

July 30, 2013

Press Releases

## MADIGAN ANNOUNCES \$491 MILLION SETTLEMENT OVER ILLEGAL DRUG MARKETING CLAIMS

## Attorney General: Illinois Will Receive \$5.5 Million for False Claims to Medicaid Program

**Chicago** — Attorney General Lisa Madigan today announced a joint \$491 million federal and state settlement to resolve civil and criminal allegations that pharmaceutical manufacturer Wyeth illegally marketed an organ transplant anti-rejection drug for unauthorized uses that resulted in millions of dollars in false claims to state and federal Medicaid programs.

"Wyeth pushed its employees to sell these drugs for uses that had not been proven to be safe and effective, which potentially put Illinois Medicaid patients' health at risk," Madigan said.

The investigation resulted from actions filed in the U. S. District Courts for the Eastern District of Pennsylvania and the Western District of Oklahoma under the federal False Claims Act and various state false claims statutes. The complaints alleged that Wyeth knowingly engaged in illegal marketing practices in its promotion of the prescription drug Rapamune, a kidney transplant drug prescribed to prevent a patient's body from rejecting an organ donation.

The complaints allege that Wyeth encouraged its employees to market and sell Rapamune for so-called "off-label" uses, or uses that were not approved by the U.S. Food and Drug Administration (FDA), including treating liver transplants, despite an FDA warning advising against such use. The complaint alleges Wyeth also continued to market Rapamune for other non-renal transplant patients and for changes in drug therapies, which have not been found to be safe and effective.

Wyeth has agreed to pay the states and the federal government \$257 million in civil damages and penalties, of which more than \$60 million will go to state and federal Medicaid programs, including \$5.5 million for Illinois' program. Additionally, Wyeth has pled guilty in federal court in Oklahoma to violations of the U.S. Food, Drug, and Cosmetic Act, and has agreed to pay \$233 million in criminal fines and forfeitures.

Wyeth was acquired by Pfizer Inc. in late 2009. The illegal marketing practices Wyeth settled with the states and federal government occurred prior to Pfizer's acquisition of the company. Pfizer cooperated fully with the federal government and the states in the investigation.

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