

Roofers' Unions Welfare Trust v. CaremarkPCS Health, LLC, and CVS Health Corporation

COURT: United States District Court for the District of Rhode Island
CASE NUMBER: 1:26-cv-00162
CLASS PERIOD: 3/18/2020 - Present
CASE TEAM: Avi Josefson, Michael D. Blatchley, Peter Russell, Li Yu, Haley Tobin

On March 18, 2026, Plaintiff Roofers' Unions Welfare Trust ("Roofers") filed a class action lawsuit in the District of Rhode Island against Caremark—one of the nation's largest Pharmacy Benefits Managers ("PBM")—and its parent company, CVS.

Roofers represents workers rights in all segments of the roofing and waterproofing industry. Among other things, Roofers provides health and welfare benefits for members of Local 11 Union of Roofers, Waterproofers and Allied Workers, as well as retired union members and beneficiaries. Roofers contracted with Caremark to provide pharmacy benefit management services. Caremark promised Roofers, and other Caremark PBM customers, that it would provide significant cost savings by negotiating with drug companies on their behalf to secure rebates to reduce the cost of drugs, and through formulary management such as promptly replacing high-cost drugs with low-cost equivalents on Caremark standard formularies.

In truth, Defendant Caremark and Defendant CVS, together with non-party CVS entity Zinc Health Services ("Zinc") and non-party drug companies, orchestrated an elaborate, fraudulent scheme to sell access to the drug formularies used by Caremark PBM customers. As part of this conspiracy, Caremark manipulated its formularies to give access and preferential placement to high-cost drugs. Defendants implemented this scheme by using Caremark's negotiating power to convince drug companies to divert exorbitant "fees" to Zinc, which traditionally would have been considered rebates and passed on to Caremark PBM customers. In doing so, Defendants maximized their own profits while limiting Caremark PBM customers' access to their contractually-guaranteed rebates and driving up Caremark PBM customers' prescription drugs costs instead of reducing such costs.

To address this misconduct, Roofers, on behalf of itself and a class of Caremark PBM customers, alleges that Defendant Caremark and Defendant CVS acted in violation of the Racketeer Influenced and Corrupt Organizations ("RICO") Act, and that Defendant Caremark breached its contracts with its PBM customers.

Case Documents

- March 18, 2026 - Initial Complaint