



■ **Key Facts**

Business address: **Woonsocket, Rhode Island, United States**

Industry: **Pharmacies and Drug Stores** (NAICS 446110)

SEC filer status: **Large Accelerated Filer** as of Jun 2021

Index member: **S&P 500, Russell 1000**

Market Cap: **\$112b** as of Sep 24, 2021

Annual revenue: **\$269b** as of Dec 31, 2020

■ **Corporate Governance**

CEO: **Karen S. Lynch** since 2021

CFO: **Shawn M. Guertin** since 2021

1st level

Board Chairman: **David W. Dorman** since 2011

Audit Committee Chair: **NOT AVAILABLE**

2nd level

Auditor: **Ernst & Young LLP** since 2007

Outside Counsel (most recent): **Barnes & Thornburg LLP**

3rd level

SEC Reviewer: **(unknown)**

4th level

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How to analyze this company's Watchdog Report? [Skip to the last page](#)

Information in this report is effective Sep 24, 2021 and is taken from the company's public financial and regulatory filings. Latest filing 10-Q filed 08/04/2021. Over 75 accounting and data analysts scrutinize and review crucial information, footnotes, disclosures, etc., from these filings. Material facts are captured and processed using our proprietary methods which identify key risk factors our readers need to know. Each Watchdog Report represents 30 or more hours of analysis and processing.

Accounting and financial disclosure data from [Audit Analytics](#).

Executive compensation data from [Shore Group and Intrinio](#).

Data from [Sharadar](#).

[Data from Barchart via Quandl](#).

[Data from Exchange Data International via Quandl](#).

Sep 24, 2021 Jan 1, 2020 Jan 1, 2016

RECENT PERIOD HISTORICAL PERIOD

10-Q filed on Aug 4, 2021 for period ending Jun 2021

Reporting Irregularities

RECENT		HISTORICAL
✓	Financial Restatements	✓
✓	Revisions	✓
✓	Out of Period Adjustments	✓
✓	Late Filings	✓
!	Impairments	!
✓	Changes in Accounting Estimates	!
!	Disclosure Controls	!
✓	Internal Controls	✓
!	Critical / Key Audit Matters	✓

Anomalies in the Numbers

RECENT		HISTORICAL
✓	Benford's Law	✓
—	Beneish M-Score	—
✓	Accounting Disclosure Complexity	✓

Securities & Exchange Commission Concerns

RECENT		HISTORICAL
✓	SEC Oversight	✓
✓	SEC Letters to Management	!
✓	Revenue Recognition	✓
✓	Non-GAAP Measures	✓

Litigation & External Pressures

RECENT		HISTORICAL
!	Significant Litigation	!
✓	Securities Class Actions	!
✓	Shareholder Activism	✓
✓	Cybersecurity	!

Management Review

RECENT		HISTORICAL
!	CEO Changes	✓
!	CFO Changes	!
!	Insider Sales	!
✓	Pledged Securities	✓
✓	Mergers & Acquisitions	!
✓	Sales of Assets	✓

Auditor Assessment

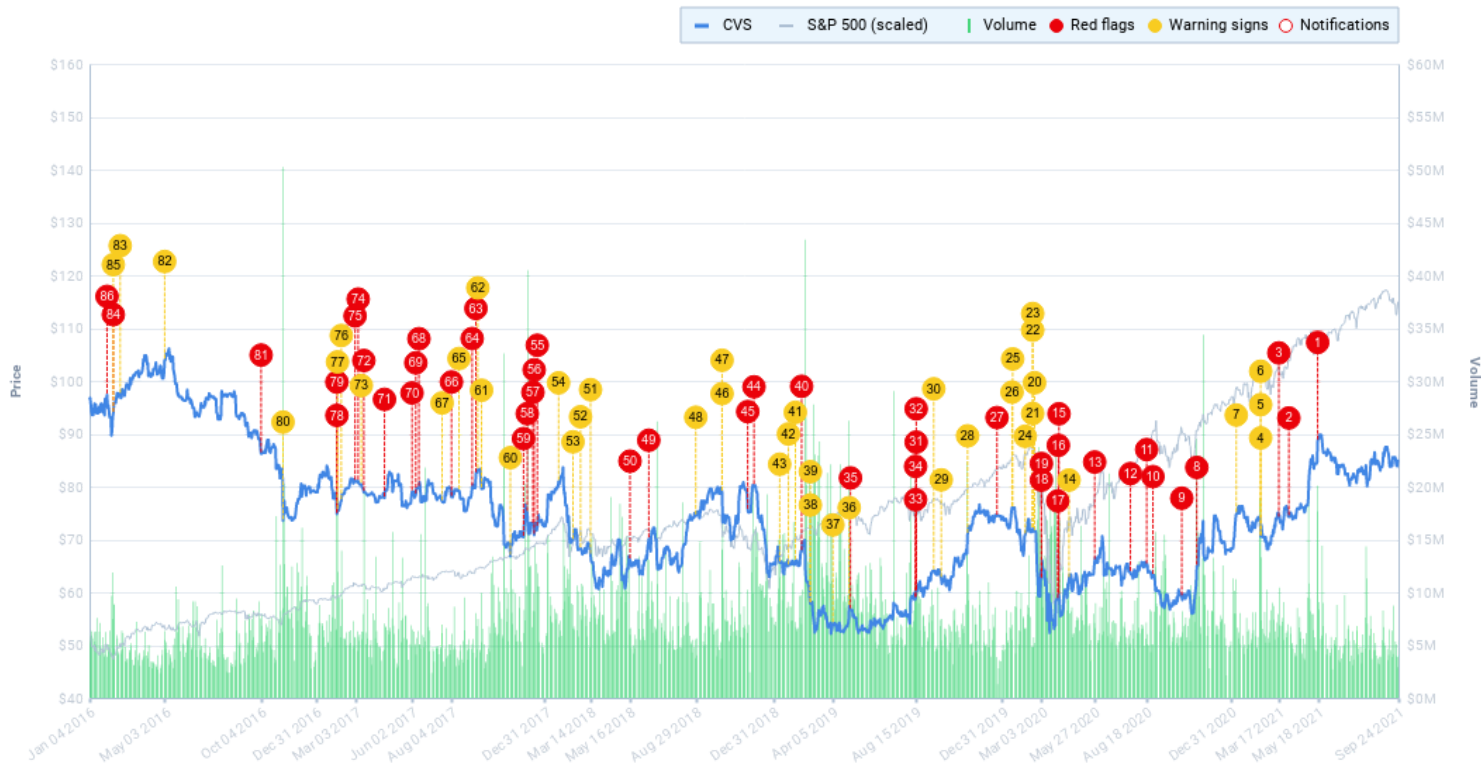
RECENT		HISTORICAL
✓	Auditor Changes	✓
✓	Auditor Experience	✓
✓	Auditor Tenure	✓
✓	Audit Fees	!
✓	Non-Audit Fees	✓



Overview

Price and Volume History

This graph shows the price and trading history for CVS Health. Warning signs and red flags are marked on the graph according to their disclosure dates.



- 1 May 18, 2021 - Change in CFO
- 2 Apr 2, 2021 - Insider Sale
- 3 Mar 17, 2021 - Insider Sale
- 4 Feb 16, 2021 - Impairment
- 5 Feb 16, 2021 - Critical / Key Audit Matters
- 6 Feb 16, 2021 - Critical / Key Audit Matters
- 7 Jan 8, 2021 - Lawsuit: Humana Inc v. Teva Pharmaceuticals USA Inc et al
- 8 Nov 6, 2020 - Change in CEO
- 9 Oct 13, 2020 - Lawsuit: Joseph Mier v. CVS Pharmacy Inc et al
- 10 Aug 28, 2020 - Lawsuit: Radcliffe v. Aetna Inc et al
- 11 Aug 18, 2020 - Lawsuit: In re Seroquel XR Extended Release Quetiapine Fumarate Antitr...
- 12 Jul 23, 2020 - Lawsuit: In re Bystolic Antitrust Litigation
- 13 May 27, 2020 - Lawsuit: Blue Cross and Blue Shield of Alabama et al v. CVS Health Cor...
- 14 Apr 16, 2020 - Lawsuit: Troiano v. Ernst & Young US LLPs Long Term Disability Program...
- 15 Mar 31, 2020 - Lawsuit: FWK Holdings LLC v. Novo Nordisk Inc et al
- 16 Mar 30, 2020 - Lawsuit: Rochester Drug Co-Operative Inc v. Eli Lilly and Company et al
- 17 Mar 29, 2020 - Lawsuit: In re EpiPen Direct Purchaser Litigation
- 18 Mar 3, 2020 - Insider Sale
- 19 Mar 3, 2020 - Lawsuit: In Re Metformin Marketing and Sales Practices Litigation
- 20 Feb 21, 2020 - Lawsuit: In Re National Prescription Opiate Litigation
- 21 Feb 18, 2020 - Disclosure Controls
- 22 Feb 18, 2020 - Critical / Key Audit Matters
- 23 Feb 18, 2020 - Critical / Key Audit Matters
- 24 Feb 6, 2020 - Lawsuit: In Re Zantac (Ranitidine) Products Liability Litigation
- 25 Jan 17, 2020 - Insider Sale
- 26 Jan 16, 2020 - Lawsuit: Lovoi v. Aguirre et al
- 27 Dec 23, 2019 - Lawsuit: County of Harris Texas v. Eli Lilly and Company et al
- 28 Nov 6, 2019 - Disclosure Controls
- 29 Sep 25, 2019 - SEC letters to management
- 30 Sep 13, 2019 - Insider Sale
- 31 Aug 16, 2019 - Lawsuit: Anarkat v. CVS Health Corporation et al
- 32 Aug 16, 2019 - Securities Class Actions Lawsuit: Anarkat v. CVS Health Corporation et al
- 33 Aug 15, 2019 - Lawsuit: Waterford Township Police & Fire Retirement System v. CVS H...
- 34 Aug 15, 2019 - Securities Class Actions Lawsuit: Waterford Township Police & Fire Reti...
- 35 May 3, 2019 - Lawsuit: Dunaway et al v. Purdue Pharma LP et al
- 36 May 1, 2019 - Disclosure Controls
- 37 Apr 5, 2019 - Lawsuit: The County Board of Arlington County Virginia v. Actavis Pharma ...
- 38 Feb 28, 2019 - Impairment



- 39 Feb 28, 2019 - Disclosure Controls
- 40 Feb 14, 2019 - Lawsuit: Valsartan Losartan and Irbesartan Products Liability Litigation
- 41 Feb 4, 2019 - Insider Sale
- 42 Jan 24, 2019 - Cybersecurity
- 43 Jan 10, 2019 - Insider Sale
- 44 Nov 30, 2018 - Insider Sale
- 45 Nov 20, 2018 - Change in CFO
- 46 Oct 10, 2018 - Change in CFO
- 47 Oct 10, 2018 - Lawsuit: United States of America et al v. CVS Health Corporation et al
- 48 Aug 29, 2018 - SEC letters to management
- 49 Jun 15, 2018 - Lawsuit: In Re Zetia Ezetimibe Antitrust Litigation
- 50 May 16, 2018 - Lawsuit: In re Novartis and Par Antitrust Litigation
- 51 Mar 14, 2018 - SEC letters to management
- 52 Feb 26, 2018 - Lawsuit: Cherokee Nation The v. McKesson Corporation et al
- 53 Feb 14, 2018 - Impairment
- 54 Jan 22, 2018 - Lawsuit: County of Summit Ohio et al v. Purdue Pharma LP et al
- 55 Dec 19, 2017 - Lawsuit: Kanawha County Commission v. Rite Aid of Maryland Inc et al
- 56 Dec 14, 2017 - Lawsuit: Prescott et al v. CVS Health Corporation et al
- 57 Dec 12, 2017 - Lawsuit: Dayton v. Purdue Pharma LP et al
- 58 Dec 3, 2017 - Mergers & Acquisitions
- 59 Nov 27, 2017 - Lawsuit: Bewley et al v. CVS Health Corporation et al
- 60 Nov 6, 2017 - Change in Accounting Estimates
- 61 Sep 21, 2017 - SEC letters to management
- 62 Sep 15, 2017 - Insider Sale
- 63 Sep 12, 2017 - Insider Sale
- 64 Sep 6, 2017 - Lawsuit: MSP Recovery Claims Series LLC et al v. CVS Health Corporatio...
- 65 Aug 16, 2017 - Lawsuit: Sherman v. CVS Health Corporation et al
- 66 Aug 4, 2017 - Lawsuit: In Re EpiPen (Epinephrine Injection USP) Marketing Sales Practi...
- 67 Jul 20, 2017 - Lawsuit: USA et al v. USB Inc et al
- 68 Jun 13, 2017 - Insider Sale
- 69 Jun 8, 2017 - Lawsuit: McKesson Corporation et al v. Hembree et al
- 70 Jun 2, 2017 - Lawsuit: In Re EpiPen ERISA Litigation Klein et al v. Prime Therapeutics L...
- 71 Apr 19, 2017 - Lawsuit: Christensen et al v. Novo Nordisk Inc et al
- 72 Mar 17, 2017 - Lawsuit: Boss et al v. CVS Health Corporation et al
- 73 Mar 13, 2017 - Insider Sale
- 74 Mar 8, 2017 - Lawsuit: Barnett et al v. Novo Nordisk Inc et al
- 75 Mar 3, 2017 - Lawsuit: Mayberry v. Walgreens Co et al
- 76 Feb 9, 2017 - Disclosure Controls
- 77 Feb 3, 2017 - Lawsuit: United States of America et al v. Biogen Inc et al
- 78 Feb 2, 2017 - Lawsuit: B Amburgey v. CaremarkPCS Health LLC et al
- 79 Feb 2, 2017 - Lawsuit: Chaires et al v. Novo Nordisk Inc et al
- 80 Nov 8, 2016 - Disclosure Controls
- 81 Oct 4, 2016 - Lawsuit: Johnson & Johnson Talcum Powder Products Marketing Sales P...
- 82 May 3, 2016 - Disclosure Controls
- 83 Feb 22, 2016 - Lawsuit: Phoenix Licensing LLC et al v. Consumer Cellular Inc
- 84 Feb 11, 2016 - Lawsuit: Barchock et al v. CVS Health Corporation et al
- 85 Feb 11, 2016 - Lawsuit: CVS Pharmacy Inc v. Medicis Pharmaceutical Corp et al
- 86 Feb 1, 2016 - Lawsuit: Sheet Metal Workers Local No 20 Welfare and Benefit Fund et al...

Notifications

Important notifications related to the company are listed here. Notifications may come from the SEC, exchanges such as the NYSE or NASDAQ, or Watchdog Research. Examples of notifications include announcements of bankruptcy proceedings, company name changes, and noncompliance with SEC regulations or exchange rules.

There are no notifications for CVS Health at least since 2016.



Peer Group

Peer groups are used by companies to benchmark executive compensation and performance. Each company identifies its own peer group. Peer groups vary from company to company.

Peer Group

Company	Ticker	Market Cap
Apple Inc.	AAPL	\$2,460b
Johnson & Johnson	JNJ	\$433b
Walmart Inc.	WMT	\$399b
UnitedHealth Group Inc.	UNH	\$384b
Home Depot Inc.	HD	\$359b
Procter & Gamble Co.	PG	\$348b
Comcast Corp.	CMCSA	\$258b
Coca Cola Co.	KO	\$233b
Merck & Co., Inc.	MRK	\$186b
CVS Health Corp.	CVS	\$112b

Companies Who Named CVS Health as a Peer

Company	Ticker	Market Cap
JPMorgan Chase & Co.	JPM	\$487b
Walmart Inc.	WMT	\$399b
UnitedHealth Group Inc.	UNH	\$384b
Lowe's Companies Inc.	LOW	\$144b
Target Corp.	TGT	\$118b
CVS Health Corp.	CVS	\$112b
Anthem, Inc.	ANTM	\$94.5b
Cigna Corporation	CI	\$69.3b
Humana Inc.	HUM	\$54.4b
Centene Corp.	CNC	\$37.8b



Peer Flag Comparison

The return to a company's stock is not the only measure of executive performance. Ethics matter, and growth can quickly reverse and gains evaporate if a company's accounting and financial reporting processes are not fundamentally sound and trustworthy. How does CVS Health's accounting quality compare to its peer group?

	CVS	PEER GROUP FLAGS		
Reporting Irregularities				
Financial Restatements	✓	9		
Revisions	✓	9		
Out of Period Adjustments	✓	9		
Impairments	!	2	7	
Changes in Accounting Estimates	!	3	6	
Disclosure Controls	!	4	5	
Internal Controls	✓	9		
Critical / Key Audit Matters	!		8	1
Anomalies in the Numbers				
Benford's Law	✓	5		4
Beneish M-Score	⊖	7	1	
Accounting Disclosure Complexity	✓	7	2	
Securities & Exchange Commission Concerns				
SEC Oversight	✓	9		
SEC Letters to Management	!		9	
Revenue Recognition	✓	7	2	
Non-GAAP Measures	✓	9		

	CVS	PEER GROUP FLAGS		
Litigation & External Pressures				
Significant Litigation	!			9
Securities Class Actions	!	5		4
Shareholder Activism	✓	9		
Cybersecurity	!	1	8	
Management Review				
CEO Changes	!	4	3	2
CFO Changes	!	3	4	2
Insider Sales	!	1	4	4
Pledged Securities	✓	6	2	1
Mergers & Acquisitions	!	2	7	
Sales of Assets	✓	9		
Auditor Assessment				
Auditor Changes	✓	9		
Auditor Experience	✓	9		
Auditor Tenure	✓	3	6	
Audit Fees	!	3	6	
Non-Audit Fees	✓	9		



About Watchdog Research, Inc.

Watchdog Research, Inc. is an independent research provider and publisher of Watchdog Reports. Watchdog Reports identify red flags, issues, and other anomalies in financial reporting. Our reports contain warning signs, red flags, material disclosures, and peer analysis for use in valuation, risk analysis, due diligence research, and idea generation.

Watchdog Reports are designed to assist investment professionals fulfill their fiduciary or suitability obligations and to help investors, executives, board members, regulators and educators learn what they need to know about publicly traded companies.

The company is headquartered in Ave Maria, FL. Watchdog Research, Inc. utilizes over 75 specialists and analysts to provide accurate and timely information to our readers.

Our management team is:

CEO: Brian Lawe. Brian has been part of the corporate staff at The New York Times Company and IBM. He has created and operated several technology companies including MyStoreCredit, OnPage Ideas and HelloCampus. He holds an MBA from Harvard Business School and a BBA from Texas Christian University. He and his wife have four children and live in the Naples, FL area.

CTO: Radu Cugut. Radu has led the award-winning technology team that developed the Watchdog Report and services. He, his wife and son split their time between his home in Ave Maria, FL and his home in Timisoara, Romania where he oversees five talented development professionals. Radu has a bachelors in Computer Science and a masters in Banking and Financial Information Systems, both from the West University of Timisoara.

Chief Content Officer: Joseph Burke, Ph.D. is responsible for the content development, analysis, and quality control for the Watchdog Report. Joseph worked previously as a professor of economics at Ave Maria University. He received his Ph.D. from the University of Wisconsin-Madison and resides with his family in the Naples area.

Director of Research: John Cheffers. John is responsible for writing our blogs and for our press relationships. He received his bachelors from Washington University in St. Louis, and has worked for Audit Analytics and Ave Maria University. He graduated Ave Maria University School of Law where his research was selected for publication in the Law Review. He currently lives in Pennsylvania with his wife and two children.



Watchdog Research, Inc.
5072 Annunciation Cir.
Suite 202
Ave Maria, FL 34142

info@watchdogresearch.com
(855) 820-6272
www.watchdogresearch.com

