

# **NEWS from the North Dakota Department of Human Services 600 East Boulevard Avenue, Bismarck ND 58505**

**FOR IMMEDIATE RELEASE**

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## **North Dakota Medicaid Program Receives Fraud Settlement**

BISMARCK, N.D. – The N.D. Department of Human Services announced today that the state Medicaid program will receive approximately \$2.99 million for its share of a \$1.2 billion national settlement to resolve civil and criminal allegations against Johnson & Johnson and its subsidiary, Janssen Pharmaceuticals, Inc., for unlawful marketing practices to promote the sales of their antipsychotic drugs Risperdal and Invega.

The investigation resulted from an action filed in the U.S. District Court for the Eastern District of Pennsylvania under the federal False Claims Act and various state false claims statutes. The whistleblower's complaint alleged that Johnson & Johnson and Janssen allegedly promoted and marketed, and introduced Risperdal and Invega into interstate commerce for uses that were not approved by the U.S. Food and Drug Administration and for uses that were not medically indicated. The manufacturer's alleged unlawful conduct took place from Jan. 1, 1999 through Dec. 31, 2005 for Risperdal and from Jan. 1, 2007 through Dec. 31, 2009 for Invega.

In addition to Johnson & Johnson agreeing to pay the states and the federal government \$1.2 billion in civil damages and penalties to resolve the allegations, Janssen pled guilty to a criminal misdemeanor charge and has agreed to pay an additional \$400 million in criminal fines and forfeitures.

Of the state settlement, the N.D. Department of Human Services will receive about \$923,000 for the Medicaid program, which will be directly deposited into the state's general fund, and the federal government will receive about \$2.07 million.

North Dakota's Medicaid program is funded by the federal government and by the state. It provides health services to qualifying individuals. In November 2013, 66,050 North Dakotans were eligible for Medicaid.

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