

ILLINOIS ATTORNEY GENERAL KWAME RAOUL

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**ATTORNEY GENERAL RAOUL ANNOUNCES \$242 MILLION SETTLEMENT TO
BENEFIT STATE OF ILLINOIS**

Settlement Brings Total Amount Recovered in Lawsuit Against Drug Makers to \$678 Million

Chicago – Attorney General Kwame Raoul today announced he has recovered \$242 million for the state of Illinois in a settlement with numerous drug companies, which resolves allegations the companies inflated the wholesale prices used in setting the rates for Medicaid reimbursements.

The companies in today’s settlement are: Abbott Laboratories, Inc.; Aventis Pharmaceuticals Inc.; Aventis Behring LLC, n/k/a ZLB Behring; B. Braun Medical Inc.; Forest Laboratories, Inc.; GlaxoSmithKline LLC; Johnson & Johnson, Inc.; Janssen Pharmaceutical Products, LP; McNeil-PPC, Inc.; Ortho Biotech Products, LP; Ortho-McNeil Pharmaceutical, Inc.; Novartis Pharmaceuticals Corporation; Pfizer Inc.; Pharmacia Corporation; and TAP Pharmaceutical Products, Inc. This is the final settlement in the Attorney General’s lawsuit against more than four dozen drug makers for fraudulently inflating prices for prescription medications. The Attorney General’s office has recovered more than \$678 million in settlements from the suit.

“These companies engaged in a deceptive and illegal scheme to manipulate the drug pricing system to boost their own earnings, and the people of Illinois paid the price,” Raoul said. “I am pleased that we were able to hold them accountable for their actions and recover \$678 million for the state. My office is committed to continuing to fight on behalf of consumers to stop unfair conduct by drug companies.”

In 2005, the Attorney General’s office filed a lawsuit against the drug companies for deceptive practices related to the Average Wholesale Price (AWP) of numerous prescription drugs. The lawsuit alleged the drug makers fraudulently published inflated AWP’s seeking larger profits for themselves. State Medicaid programs use the AWP to determine reimbursement amounts for drugs prescribed to Medicaid patients. The lawsuit alleged that the inflated prices have resulted in overpayment in drug costs by the state of Illinois. Today’s settlement resolves the 2005 lawsuit.