UNION DRUG BENEFIT NEWS

Legal Issues Impacting Member Benefit Costs

What is Pay-for-Delay?

Pay-for-Delay ("PFD") is a tactic being employed by large drug companies to inhibit the introduction of less expensive generic drugs into the marketplace. In this way, consumers and payors end up paying prices for common medications that are often illegally inflated.

What Drugs Are Effected?

The costs of several common drugs have been found to have been artificially inflated by PFD schemes including:

- Adderal
- Aggrenox
- Altace
- Caduet
- Cipro
- Lamictal
- Lidoderm
- Loestrin
- Nuvigil
- Nolvadex/Tamoxifen
- Propecia
- Sinemet
- Zantac

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Pay-for-Delay Tactics By Pharmaceutical Companies Cost Benefit Plans Millions

In recent years, increasing scrutiny has been given to the practice of pharmaceutical manufacturers acting to suppress the introduction of less expensive generic drugs into the market by artificial and potentially illegal means. In some instances, the manufacturers of brand-name drugs will enter into anticompetitive agreements with generic drug manufacturers pursuant to which the generic drugs will be withheld from the market for a predetermined amount of time. Employing another tactic, the brand-name manufacturer may engage in sham patent litigation against generic manufacturers which may result in the generic versions being held off the market for years.

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About William Audet

William M. Audet, J.D., LL.M., LL.D (honorary), is the founding partner of Audet & Partners, LLP, a plaintiff's-only law firm recognized for its aggressive prosecution of class action and complex litigation cases. Mr. Audet and his firm represent individuals, families and small businesses in cases involving fraud, defective pharmaceutical drugs and devices, product defects, privacy rights, construction defects, toxic torts, employment, business & insurance issues, shareholder rights, qui tam and antitrust claims.

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The bottom-line result of these "pay-for-delay" ploys is that consumers, as well as larger health and welfare-related funds, end up spending far more for pharmaceuticals than they otherwise would have had the market not been illegally deprived of generic versions of purchased medication.

Several lawsuits have been brought against manufacturers of well-known brand-name drugs including:

- Adderall (Manufacturer: Shire)
- Aggrenox (Boehringer Ingelheim)
- Altace (Sanofi)
- Caduet (*Pfizer*)
- Cipro (Bayer)
- Lamictal (*GlaxoSmithKline*)
- Lidoderm (*Endo*)
- Loestrin (Watson Pharmaceutical)
- Nuvigil (Cephalon/Teva)
- Nolvadex/Tamoxifen (AstraZeneca)
- Propecia (*Merck*)
- Sinemet (*Bristol-Myers Squibb*)
- Zantac (GlaxoSmithKline)

Audet and Partners, LLP has successfully challenged the practices of pharmaceutical companies in many areas, including pay-fordelay practices.

Questions About How Pay-for-Delay May Be Impacting Your Costs?

To learn more about whether pay-for-delay tactics of pharmaceutical companies may be adversely impacting your member costs, please call Audet and Partners, LLP for a free consultation at (800) 965-1461.

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