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Persistent Misconduct Forces Pharmaceutical Manufacturers to Pay \$62.3 Billion in Penalties

Public Citizen Analysis Reveals Over 80% of Recent State and Federal Settlements with Pharma Companies Pertain to Opioid Crisis

Washington, D.C. – Between 1991 and 2021, federal and state governments in the United States have won settlements or legal judgments against pharmaceutical manufacturers in at least 482 cases resulting in \$62.3 billion in penalties, according to a [new analysis](#) by Public Citizen. This total amounts to a small percentage of the \$1.9 trillion in net income made by the 35 largest drug companies during just 19 of those 31 years (2000-2018).

The analysis also reveals that in 2020-2021, the pharmaceutical industry paid \$16.3 billion in state and federal financial settlements – 81% of all such recoveries during that two-year period – to resolve cases about its role in the ongoing opioid crisis. From 2018 to 2021, there were 70 settlements, totaling \$23.7 billion.

The opioid settlements are part of a continuing pattern of litigation that dates back to at least 2016.

[Earlier this month](#), Endo Health Solutions Inc. was ordered to pay \$1.086 billion in criminal fines and an additional \$450 million in criminal forfeiture for distributing misbranded opioid medication.

“The \$62.3 billion that Big Pharma has paid out in fines and settlements in the last three decades reflects pervasive wrongdoing in the industry,” said senior health researcher and lead author of the report, Michael Abrams, M.P.H., Ph.D. “Unfortunately, even these gigantic numbers are too small to discipline a monopolistic, price-gouging industry that reported \$1.9 trillion in net income in the first two decades of this century.”

The new report is the fifth in a series of reports from Public Citizen’s Health Research Group since 2010 about pharmaceutical manufacturer legal settlements with governments in the U.S. This latest report adds four new years of data (2018-2021), extending the trend analysis to 31 total years (1991-2021).

This and previous reports were co-authored by Health Research Group founder Dr. Sidney Wolfe, who died earlier this year.

Other key findings include:

- From 2018-2021, the new government settlements had relatively high dollar amounts per settlement, but relatively low per-year case counts compared to the peak years of 2010-2013, when there were 203 total settlements.
- From 2018-2021, most (63%) of pharmaceutical settlements were federal.
- Criminal actions and any actions against pharmaceutical executives, as opposed to firms, have been rare since 1991.
- From 1991-2021, the most common violations alleged were drug pricing fraud (210 of 545 named violations, 39%), although unlawful promotion charges yielded the most settlement dollars (\$22.3 billion of \$62.3 billion in settlements, 36%).
- Across the 31 years studied, there were many apparent repeat offenders – the same pharmaceutical firms often were penalized across multiple cases. The top offenders by settled case counts were Pfizer (15), Novartis (12), GlaxoSmithKline (9) and Bristol Myers Squibb (9); and by dollar amount were Purdue (\$8.9 billion), Johnson & Johnson (\$8.4 billion), GlaxoSmithKline (\$7.9 billion) and Pfizer (\$4.7 billion).

One case brought by Hawaii against the makers of the heart medication clopidogrel (PLAVIX) is notable because it yielded a \$834 million judgment in 2021 against the drug's manufacturer. The court ruled that the manufacturer of this drug misled Asian and Pacific Island consumers about the effectiveness of the medicine in these ethnic groups. "This particular case is notable because it shows even a single state can successfully sue when a pharmaceutical manufacturer mislabels their product, and it further illustrates that such suits are appropriate when there is bias in drug information against racial or ethnic groups," Abrams said.

The report concludes that increased focus by states and the federal government on criminal activity and greater use of whistleblower (*qui tam*) provisions by states could aid efforts to hold the pharmaceutical industry accountable for its abuses.



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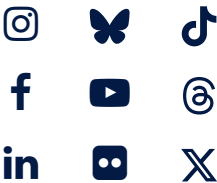
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