



## PRESS RELEASE

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### **Drug Company to Pay Nearly \$10 Million to State for Medicaid Fraud**

#### ***Mylan Knowingly Underpaid Rebates Owed under the Medicaid Drug Rebate Statute***

**BALTIMORE, MD (December 7, 2017)** – Maryland Attorney General Brian E. Frosh announced today that Maryland will receive \$9,979,638.42 to settle allegations against Mylan Inc. and its wholly-owned subsidiary, Mylan Specialty L.P. (Mylan). The settlement resolves allegations that Mylan demanded massive price increases for its EpiPen in the private market and underpaid its EpiPen rebates to Maryland’s Medicaid program. The participating states will share \$213,936,000 of the total settlement.

As alleged in the settlement, from July 29, 2010 to March 31, 2017, Mylan submitted or caused to be submitted false statements to CMS and/or the States relating to EpiPen for Medicaid rebate purposes, and underpaid its EpiPen rebates to the State Medicaid Programs.

“Mylan illegally reduced its rebate obligations to the Medicaid program while increasing the cost of its EpiPen for consumers in the private market,” said Attorney General Frosh. “Every drug manufacturer must report honest and accurate information, and Mylan must pay the cost for failing to do so.”

Mylan Inc. is a Pennsylvania corporation with its principal place of business in Canonsburg, Pennsylvania. It manufactures, markets and sells pharmaceuticals through its wholly-owned subsidiaries. Mylan Specialty is a Delaware limited partnership with its principal place of business in Morgantown, West Virginia. Mylan Specialty owns the exclusive rights to sell EpiPen in the United States and possesses legal title to the New Drug Codes (“NDCs”) for EpiPen.

The investigation stemmed from two whistleblower lawsuits, *United States ex rel. sanofi-aventis US LLC v. Mylan Inc., et al.* (No. 16-cv-11572-ADB), and *United States ex rel. Ven-A-Care of the Florida Keys, Inc. v. Mylan Inc., et al.* (No. 17-10140-ADB), pending in the United States District Court for the District of Massachusetts.

Attorney General Frosh thanked the Medicaid Fraud Control Unit for its work on the case, specifically Assistant Attorney General Adam T. Sampson and Chief Auditor Ruth Jarrell.