



# News Release

## Office of the Attorney General

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### **HRC Medical and Its Principals Ordered to Pay \$18 Million and Stop Unlawful Activity**

Attorney General Herbert H. Slatery III today announced Senior Judge Don Ash, serving as special judge for the Davidson County Circuit Court, has granted the State's Motion for Partial Summary Judgment in its lawsuit against HRC Medical Centers, Inc. and the company's principals, Dan Hale, Don Hale, and Dixie Hale. The Order is a significant step in concluding the case.

According to the ruling, HRC, Dan Hale, Don Hale, and Dixie Hale are ordered to pay consumers who purchased HRC's bio-identical hormone replacement therapy (BHRT) a total of \$18,141,750 for violations of the Tennessee Consumer Protection Act. Additionally, the Court issued a permanent injunction barring the Defendants from engaging in conduct the Court has found unlawful.

The Order is subject to review by an appellate court. If the appellate court agrees with the trial court ruling, HRC consumers will be paid from Defendants' remaining available assets. However, company assets are likely to be significantly less than the court ordered amount.

"HRC and its principals made deceptive statements about the safety and efficacy of its hormone replacement therapy and omitted facts that were important to consumers," General Slatery said. "It took years of hard work from our attorneys, but the trial court has sent a clear message about Defendants' advertising practices."

The State's original complaint, filed October 8, 2012, alleged in part that HRC, Dan Hale, and Don Hale withheld important information concerning health risks and side effects from consumers and made a series of false, deceptive, and/or unsubstantiated claims about their alternative regimen of BHRT. For women, HRC's BHRT consisted of estradiol, progesterone, and testosterone. For men, HRC's BHRT consisted of testosterone.

In 2015, the Court found HRC violated the Tennessee Consumer Protection Act by deceptively claiming their products to be absolutely or completely safe, had no side effects, and restored a user's hormones to prime levels. The Court also found HRC violated the TCPA by making false claims regarding FDA approval and by using company employees and family members in customer testimonial advertisements without disclosing that relationship to consumers.

“It is extremely important that consumers receive truthful information about the benefits and risks of any purchase,” said Director Cynthia Wiel of the Tennessee Division of Consumer Affairs. “We are pleased that the court’s decision recognizes this principle.”

HRC Medical Centers, Inc. operated clinics in Nashville, Knoxville, and Memphis that sold BHRT. HRC is not currently operating in Tennessee.