

US seeks \$3.3 bn corruption fine from Novartis

July 1 2015

US authorities are seeking up to \$3.3 billion (three billion euros) in fines from Swiss pharmaceutical giant Novartis on allegations it paid kickbacks to boost drug sales, according to a document AFP consulted Wednesday.

The legal filing made Monday to a New York court by US officials details 126,802 prescriptions for Novartis medication Exjade, and 39,209 for Myfortic submitted by pharmacies for a total \$508 million in reimbursements from government health care programs.

The complaint by US authorities alledges Novartis coaxed pharmacy chains to convince customers to fill or refill relevant <u>prescriptions</u> with Exjade or Myfortic—which respectively lowers blood iron levels and combats the risk of rejection in kidney transplant patients—in exchange for rebates and other advantages.

The filing notes that Novartis maintains it offered legal rebates to pharmacies it worked with.

Convinced the arrangement unfairly cost government health programmes millions of dollars in reimbursed drug purchases, US justice officials are seeking three times the amount paid out—or up to \$11,000 per prescription.

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Citation: US seeks \$3.3 bn corruption fine from Novartis (2015, July 1) retrieved 4 May 2024 from <u>https://medicalxpress.com/news/2015-07-bn-corruption-fine-novartis.html</u>

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