

**Government of the District of Columbia
OFFICE OF THE INSPECTOR GENERAL**



Inspector General
March 7, 2014

**OMNICARE, INC. AGREES TO PAY MEDICAID PROGRAM OVER \$3.8
MILLION TO RESOLVE ILLEGAL KICKBACK CASE**

Inspector General Charles J. Willoughby announced today that the District of Columbia, as part of a national settlement against Omnicare, Inc. (Omnicare), has resolved allegations that Omnicare violated federal and state law, including the Federal False Claims Act, the Federal Anti-Kickback Statute, and certain states' false claims acts, with respect to the prescription drug Aranesp.

The District, along with the federal government and several other states, alleged that from the period September 1, 2003, through June 30, 2005, Omnicare solicited and received remuneration from Amgen, Inc. in the form of purported discounts, purported market-share rebates, grants, honoraria, speaker fees, consulting services, dinners, travel, or fees for the purchase of data. It was further alleged that this remuneration was solicited and received in exchange for influencing health care providers' selection and utilization of Aranesp within long term care settings, and for implementing "Therapeutic Interchange" programs (also known as "switching" programs) intended to identify patients who were taking a competitor drug and to switch those patients to Aranesp. D.C. alleges that as a result of the foregoing Covered Conduct, Omnicare, Inc. knowingly caused false and/or fraudulent claims for Aranesp to be submitted to the Medicaid Program.

This settlement covers the *qui tam* action *United States et al., ex rel. Frank Kurnik v. Amgen, Inc., et al.* (Civil Action No. 3:11-cv-01464-JFA), filed in the United States District Court for the District of South Carolina.

The District was represented by a national settlement team comprised of state attorneys and analysts from New York, Indiana, and North Carolina, working through the National Association of Medicaid Fraud Control Units. Mr. Willoughby recognized Medicaid Fraud Control Unit attorney Marcus A. Weeks for his work on this matter.