



September 2, 2009

**ILLINOIS JOINS 49 STATES, FEDERAL GOVERNMENT IN LANDMARK
\$2.3 BILLION AGREEMENT WITH PFIZER**

***Illinois to Receive \$10 Million in Medicaid Fraud Case; \$1 Million in
Consumer Protection Settlement***

Chicago—Attorney General Lisa Madigan announced today that Illinois will join 49 states, the District of Columbia and the federal government in a record \$2.3 billion settlement with Pfizer Inc., to settle allegations that Pfizer and its subsidiaries paid kickbacks and engaged in off-label marketing campaigns that improperly promoted numerous drugs. The settlement is the largest ever paid by a drug company for alleged violations of federal drug rules.

"Pfizer aggressively promoted its medications for unapproved uses. The company's deceptive marketing practices were illegal and highly dangerous," Madigan said. "This significant settlement should signal that we will continue to monitor the industry and hold pharmaceutical companies accountable when they engage in improper and illegal promotions of their products."

Pfizer, the world's largest pharmaceutical manufacturer, will pay the states and the federal government a total of \$1 billion in damages and penalties to compensate Medicaid, Medicare and various federal healthcare programs. In addition, Pharmacia & Upjohn Company, Inc., a Pfizer subsidiary, will plead guilty to a violation of the Food, Drug and Cosmetics Act and pay an additional \$1.3 billion criminal fine to resolve that charge. Illinois will recover more than \$10 million for the state's Medicaid Program.

The federal government and the states alleged that Pfizer engaged in unfair and deceptive practices when it marketed several medications for uses that were not approved for coverage in government health plans. Drug manufacturers are prohibited from marketing drugs for uses not approved by the U.S. Food and Drug Administration (FDA). Specifically, the states and federal government alleged that Pfizer:

- Marketed Bextra, a pain killer subsequently withdrawn from distribution, for conditions and dosages other than those for which it was approved by the FDA,
- Improperly promoted the use of the antipsychotic drug Geodon for a variety of conditions, such as attention deficit disorder, autism, dementia and depression for patients that included children and adolescents,
- Sold the pain medication Lyrica for unapproved conditions, and
- Made false representations about the safety and efficacy of Zyvox, an antibiotic that the FDA approved only to treat certain drug resistant infections.

In addition to the improper off-label marketing of these drugs, Pfizer allegedly illegally paid health care professionals to induce them to promote and prescribe its medications, including Bextra, Geodon, Lyrica, Zyvox, Aricept, Celebrex, Lipitor, Norvasc, Replax, Viagra, Zithromax, Zolofit and Zyrtec. These payments allegedly took many forms, including paying for entertainment, travel and meals, and providing cash. Illinois and federal law prohibit paying anything of value in exchange for the prescribing of a product paid for by Medicaid or a federal health care program.

Today's settlement is based on nine private lawsuits filed in the U.S. District Court in Massachusetts, the U.S. District Court for the Eastern District Pennsylvania and the U.S. District Court in Kentucky. In Illinois, the lawsuits included alleged violations of the state's Whistleblower Reward and Protection Act.

In addition to the \$2.3 billion Medicaid fraud settlement, Madigan said Pfizer also will pay \$33 million to 42 states and the District of Columbia to settle civil consumer protection allegations related to Pfizer's questionable marketing practices of the antipsychotic medication, Geodon. Illinois will receive \$1.2 million of the \$33 million settlement. As a result of this investigation, Pfizer has agreed to significantly change how it markets Geodon and has agreed not to promote the drug for uses that are not approved by the FDA.

In addition to Madigan, Attorneys General from the following states and the District of Columbia participated in the consumer protection settlement: Alabama, Arkansas, Arizona, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Vermont, Washington, West Virginia, and Wisconsin.

Bureau Chief Patrick Keenan handled the Medicaid fraud case for Madigan's Medicaid Fraud Bureau. Assistant Attorney General Vaishali S. Rao handled the consumer protection case for Madigan's Consumer Fraud Bureau.

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