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### ***Attorney General DeWine, 45 Other AGs Accuse More Generic Drug Manufacturers of Conspiring to Raise Prices***

10/31/2017

(COLUMBUS, Ohio)—Ohio Attorney General Mike DeWine and 45 other attorneys general today asked a federal court for permission to add 12 new defendants to an ongoing lawsuit accusing several generic drug makers of conspiring to reduce competition and inflate prices for certain pharmaceutical drugs.

The attorneys general seek to file an expanded complaint that would increase the number of drug-manufacturer defendants from six to 18 and the number of drugs at issue from two to 15.

"In this case, we have a large coalition of states investigating the prices of generic drugs," Attorney General DeWine said. "The costs of some generic drugs have increased dramatically, and we believe there is strong evidence that highly coordinated conspiracies have contributed to the increase."

In the expanded complaint, the states allege a number of specific illegal agreements among the defendants to fix prices and allocate customers for a number of generic drugs. The states further allege that these conspiracies were part of a much broader, overarching industry code of conduct that enabled the defendant manufacturers to divvy up the market for specific generic drugs in accordance with an established, agreed-upon understanding for assigning each competitor its share of the market.

In December 2016, Attorney General DeWine and 19 other state attorneys general [filed a federal antitrust lawsuit](#) against six pharmaceutical companies for conspiring to reduce competition and inflate prices for an antibiotic and a diabetes drug. Since then, 26 other attorneys general have joined the litigation.

The attorneys general now are seeking to expand the complaint to include the following companies as defendants:

- Actavis Holdco U.S. Inc.;
- Actavis Pharma Inc.;
- Ascend Laboratories LLC;
- Apotex Corp.;
- Dr. Reddy's Laboratories Inc.;
- Emcure Pharmaceuticals Ltd.;
- Glenmark Pharmaceuticals Inc.;
- Lannett Company Inc.;

- Par Pharmaceutical Companies Inc.;
- Sandoz Inc.;
- Sun Pharmaceutical Industries Inc.; and
- Zydus Pharmaceuticals (USA) Inc.

The expanded complaint also names two individual defendants: Rajiv Malik, president and executive director of Mylan N.V., which is the parent company of Mylan Pharmaceuticals Inc.; and Satish Mehta, the chief executive officer and managing director of Emcure Pharmaceuticals Ltd., which is the parent company of Heritage Pharmaceuticals Inc.

Furthermore, the expanded complaint adds allegations that the companies entered into conspiracies involving the following additional generic drugs:

- Acetazolamide, used to treat glaucoma and epilepsy;
- Doxycycline monohydrate, an antibiotic;
- Fosinopril-hydrochlorothiazide, used to treat high blood pressure;
- Glipizide-metformin, a diabetes medication;
- Glyburide-metformin, a diabetes medication;
- Leflunomide, used to treat rheumatoid arthritis;
- Meprobamate, an anxiety medication;
- Nimodipine, a calcium channel blocking agent used to reduce problems caused by a bleeding blood vessel in the brain;
- Nystatin, an antifungal medication;
- Paromomycin, an antibiotic used to treat certain parasite infections;
- Theophylline, used to treat asthma and other lung problems;
- Verapamil, used to treat hypertension; and
- Zoledronic acid, used to treat hypercalcemia.

The lawsuit currently is pending as part of multidistrict litigation in the U.S. District Court for the Eastern District of Pennsylvania.

The attorneys general allege that the defendants' conduct has artificially increased prices for generic drugs reimbursed by federal and state healthcare programs, such as Medicaid, and raised the coverage costs for employer-sponsored health plans and out-of-pocket costs for consumers.

The generic pharmaceutical industry accounts for approximately 88 percent of all prescriptions written in the United States. In 2015, U.S. generic drug sales were estimated at \$74.5 billion.

A copy of today's filing is available [here](#). Portions of the expanded complaint are redacted in order to avoid compromising the states' ongoing investigations involving other generic drugs.

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