



For Immediate Release

Contact: Cara Smith

312-814-3118

877-844-5461 (TTY)

csmith@atg.state.il.us

November 27, 2006

MADIGAN ANNOUNCES SETTLEMENT WITH FLORIDA COMPANY OVER FREE MEDICINE SERVICES

CONSUMERS MAY BE ELIGIBLE FOR REFUNDS

Chicago – Attorney General Lisa Madigan announced a settlement agreement with a Naples, Florida corporation over allegations that the company deceptively marketed services to assist consumers in applying for free prescription drugs from pharmaceutical companies when, in fact, consumers could obtain information about pharmaceutical assistance programs for free.

Under the settlement agreement, Illinois consumers who purchased services from Consumer Savings Direct, Inc., doing business as Free Medicine Direct, have until December 31, 2006 to file complaints with the Attorney General's Consumer Fraud Bureau to be eligible for a refund.

Madigan's lawsuit alleged that in promising consumers access to free prescription drugs, Free Medicine Direct failed to disclose all of the terms and conditions of the process for determining eligibility for pharmaceutical assistance programs. Specifically, according to the complaint, Free Medicine Direct misled consumers into believing that if they answered a set of preliminary questions regarding age and income, they would automatically qualify for free medicine. However, pharmaceutical companies – and not Free Medicine Direct – actually made the eligibility determinations for these programs.

In addition, Madigan's complaint alleged that Free Medicine Direct's print advertisements failed to disclose the registration fee of at least \$199.95. During a high-pressure sales call, Free Medicine Direct's customer service agents allegedly assured consumers that the registration fee would be 100% refundable. However, according to the lawsuit, Free Medicine Direct refused to make refunds to consumers.

"When consumers see a service or product advertised as free, I urge them to carefully research the offer before providing payment information," Madigan said. "These types of scams are so unfortunate because they target vulnerable consumers who suffer most when the loss occurs," Madigan said.

As part of the consent decree, filed October 30, 2006 in the Circuit Court of Cook County, Free Medicine Direct agreed to refrain from engaging in the business that was the subject of this lawsuit. Specifically, the company agreed

to refrain from (1) selling services to assist Illinois consumers in applying for pharmaceutical companies' patient assistance programs; (2) representing a product or service is free unless it is actually free; (3) representing that their company is affiliated or associated with pharmaceutical companies when that is not the case; (4) representing a service or product is refundable without disclosing all material terms and conditions; and (5) charging fees or withdrawing funds from consumer's accounts without full disclosure of all terms and the consumer's express approval.

In addition, Free Medicine Direct has agreed to pay \$5,000 to the state, and has made additional payments to reimburse consumers who had previously complained to the Attorney General's Office.

The defendant's agreement to the provisions of the consent order does not constitute an admission of liability.

Assistant Attorney General Ryan Tyrrell Lipinski handled the case for Madigan's Consumer Fraud Bureau.

Consumers who purchased services from Consumer Savings Direct or Free Medicine Direct should file a complaint and seek a refund. **To file a complaint and be eligible for a refund**, consumers should call the Attorney General's Consumer Fraud Hotline:

Chicago: 1-800-386-5438 and 1-800-964-3013 (TTY)
Springfield: 1-800-243-0618 and 1-877-844-5461 (TTY)
Carbondale: 1-800-243-0607 and 1-877-675-9339 (TTY)
Spanish-language hotline: 1-866-310-8398

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