Pfizer's False Claims Act/Qui Tam

Thursday, September 03, 2009

Pfizer's payment of \$2.3 billion is largest healthcare fraud settlement ever, DOJ says The U.S. Dept. of Justice announced that Pfizer Inc. will pay \$2.3 billion in civil False Claims Act damages and criminal fines to resolve allegations that the company illegally promoted a number of its drugs for off-label uses.

Six separate whistleblower suits were filed against the company in this matter.

The bulk of the settlement, \$1.8 billion, is due to the company's off-label marketing of Bextra. **John Kopchinski**, the whistleblower in that suit, was represented by **Erika Kelton** of **Phillips & Cohen LLP**.

The FDA had approved Bextra in limited doses for use in treating arthritis and menstrual pain. Kopchinski alleged in his qui tam suit that Pfizer promoted Bextra for uses and in doses that far exceeded what the FDA had approved. Patients were put at risk for serious health problems such as heart attack, stroke and pulmonary embolism. The lawsuit also said that Bextra paid doctors kickbacks in various ways to influence them to prescribe and endorse Bextra for these "off-label" uses. Bextra was withdrawn from the market in 2005.

Of the \$1 billion paid to settle False Claims Act claims, \$668,514,830 will go to the Federal Government, and \$331,485,170 will go to the states.

Phillips & Cohen LLP 2000 Massachusetts Avenue., N.W Suite 100 Washington, DC 20036 Phone: 202-833-4567 Fax: 202-833-1815