

## Attorney General Kamala D. Harris Files Lawsuit Against Pharmaceutical Company for Inflating Prices for Opioid Addiction Treatment

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Contact: (415) 703-5837, [agpressooffice@doj.ca.gov](mailto:agpressooffice@doj.ca.gov)

**LOS ANGELES** -- Attorney General Kamala D. Harris today announced that California, along with 34 other states and the District of Columbia, has filed a lawsuit against Indivior, a British pharmaceutical company, and MonoSol, an Indiana film technology company, for antitrust violations.

The complaint, filed today in U.S. District Court for the Eastern District of Pennsylvania, alleges that Indivior and MonoSol engaged in a multi-pronged "product-hopping" scheme to block competition to Suboxone, an opioid addiction treatment, ultimately generating almost one billion dollars in undeserved profits. In this kind of scheme, pharmaceutical companies try to maintain profits generated via a monopoly by slightly reformulating their product in a way that blocks generic competitors without offering any significant medical or therapeutic advantages to patients.

"When prescription drug companies unlawfully manipulate the marketplace to maximize profits, they put lives at risk and drive up the cost of healthcare for everyone. Indivior and Monosol flagrantly violated the law, deceiving doctors and patients and shutting down generic competition in order to rake in profits," said Attorney General Harris. "These companies must be held accountable for this unlawful scheme that cost the public nearly a billion dollars and hampered fair competition in the marketplace."

Indivior, then known as Reckitt Benckiser, was granted FDA approval in 2002 for Suboxone tablets, along with exclusive rights to sell the drug for seven years based on representations that it was unlikely to recover its investment in the drug. During this time, Indivior generated over a billion dollars in sales of the Suboxone tablets.

When its exclusive rights expired in 2009, the company was faced with potential competition expected to eliminate 80% of its profits from Suboxone tablets within a year. Indivior, with MonoSol's assistance, thwarted that competition by switching the form of Suboxone from tablet to film. It falsely claimed the tablets presented pediatric safety issues, made unfounded claims to physicians that tablets were dangerous, and raised the price of its tablet while lowering the price of the film. Through these actions, Indivior was able to maintain artificially high prices for Suboxone, depriving the state and consumers of the benefits of lower prices that come with competition.

The complaint alleges that the conduct and agreement between Indivior and Monosol constitutes monopolization, conspiracy to monopolize, and illegal restraint of trade in violation of federal antitrust laws as well as of California's Cartwright Act and Unfair Competition Law. The complaint seeks to require Indivior to pay back any profits that resulted from the illegal conduct—disgorgement—and includes injunctive relief to ensure the conduct is not continued or repeated.

Attorney General Harris has worked to curb the sweeping epidemic of opioid abuse, overseeing a state-of-the-art prescription drug monitoring program, CURES, that allows health providers and pharmacists to more effectively flag at-risk patients and curb prescription drug abuse. Attorney General Harris and 37 other state attorneys general also

sent a letter to Congress in support of the Comprehensive Addiction and Recovery Act of 2015 (S.524/H.R.953), to increase prevention and treatment of heroin and opioid abuse.

Attorney General Kamala D. Harris has taken significant steps to protect consumers from monopolies and other violations of antitrust law, most recently joining with the United States, the District of Columbia, and 11 other states to file a lawsuit to block the merger of Anthem and Cigna, two major insurance companies operating in California. The merger, if allowed to proceed, would drive up costs and undercut the quality of care available to Californians across the state.

She has also been a leader in challenging reverse payment agreements by which a branded drug company pays its rivals to not compete, which allows it to wrongfully inflate drug prices. Along with the FTC, the State of California filed the action that resulted in the U.S. Supreme Court decision in *FTC v. Actavis* finding that such agreements could be anticompetitive. Attorney General Harris has also authored numerous amicus briefs attacking this practice, which costs consumers billions of dollars and increases drug prices.

In addition, Attorney General Kamala Harris has worked to protect Californians' access to high-quality, affordable health care, including reproductive health care and has defended the constitutionality of the Affordable Care Act, joining a friend-of-the-court brief in *Thomas More Law Center v. Obama* and repeatedly speaking out in support of health care reform.

The Attorney General's office also reviews all transactions involving non-profit hospitals in California, such as the recent transaction involving Providence and St. Joseph's Hospital and last year's change of control and governance for Daughters of Charity Health System. Attorney General Harris has set clear conditions when approving mergers and other transactions to ensure that those served by the hospitals—predominantly vulnerable and low-income communities—continue to have access to high-quality health care.

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