

Kentucky pharmacy PharMerica agrees to \$9.25M settlement

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A Kentucky pharmacy has agreed to pay \$9.25 million to settle allegations that it solicited and received kickbacks from a manufacturer in exchange for promoting a drug with nursing home patients, federal prosecutors announced Wednesday.

The settlement with Louisville-based PharMerica Corp. resolves claims that it received kickbacks from Abbott Laboratories in exchange for recommending that physicians prescribe the Abbott-manufactured [drug](#) Depakote. The federal government alleged the [kickbacks](#) were disguised as rebates, educational grants and other financial support.

The settlement partially resolves allegations in two whistleblower lawsuits filed in federal court in the western district of Virginia.

U.S. Attorney Anthony P. Giorno said the PharMerica settlement should serve as a reminder to pharmaceutical companies and their clients that their activities are being monitored.

"We owe nothing less in fulfilling our duty to ensure that nursing home residents are provided with the appropriate drugs based upon their needs rather than the business interests of the companies providing the drugs," Giorno said.

In 2012, Abbott pleaded guilty and agreed to pay \$1.5 billion over allegations that it promoted Depakote for patients with dementia and autism—uses not approved by the Food and Drug Administration. The

drug was approved for bipolar disorder and epilepsy.

"Elderly nursing home residents suffering from dementia have little control over the medications they receive and depend on the unbiased judgment of health-care professionals for their daily care," said Deputy Assistant Attorney General Benjamin C. Mizer, head of the U.S. Justice Department's Civil Division. "Kickbacks to entities making drug recommendations compromise their independence and undermine their role in protecting nursing [home residents](#) from the use of unnecessary drugs."

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