

Jury returns verdict of \$114M in Medicaid fraud case

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Beasley Allen Legal News

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MONTGOMERY, ALA. - After a week of testimony and two days of deliberations, an Alabama jury today returned a verdict of \$80.9 million against pharmaceutical company GlaxoSmithKline and \$33.2 million against Novartis. The companies were accused of *illegally* overcharging the State of Alabama for Medicaid drugs.

The state's claim included testimony that GlaxoSmithKline and Novartis engaged in fraud from 1991 to 2005, charging the Medicaid program one price for drugs while offering discounts and special prices to other companies.

This is the second verdict in favor of the State of Alabama against more than 70 drug companies accused of defrauding the Medicaid program, in the second case to go to trial. In the first trial, which concluded in February, a jury awarded the state \$215 million from [AstraZeneca Pharmaceuticals](#). Montgomery Circuit Judge Charles Price later reduced the amount to \$160 million.

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