



OFFICE OF THE ATTORNEY GENERAL

State of Louisiana

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RECENT NEWS

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AG Recovers \$45 Million for Louisiana in Litigation with GSK

As a result of litigation pursued by Attorney General Buddy Caldwell, the state of Louisiana is receiving \$45 million from British health care giant GlaxoSmithKline (GSK) to resolve Medicaid fraud and deceptive marketing allegations related to its popular diabetes drug, Avandia, and other prescription medications. The agreement, announced today in the 19th Judicial District Court before Judge Janice Clark, is the largest such pharmaceutical recovery ever received by the state.

"Today's multi-million dollar recovery is historic for Louisiana and marks an important victory for our consumers who have every right to know about the risks and negative side-effects of prescription drugs," said Attorney General Caldwell. "These kinds of deceptive tactics and misrepresentations will not be tolerated in this state, and violators like GSK will be held accountable."

Louisiana Department of Health and Hospitals Secretary Kathy Kliebert said, "It is critical that companies accurately represent medications that consumers rely on for treatment. We are pleased that the Attorney General's Office was able to reach this settlement, and we are hopeful that this sends a strong message that we will not let companies misrepresent products that directly impact the health and well-being of Louisiana citizens."

Attorney General Caldwell said, "By pursuing GSK on our own, we have recovered 20 times more money for the state of Louisiana than we would have in the multi-state settlement approved last November."

In addition to Avandia, the settlement also resolves claims relating to the drugs Paxil, Wellbutrin, Advair, Lamictal, Zofran, Imitrex, Lotronex, Flovent and Valtrex for off-label, non-covered uses in violation of state laws.

Assistant Attorney General Nicholas Diez, assigned to the Attorney General's Medicaid Fraud Control Unit, and Assistant Attorney General Keetsie Gunnels of the Attorney General's Public Protection Division, assisted in the handling of the litigation on behalf of the state.

Last year, GSK agreed to plead guilty and to pay \$3 billion, primarily to the federal government, to resolve its criminal and civil liability arising from the company's unlawful promotion of certain prescription drugs, its failure to report certain safety data, and its civil liability for alleged false price reporting practices in a case brought by the U.S. Justice Department.



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