

AG Jennings Announces Settlement with Novartis Regarding Allegations of Improper Kickbacks

“Attorney General Kathy Jennings announced Monday that Delaware has joined the United States, twenty-seven other states, and the District of Columbia to settle allegations against Novartis Pharmaceuticals Corporation. Delaware’s settlement amount of \$94,450.99 will go to the Division of Medicaid and Medicaid Assistance within the Delaware Department of Health and Social Services.” was reported on *Delaware.gov’s Department of Justice Press Releases*.

“The settlement resolves allegations that from January 2002 to November 2011, Novartis paid kickbacks to doctors to prescribe Lotrel, Valturna, Starlix, Tekamlo, Diovan HCT, Tekturna HCT, and Exforge HCT, and that between January 2010 and November 2011, Novartis did so for Exforge, Diovan, Tekturna. It was alleged in court documents that Novartis systemically paid doctors to speak about certain drugs at sham events, with a veneer of education applied in an attempt to avoid the law, and covered the costs of lavish meals and entertainment for attendee doctors, to induce doctors to write prescriptions for these Novartis drugs. Novartis admitted aspects of the scheme in a stipulation filed in federal court in connection with the settlement, to include admissions concerning excessive meal and alcohol spending, minimal medical discussions at Novartis’s events, and repeat attendance. This conduct violated the Federal False Claims Act, the Federal Anti-Kickback Statute, the Delaware False Claims and Reporting Act, and the Delaware Anti-Kickback Statute resulting in the submission of false claims to DMMA within DHSS.”

Read the article.