## **NEWS RELEASE**

## ATTORNEY GENERAL TIM FOX STATE OF MONTANA

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## Attorney General Tim Fox Announces \$5.9 Million Settlement with Pharmaceutical Company; Launches New Prescription Drug Abuse Prevention Program

HELENA – Montana Attorney General Tim Fox announced today his office has settled a lawsuit with a major pharmaceutical company and will use most of the proceeds to pay for a new prescription drug abuse prevention program, mental health services and mental health programs in the state, and ongoing consumer protection services.

In 2008, the Attorney General's Office filed a lawsuit against Janssen Ortho LLC and Janssen Pharmaceuticals, Inc. (collectively, "Janssen") over its illegal unfair and deceptive marketing of Risperdal<sup>®</sup>, an atypical antipsychotic drug used to treat certain psychological disorders in adults. Janssen actively deceived Montana physicians and consumers when it promoted Risperdal as safe and effective for a variety of conditions, when in fact, Janssen was aware of dangers associated with its drug that it hid from the public.

Last month, Janssen agreed to settle the lawsuit for \$5.9 million. The settlement also restricts Janssen from making misleading claims in the promotion of its drugs in the future and present information about the benefits and risks of its product in a balanced manner in promotional materials. Janssen did not admit wrongdoing through the settlement.

Attorney General Fox said approximately \$1.5 million will be used for a new Prescription Drug Abuse Prevention Program to build upon work initiated by the previous administration. A public education specialist will be hired, whose duties will include creating and implementing a student education program, looking for ways to expand prescription drug drop box locations across the state, and creating a public awareness campaign on the dangers of prescription drug addiction.

"All too often, drug abuse begins in our own homes with the misuse of prescription drugs found in our medicine cabinets," Attorney General Tim Fox said. "Almost eight percent of Montana's youth between the ages of 12 - 17 recently reported abusing prescription drugs. We need to do more to educate them, and their parents, about the dangers of these drugs. The Janssen

settlement funds give us the resources we need to address the issue and focus on providing meaningful solutions."

Another nearly \$1.5 million of the settlement funds will be used for mental health services and mental health programs in Montana via the Montana Mental Health Trust. Additionally, \$675,000 of the settlement will be used for on-going consumer protection education and enforcement efforts, and \$825,275 will reimburse the Montana Department of Public Health and Human Services for Medicaid money spent purchasing the anti-psychotic drug. The settlement also covers litigation costs.

"This settlement is not only significant in terms of the amount of money Montana will receive, but also in that it protects our citizens from being prescribed Risperdal based on the types of false statements Janssen previously made to our healthcare providers," Attorney General Fox said. The Attorney General added, "I want to acknowledge the excellent work of Assistant Attorney General Kelley Hubbard and attorney Bill Rossbach of Missoula over the past several years on this case. Thanks to their diligence on the behalf of Montana's consumers and taxpayers, a pharmaceutical giant has been held accountable for deceptive marketing practices, and a significant recovery of the State's public resources has been realized."

Attorney General Fox also acknowledged the foresight of Chief Justice Mike McGrath, whose actions when he served as Attorney General contributed to the State's ability to recover a larger settlement by declining to join the multi-state lawsuit against Janssen.

Janssen's own studies of Risperdal demonstrated it had the potential to cause weight gain and diabetes, cerebrovascular complications in the elderly, as well as other severe adverse side effects.

Read the settlement agreement online at: Janssen Settlement Agreement 2014