

Healthpoint, DFB to pay up to \$48M in drug case

December 6 2012

(AP)—Healthpoint Ltd. and DFB Pharmaceuticals will pay up to \$48 million to settle allegations that Healthpoint marketed a prescription skin ointment without approval from federal regulators.

The Justice Department said Healthpoint caused false claims for reimbursement to be submitted to Medicare and Medicaid for Xenaderm, which is used for treating nursing home patients' bed sores. Fort Worth, Texas-based Healthpoint is one of DFB's operating companies.

The government alleged that Healthpoint's business strategy was to market new <u>prescription drugs</u> modeled after products that were available before October 1962 in order to avoid the time, effort and expense of obtaining approval from the <u>Food and Drug Administration</u>. Products containing Xenaderm's principal <u>active ingredient</u> were on the market before 1962, but the FDA determined the ingredient was lessthan-effective for its intended use.

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Citation: Healthpoint, DFB to pay up to \$48M in drug case (2012, December 6) retrieved 23 May 2024 from <u>https://medicalxpress.com/news/2012-12-healthpoint-dfb-48m-drug-case.html</u>

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