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**HAWAII RECEIVES APPROXIMATELY \$477,000
IN SETTLEMENT WITH DRUG MANUFACTURER**

HONOLULU – Attorney General Doug Chin announced today that Hawaii joined 29 states and the federal government last week in settling claims against Celgene Corporation (Celgene), a pharmaceutical manufacturer. Celgene had permission from the Food and Drug Administration (FDA) to market its drug Thalamid for skin conditions associated with leprosy and its drug Revlimid for transfusion induced anemia. This settlement resolves allegations that Celgene illegally marketed both drugs for cancer treatments that were unrelated to the skin conditions and anemia. Celgene's promotions encouraged what the FDA considers "off label" uses without first securing FDA approval.

As a result of the settlement with Celgene, Hawaii will receive approximately \$477,000. This money will be split between Hawaii's MedQuest program and the Hawaii Medicaid Fraud Control Unit.

Attorney General Chin said of the settlement, "Money from the settlement will help with further investigations and prosecutions of medical fraud in this state."

Celgene's alleged illegal marketing included monetary kickbacks to doctors, forged clinical studies and medical literature, and manipulated medical diagnostic codes in order to increase sales of Thalamid and Revlimid.

A National Association of Medicaid Fraud Control Units team participated in the settlement negotiations with Celgene on behalf of the states. It included representatives from the offices of the attorneys general for the states of California, Maryland, North Carolina, Ohio, Texas, and Wisconsin.

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