

Opioid maker fined \$35mn over shipments that fed addiction crisis

July 12 2017

Drug manufacturer Mallinckrodt Pharmaceuticals was fined \$35 million Tuesday for supplying and not reporting suspicious massive orders of its highly addictive oxycodone, helping to fuel the US addiction crisis.

The Justice Department said the company agreed to pay the amount to settle allegations that it did not meet obligations to report to the Drug Enforcement Administration suspect orders from pharmacies in Florida and elsewhere.

Mallinckrodt, which manufactures drugs in the United States but keeps its corporate headquarters in London, has been under investigation since 2011 by the DEA for shipping huge amounts of oxycodone via distributors to small communities that could not possibly generate demand.

The barely controlled pumping of hundreds of millions of doses of opioids into US communities by major [drug](#) manufacturers during the past decade is blamed for a sharp surge in addiction and [overdose deaths](#) which totaled an estimated 60,000 last year.

Attorney General Jeff Sessions said in a speech Tuesday that the United States "has paid an increasingly high price for [drug abuse](#). We have paid for it in broken relationships and broken lives and death rates the likes of which we have never seen before."

"Mallinckrodt's actions and omissions formed a link in the chain of

supply that resulted in millions of oxycodone pills being sold on the street," he said in a separate statement on the settlement.

The \$35 million settlement was equivalent to 7.2 percent of the company's 2016 net profits.

In a statement, the company said it disagreed with the government's allegations and denied it violated any laws.

"We are proud of the fact that Mallinckrodt has long been an industry leader in actively combatting the serious issue of [prescription drug abuse](#)," said the company's general counsel Michael-Bryant Hicks.

© 2017 AFP

Citation: Opioid maker fined \$35mn over shipments that fed addiction crisis (2017, July 12) retrieved 13 March 2024 from <https://medicalxpress.com/news/2017-07-opioid-maker-fined-35mn-shipments.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
