

Drug firm fined \$1.1B for hiding Risperdal's risks

Arkansas judge rules on more than 4,500 deceptive practice violations over anti-psychotic drug marketing.

The Associated Press Posted: Apr 11, 2012 11:46 AM ET Last Updated: Apr 11, 2012 12:42 PM ET

An Arkansas judge has fined Johnson & Johnson and a subsidiary more than \$1.1 billion after a jury found the companies downplayed and hid risks associated with an antipsychotic drug.

Judge Tim Fox found nearly 240,000 violations under Arkansas' Medicaid-fraud law over Risperdal. Each violation came with a \$5,000 fine, setting the total penalty at more than \$1.1 billion.

Arkansas sued Johnson & Johnson and subsidiary Janssen Pharmaceuticals Inc. in 2007 over the drug.

Fox issued an additional \$11 million fine in the Wednesday ruling for more than 4,500 violations under the state's deceptive practices act.

Previous Risperdal verdicts against J&J include a \$327 million civil penalty in South Carolina.

Texas reached a \$158 million settlement with Janssen in January.

Risperdal, introduced in 1994, is a "second-generation" antipsychotic drug that earned Johnson & Johnson billions of dollars in sales before generic versions became available several years ago.

It is used to treat schizophrenia, bipolar disorder and irritability in autism patients.

Risperdal and similar antipsychotic drugs have been linked to increased risk of strokes and death in elderly dementia patients, seizures, weight gain and diabetes.

In February, an analysis of tens of thousands of people in nursing homes in the U.S. suggested that residents who take certain antipsychotic drugs for dementia are at about double the risk of dying compared to residents not taking those specific medications.

In 2008, Canadian researchers said warnings slowed the growth in the use of atypical antipsychotic drugs among patients with dementia, they did not reduce the overall prescription rate of the potentially dangerous drugs.