

Valeant unit to pay \$54 mn over kickbacks to prescribe its drugs

9 June 2016

Embattled Canadian drugmaker Valeant will pay \$54 million to settle charges its Salix unit paid kickbacks to doctors to promote its drugs, the Justice Department said Thursday.

Salix Pharmaceuticals, the company Valeant paid \$15.8 billion for a year ago, used what the Justice Department called "sham speaker programs" to reward doctors with cash and gifts to encourage them to promote and prescribe its gastrointestinal drugs.

Doctors could earn up to \$4,500 for each event attended, and dozens racked up more than \$50,000 in total payments, and several more than \$100,000, according to the charges.

"For years, Salix Pharmaceuticals unlawfully sought to increase prescriptions of its products by using its 'speaker programs' as a vehicle to pay kickbacks to doctors," said Manhattan US Attorney Preet Bharara in a statement.

"Through these 'speaker programs', which were frequently nothing more than social gatherings with little or no educational component, Salix found a way to pay [doctors](#) money and treated them to fancy meals to push their drugs."

The sham events, which Salix itself called "doc-in-the-box programs", took place between 2009 and 2013, before Valeant bought Salix.

Valeant will [pay](#) \$46.5 million to the Justice Department and another \$7.5 million to states which had joined the case, to settle civil fraud charges.

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APA citation: Valeant unit to pay \$54 mn over kickbacks to prescribe its drugs (2016, June 9) retrieved 20 June 2019 from <https://medicalxpress.com/news/2016-06-valeant-mn-kickbacks-drugs.html>

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