

Press Releases

July 7, 2009

MADIGAN ANNOUNCES \$7.2 MILLION SETTLEMENT IN DRUG PRICING CASE

Attorney General Alleged Drug Companies Fraudulently Published Inflated Prices for Prescription Medications / Funds Will Go to Pay for Medicaid Bills for Illinois' Neediest Patients

Chicago – Attorney General Lisa Madigan today announced that her office has brokered a \$7.2 million settlement agreement with Amgen Inc., and its wholly-owned subsidiary, Immunex Corporation, to settle allegations that the drug companies inflated the wholesale price index used for setting Medicaid reimbursements. The funds from Madigan's settlement have been deposited into the State of Illinois' General Revenue Fund for use in paying Medicaid bills for Illinois' neediest patients.

"I am pleased that our lawsuit against these drug makers has resulted in securing much needed revenue for the State of Illinois," said Attorney General Madigan. "My office will continue to fight on behalf of consumers to stop unfair conduct by drug companies."

Amgen Inc. and Immunex Corporation are involved in the marketing and sale of pharmaceuticals in the United States.

In 2005, Madigan filed a lawsuit in Illinois against Amgen and Immunex and other drug makers for violations related to the Average Wholesale Price (AWP) of numerous prescription drugs, alleging the drug makers fraudulently published inflated prices. State Medicaid programs use the AWP to determine reimbursement amounts for drugs prescribed to Medicaid patients. The lawsuit alleges that the inflated prices have resulted in overpayment in drug costs by the State of Illinois.

Under the 2005 lawsuit, the Attorney General's office has now settled with seven drug companies for a total of more than \$19 million in settlement funds for the State of Illinois. The suit continues against more than three dozen companies.

-30-





© 2020 Illinois Attorney General

Home • Privacy Policy • Contact Us