

**PRESS RELEASE**

Colorado Department of Law  
Attorney General John W. Suthers

**FOR IMMEDIATE RELEASE**

Nov. 2, 2009

**CONTACT**

Mike Saccone, Communications Director  
303-866-5632

**ATTORNEY GENERAL ANNOUNCES COLORADO HAS RECEIVED  
MORE THAN \$3 MILLION FROM FOUR MEDICAID FRAUD SETTLEMENTS**

DENVER — Colorado Attorney General John Suthers announced today the state has received more than \$3 million from four pharmaceutical manufacturers as part of four settlements that allegations that the companies improperly marketed drugs and paid kickbacks to health care professionals in return for prescribing their products. Each of the four settlements stem from the damage these schemes caused to Colorado's Medicaid program.

"Colorado's Medicaid program provides essential health services to the neediest among us," Suthers said. "These settlements should underscore that we will vigorously pursue any company, health care provider or individual that tries to exploit Colorado's Medicaid program."

The largest settlement, accounting for more than \$2.9 million, fulfills a landmark civil settlement between Pfizer Inc., the federal government and the states. The settlement effectively closes lawsuits alleging that Pfizer improperly marketed four drugs and paid kickbacks to doctors and other professionals to induce them into prescribing those four drugs and nine others. Pfizer was accused of marketing and promoting Bextra, Lyrica, Zynox and Geodon for "off-label" uses not approved by the U.S. Food and Drug Administration.

It generally is not illegal for doctors to prescribe drugs for off-label uses, but it is illegal for drug manufacturers to market drugs for off-label uses. State Medicaid programs usually do not pay for prescriptions for off-label purposes.

The multistate Pfizer settlement was the largest Medicaid pharmaceutical settlement in history, requiring the company to pay a total of \$1 billion in civil damages to the states' Medicaid programs as well as other federal healthcare programs such as Medicare and the TRICARE military health plan. Pharmacia & Upjohn Company, Inc., a Pfizer subsidiary, also agreed as part of the settlement to plead guilty to a criminal charge and pay criminal fines totaling \$1.3 billion. Pharmacia & Upjohn Company's plea resolves allegations involving the marketing of the drug Bextra, which was pulled off the market in 2005.

Colorado also has received nearly \$195,000 from a second settlement, from three pharmaceutical companies that all were alleged to have engaged in similar misconduct surrounding the marketing strategies of drugs: AstraZeneca Pharmaceuticals LLP for the drug Albuterol; Ortho McNeil Pharmaceutical, Inc. for the drug Dermatotop; and Mylan Pharmaceuticals, Inc. for a series of drugs, including Nifedipine and Cephalexin.

Colorado's Medicaid program pays out nearly \$4 billion every year for the medical care of approximately 700,000 qualified recipients. The 14-member Medicaid Fraud Control Unit investigates and prosecutes providers suspected of defrauding the Colorado's Medicaid program. The Medicaid Fraud Control Unit

also investigates and prosecutes cases involving the physical and financial abuse of seniors and other residents of federally funded long-term care facilities.