

Eli Lilly Wins Order Halting Alleged Trulicity Fraud

By **Carolina Bolado**

Law360 (June 9, 2026, 6:50 PM EDT) -- A Florida federal judge signed off Tuesday on a preliminary injunction pausing a prescription cost share program purportedly for Church of God in Christ members that pharmaceutical giant Eli Lilly and Co. says is actually a fraud scheme to resell GLP-1 drug Trulicity on the secondary market.

At a hearing in Miami, U.S. District Judge Federico Moreno approved a motion for a preliminary injunction agreed upon by both Eli Lilly and DrugPlace Inc. and its related entities that bars them from submitting any rebate claims for any Lilly medicines without providing additional documentation about the prescription and the patient.

The order also bars the defendants from destroying documents and messages related to their business records and operations and to their purchases and dispensations of any Lilly medication. In addition, under the order, the parties agreed to begin discovery immediately.

In the suit, filed in May, Lilly says the defendants claim to provide prescription drug coverage for members of Church of God in Christ, which is a Pentecostal denomination. They buy the medications and seek rebates from Lilly by representing that the medication has been dispensed to patients, which is required to qualify for rebates, according to the suit.

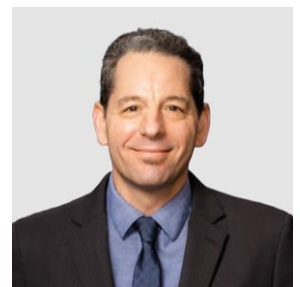
But in reality, the vast majority of the prescriptions are fictional, and the medication is resold to pharmaceutical wholesalers on the secondary market, according to the suit.

Lilly says they concealed the rebate fraud scheme for years by submitting claims through intermediaries and repeatedly pivoting to different intermediaries. The pharmaceutical company recently found the defendants had formed several new legal entities to replicate the scheme for a different purportedly religiously affiliated prescription cost-share program, according to the complaint.

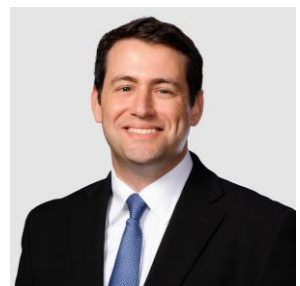
"This fraud kept pivoting," Geoffrey Potter, who represents Lilly, said at Tuesday's hearing. "It began one way and we caught it and thought we had shut it down, and then they pivoted."



Geoffrey Potter



Aron Fischer



Joshua Kipnees

He told the court that both churches told Lilly that they do not have healthcare plans.

"These healthcare plans don't exist, the patients don't exist," Potter said.

The defendants include DrugPlace, which is headquartered in Fort Lauderdale, Florida, and purports to be a mail-order pharmacy for a prescription cost-share program operated by another defendant, Community Health Initiative Inc.

According to the suit, DrugPlace closed its pharmacy in Nashville, Tennessee and began to liquidate its assets in April after learning that Lilly was investigating the rebate program.

Community Health purportedly is responsible for recruiting patients and administering the church's prescription cost-share program, according to the suit.

Two other defendants, Nakorn Wholesalers LLC and Brightline Wholesale LLC, are pharmaceutical wholesalers that use DrugPlace's Fort Lauderdale address as their mailing address, according to the complaint. And another defendant, Galaxy Pharmacy, is purportedly a mail-order pharmacy for a prescription cost-share program operated by the Texas Chapter of the National Hispanic Christian Leadership Conference, according to the suit.

Eli Lilly is represented by Jay B. Shapiro, Ryan M. Wolis and Veronica L. De Zayas of Stearns Weaver Miller Weissler Alhadeff & Sitterson PA and Aron Fischer, Geoffrey Potter and Joshua Kipnees of Patterson Belknap Webb & Tyler LLP.

The defendants are represented by Henry H. Bolz IV, Adrienne Frazier and Andrew Ennis of Polsinelli PC.

The case is Eli Lilly and Company v. DrugPlace Inc. (FL) et al., case number 1:26-cv-23516, in the U.S. District Court for the Southern District of Florida.

--Editing by Amy Rowe.