."

Court documents also allege Ye sent U.S. documents and

information to China.

A third person, a 29-year-old Chinese national Zaosong Zheng, was charged with attempting to smuggle 21 vials of biological materials out of the country in a sock.

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Additional source:

<https://www.zerohedge.com/markets/harvard-chemistry-chair-2-chinese-nationals-arrested-lying-about-china-ties-smuggling>



Afghanistan: US Plane Crashes, Taliban Says It Downed the Plane, But Pentagon Denies It

A US Air Force E-11A was brought down over Taliban-controlled airspace and crashed in Ghazni Province. The Taliban issued a statement saying it was responsible. The E-11A is a communications plane used primarily to extend radio signals and other communications for US troops on the ground.

CNN reported that an official from the Pentagon said there

was no indication the plane was shot down by enemy fire. Sensitive equipment was disabled by military personnel that arrived at the site, and US forces destroyed the remnants of the aircraft.

Two bodies have been recovered and identified as Lt. Col. Paul K. Voss, 46, of Yigo, Guam, and Capt. Ryan S. Phaneuf, 30, of Hudson, New Hampshire. Last year was the deadliest in five years for the US in Afghanistan with 23 service members killed during operations in the country in 2019. -GEG

At 1:10 PM, a US Air Force E-11A was brought down over Taliban-controlled airspace, and crashed in Ghazni Province. Shortly thereafter, the Taliban issued a statement saying they had shot the plane down.

Local reporters in Ghazni say they saw at least two bodies at the site, though others said as many as five were seen. One reporter also said a “high-ranking CIA member” was among the slain, though no further details were confirmed on that.

The US, which only started commenting over 10 hours after the apparent shutdown, said that no more than five were aboard the plane. Some reports in Ghazni, lending credence to the two killed report, said Taliban fighters were searching the nearest village for potential survivors.

US Air Force officials promised to investigate the matter, but said they had “no indication” the plane was shot down. This may simply be because the plane is in enemy-controlled territory, and they’ve not been able to examine the wreckage, beyond photographs and video evidence.

Read full article here..

Additional source:

<https://www.cnn.com/2020/01/28/politics/afghanistan-us-crash/index.html>

