



STATE OF CONNECTICUT
NEWS RELEASE

Attorney General Richard Blumenthal
Department of Consumer Protection
Commissioner Jerry Farrell, Jr.
Department of Social Services
Commissioner Michael Starkowski

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***BLUMENTHAL SUES ELI LILLY FOR ILLEGALLY MARKETING
ANTIPSYCHOTIC DRUG ZYPREXA FOR UNAPPROVED USES***

Attorney General Richard Blumenthal today sued Eli Lilly and Company, Inc. for illegally marketing its antipsychotic drug Zyprexa for unapproved uses, and concealing the drug's serious side effects, for more than a decade.

Eli Lilly allegedly corrupted physicians, pharmacies and administrators at nursing homes and youth detention centers as part of a massive illegal marketing campaign to promote Zyprexa for unapproved off-label uses, including for the treatment of children.

The deceptive marketing campaign dangerously concealed risks associated with Zyprexa, including diabetes, cardiovascular problems, and significant weight gain.

In a lawsuit filed today, Blumenthal seeks to recover millions of taxpayer and consumer dollars improperly spent on Zyprexa as a result of its illegal marketing, and millions more spent for treatment of serious side effects from Zyprexa.

"The illegal marketing campaign exploited children and senior citizens – causing severe weight gain, diabetes and cardiovascular problems," Blumenthal said. "This scheme involved payments to public officials, bogus educational events and ghostwritten promotional articles summarizing suspect studies. The drug was marketed for anxiety, depression and Attention Deficit Disorder in children when it was never approved for any use in children and caused serious side effects.

"Through a complex series of illegal rackets and lies, Eli Lilly built a multi-billion dollar drug enterprise at the expense of taxpayers, consumers and patient lives. Today's action seeks millions for Connecticut taxpayers and consumers

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who continue to suffer the financial and physical ruin resulting from the improper prescribing of Zyprexa.

“Eli Lilly adopted a sick marketing mindset: profits over patients, sales over safety. Driven by fierce greed, Eli Lilly corrupted doctors, pharmacies and public officials nationwide who easily abandoned integrity and decency for self-enrichment. My office will fight aggressively on behalf of Connecticut citizens who continue to pay the price of Eli Lilly’s illegal, senseless schemes.”

Blumenthal sued pursuant to the Connecticut Unfair Trade Practices Act (CUTPA) and the federal Racketeering Influenced and Corrupt Organizations Act (RICO) on behalf of Department of Consumer Protection (DCP) Commissioner Jerry Farrell, Jr. and Department of Social Services (DSS) Commissioner Michael Starkowski.

Despite only limited studies on its efficacy and safety, and only limited federally approved use, Zyprexa has become the third best-selling drug in the world as a result of Eli Lilly’s illegal promotions – prescribed to more than 12 million people and grossing an estimated \$22 billion to date.

The Food and Drug Administration (FDA) approved Zyprexa, or olanzapine, only for use in treatment of schizophrenia and bipolar mania. In order to maximize profits, Eli Lilly created unlawful enterprises to promote Zyprexa for unapproved uses, while trying to avoid federal prohibitions against off-label drug marketing.

Under the façade of independence, doctors at “educational” forums urged peers to prescribe Zyprexa; ghostwriters published articles that promoted off-label prescribing, while omitting details about serious side effects; and public officials in various states promoted Zyprexa for unapproved uses in adolescents at detention centers and nursing homes.

In reality, Eli Lilly paid these “independent” physicians and authors generously and concealed the financial arrangements by funneling compensation through its illegal enterprises and third parties.

In some cases, Eli Lilly provided physicians and other participants tens of thousands of dollars in payments, grants and other compensation.

Eli Lilly also illegally promoted Zyprexa for the treatment of children suffering from depression, anxiety, Attention Deficit Disorder, Attention Deficit Hyperactivity Disorder, sleep disorders and generally as a mood stabilizer. Zyprexa has never been approved by the FDA for any use in children, not even for children with schizophrenia or bipolar disorder.

Through the Connecticut Medical Assistance Programs (CMAP), the state pays for part or all medical benefits for enrollees, including pregnant women and newborns, adults with disabilities, people age 65 and older, and people living in nursing homes.

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Between 1996 and 2006, the CMAP spent more than \$190 million on Zyprexa. Millions of additional dollars have also been spent to treat injuries related to their use of Zyprexa.

Eli Lilly's illegal marketing enterprises and schemes included the following:

PEER-SELLING ENTERPRISE: Lilly compensated medical marketing firms and several physicians who routinely promoted Zyprexa to peer physicians in venues nationwide. Physicians who attended "educational" events were deceived into thinking that the events were independent of Eli Lilly. Conspiring physicians concealed information about the efficacy of Zyprexa in off-label uses and dangerous side effects, as well as the doctors' financial ties with Eli Lilly.

THE ROLE OF PHARMACIES: Eli Lilly targeted pharmacies, particularly those that serviced long-term care facilities. Typically, an Eli Lilly sales representative and a pharmacy would agree that the pharmacy formally request funding from Eli Lilly in order to present an "educational program" – for example, a program on the treatment of dementia.

Both the pharmacy and the Eli Lilly representative would agree that the program include a presentation by a doctor – hand picked by Eli Lilly – who would promote off-label use of Zyprexa for dementia. The Eli Lilly sales representative would file a formal request funds from Eli Lilly for an educational grant. Eli Lilly would issue a check to the pharmacy and the pharmacy would issue a check to the doctor, concealing compensation from Lilly to the physician.

PUBLICATION ENTERPRISE: Eli Lilly created a "Publication Enterprise" that hired writers to create articles, and then paid specialists to "author" the articles. The articles only included favorable results of Eli Lilly's own internal trials, and suppressed unfavorable results, including a clinical trial that failed to show Zyprexa's efficacy for bipolar disorder.

PUBLIC PAYER ENTERPRISE: Eli Lilly captured the Medicaid and Medicare markets by paying officials in various states, paying them substantial sums of money to spread falsehoods regarding the efficacy, safety and side effects of Zyprexa and to promote off-label use. Eli Lilly targeted those who oversaw treatment for people with serious mental illness, including patients in mental hospitals and clinics who are on Medicaid – among the largest users of antipsychotic drugs. Lilly also influenced prescribing physicians to over-medicate senior citizens in nursing homes and adolescents in detention centers with antipsychotics.

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