



NATIONAL ASSOCIATION OF MEDICAID FRAUD CONTROL UNITS

\$3.5 MILLION NATIONAL KICKBACK SETTLEMENT WITH PACIRA PHARMACEUTICALS, INC.

The National Association of Medicaid Fraud Control Units (NAMFCU) announced on July 28, 2020 that 15 states have joined the federal government in settling allegations of kickback violations against Pacira Pharmaceuticals, Inc. (“Pacira”), a developer and manufacturer of pharmaceutical products based in Parsippany, New Jersey. Pursuant to the settlement terms, Pacira will pay \$3,500,000.00, plus interest, to the United States and 15 states.

The settlement resolves allegations that from December 1, 2012 through April 30, 2015, Pacira paid kickbacks in the form of research grants to certain healthcare providers or institutions in order to increase sales of its product EXPAREL®, a single-dose injectable local anesthetic indicated for the treatment of post-surgical pain. The government alleges that Pacira’s conduct violated the Federal Anti-Kickback Statute and the various state False Claims Statutes which resulted in the submission of false claims to the state Medicaid programs.

This settlement results from a whistleblower lawsuit originally filed in the United States District Court for the District of New Jersey. A NAMFCU Team participated in the settlement negotiations on behalf of the states. The Team included representatives from the Offices of the Attorneys General for the states of Texas, Florida, Louisiana, New York, and Virginia.