

Enter search keyword

SEARCH



NEWSLETTER
Receive our FREE weekly newsletter [click here](#)

LNL MOST POPULAR ARTICLES

- + Obama to focus on jobs, federal spending in speech
- + Oregon voters OK business tax increase
- + E-Cigarette company faces legal fights on multiple fronts
- + Calif. officials probe credit card interchange fees
- + Poll: Brown's lead in Calif. governor race shrinking

LNL HOT TOPICS

- + Asbestos
- + Bankruptcy
- + Big Pharma
- + Class Action
- + Dickie Scruggs
- + Financial Crisis
- + Gasoline Prices
- + Global Warming
- + Hurricane Katrina
- + Lead Paint
- + Personal Injury
- + Sub-Prime Mortgages

Big Pharma

WEDNESDAY, JANUARY 27, 2010 11:10:00 AM

WLF paper praises Ala. SC decision

BY JOHN O'BRIEN

WASHINGTON (Legal Newsline) - The Alabama Supreme Court's decision to reject three lawsuits against the pharmaceutical industry was a refusal of "regulation through litigation," a Washington Legal Foundation legal opinion paper says.

Mark Behrens and Cary Silverman wrote Jan. 15 wrote that the Alabama Supreme Court has made success in the more than 70 lawsuits filed by state Attorney General Troy King difficult by wiping out more than \$270 million in verdicts in October.

King hired private attorneys to sue more than 70 companies, alleging they have been ripping off the state's Medicaid program by overcharging for their prescription drugs.

"When attorneys general work with private attorneys - individuals with interests that may be different from the state - the overall benefit to the public becomes suspect at best," wrote Behrens and Silverman, who work for Shook, Hardy & Bacon's Public Policy Group in Washington.

"As former Clinton Administration Labor Secretary Robert Reich, who coined the phrase 'regulation by litigation,' observed: 'This is faux legislation, which sacrifices democracy to the discretion of administration officials operating in secrecy.'"

State Medicaid agencies reimburse providers based on an estimated cost, like a wholesale average price. King, as well as other states, have claimed drug makers did not include discounts and rebates in their list prices for drugs, and the state used the list price to reimburse the provider.

Jury verdicts against AstraZeneca, Novartis Pharmaceutical and GlaxoSmithKline resulted in awards of \$215 million, \$33 million and \$80.9 million, respectively.

The AstraZeneca verdict was reduced to \$160 million before the Supreme Court overturned it.

Sandoz, Inc., is appealing an \$80 million verdict against it, the paper says. It calls the state Supreme Court's decision to overturn the three verdicts one of the most important of 2009.

"Economic hardship and rising health care costs may be fueling efforts by state executives to use litigation as a way to control or recoup health care expenditures," it adds.

The WLF is a tort reform organization.

From Legal Newsline: Reach John O'Brien by e-mail at jobrienwv@gmail.com.

Filed Under: [Hot Topics](#)

[Technorati Links](#)

COMMENTS ON THIS ARTICLE:

No comments have been posted in the last 15 days!

SEND US YOUR COMMENTS ON THIS ARTICLE:

* - Required fields

Subject: *

Message: *



King

IN THE SPOTLIGHT:

Tuesday, January 26, 2010

McCollum's outside counsel practices adopted for securities suits

TALLAHASSEE, Fla. (Legal Newsline) - Private law firms will have the amount they can recover while representing the state of Florida in securities lawsuits capped thanks to a unanimous vote Tuesday by the State Board of Administration.
[Read more...](#)



- + [Democrats could have tough electoral road ahead - 1/20](#)
- + [Schwarzenegger makes tort reform a top priority - 1/6](#)
- + [South Florida the top 'Judicial Hellhole' - 12/15](#)
- + [Consol blames environmental lawsuits for W.Va. layoffs - 12/9](#)
- + [Judge sides with Eli Lilly in Zyprexa case - 12/1](#)

BROWSE BY STATE:

GO

BROWSE BY AG:

GO

BROWSE BY DATE:

GO

LATEST LNL BLOG ENTRIES:

- + [Abbott: Beware Dietary Supplement Scams and 'Miracle' Health Claims](#)
- + [Abbott's signs of a scam](#)
- + [AG McCollum on convicts in the mortgage industry](#)

NEWS WIDGET:

Attention bloggers:
Add Record Headlines to your site!

LegalNewsline.com

News from LegalNewsline:

- [Obama calls for jobs, tax cuts and health care reform](#)
- [Hood's Zyprexa case dismissed](#)
- [Cuomo probes online businesses](#)
- [Warranty seller settles with Oregon](#)
- [Wireless company will reimburse Montana consumers](#)

[More News...](#)

fast + free- [click here](#)