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State goes after drug maker over anti-psychotic Seroquel

by Patsy R. Brumfield/NEMS Daily Journal 04.28.10 - 05:07 am OXFORD - International drugmaker Astrazeneca, the maker and marketer of Seroquel, has been sued by the state of Mississippi.

Filed Monday in federal court, the lawsuit claims the drug company and several affiliates lied about the therapeutic benefits of the anti-psychotic drug, especially compared with less expensive drugs like Haldol.

The state also claims the company failed to warn about an increased risk "of dangerous side effects, such as weight gain and diabetes" for users.

These actions, the lawsuit says, resulted "in the fleecing of the state's Medicaid funds."

Attorney General Jim Hood with special Assistant Attorney General William M. Quin II of Jackson also seek a jury trial and a permanent halt or injunction for what it claims the drug company has done in the state. Quin is formerly of Tupelo.

Specifically, the state accuses Astrazeneca of:

- Violating Mississippi's Medicaid law by lying about the drug's safety and effectiveness, information used to determine its acceptance by Medicaid.

- Violating Mississippi's Consumer Protection Act by using unfair methods of competition and deceptive trade practices, while lying or concealing the likelihood of severe side effects.

- Mississippi common law fraud. With the drug used through the state's Medicaid program and state employees health plan, Mississippi spent "excessive amounts of money" for Seroquel at "falsely inflated prices."

- Unjust enrichment, negligence and gross negligence.

The complaint is one side of the issue. Astrazeneca has not answered the claims.

The lawsuit seeks damages greater than the minimum requirements by the U.S. District Court, to be proven at trial, and all the money the state has spent on Seroquel over the value it would have paid if the drug's true safety and effectiveness has been disclosed, plus interest.

It also asks for civil penalties, punitive damages and all reasonable court costs and attorneys' fees.

The lawsuit was first filed in Chickasaw County on March 12. The drug company asked for its removal to federal court Monday.

The case, which is independent from any individual claims about Seroquel, is assigned to District Judge Sharion Aycock and Magistrate Judge Jerry A. Davis in Aberdeen.

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