

Jury Finds Eli Lilly Liable for Defrauding the Medicaid Program, Orders Lilly to Pay \$61 Million in Damages. Total Judgment will exceed \$183 Million.

Chicago, IL, August 3, 2022 - More than 8 years after whistleblower **Ronald J. Streck**, a former executive of a network of regional drug wholesalers, filed a False Claims Act lawsuit alleging that **Eli Lilly and Company** (“Eli Lilly”) underpaid the rebates that drug manufacturers are required to pay under the Medicaid Drug Rebate Program, a **jury ordered Eli Lilly to pay over \$61 million in damages**. Under the False Claims Act, damages are trebled, so the final judgment will be for more than **\$183 million**, plus per claim penalties. **Dan Miller** of **Walden Macht & Haran** served as lead counsel representing Mr. Streck.

The \$61 million award is the latest in Mr. Streck’s series of successful False Claims Act lawsuits against drug manufacturers for alleged misconduct involving the Medicaid Drug Rebate Program, including a [\\$75 million settlement](#) with **Bristol Myers Squibb** and a [\\$18 million settlement](#) with **Astellas Pharma U.S.** last year. Collectively, Mr. Streck’s lawsuits have recovered more than **\$350 million** for the Medicaid program. Links to previous settlements can be found [here](#) and [here](#).

Miller, who has represented Mr. Streck in all of his cases, commented on the verdict: “The jury has spoken. Eli Lilly knowingly violated the False Claims Act and defrauded the Medicaid Program of \$61 million in taxpayer money. We took on one of the biggest pharmaceutical companies in the world, and one of the largest law firms in the world, and we won. We are very proud to represent Mr. Streck in this quest, which began more than eight years ago.”

Mr. Streck brought suit against Eli Lilly in 2014. Under the Medicaid Drug Rebate Program, the rebates that drug manufacturers are required to pay are based on average manufacturer prices submitted by drug manufacturers to the Government. The lawsuit alleged that Eli Lilly initiated retroactive price increases on its drugs, and failed to pay Medicaid rebates on the new, higher drug prices.

In 2018, the Government declined to intervene, and Mr. Streck and his attorneys proceeded to litigation against Eli Lilly. These efforts include successfully defeating two motions to dismiss filed in 2018 by [Eli Lilly](#) and another defendant, **Astellas Pharma U.S.**

Today’s decision marks the thirteenth previously-declined False Claims Act case that Walden Macht & Haran partner Dan Miller has successfully prosecuted on behalf of the federal and state governments.

The case is captioned *U.S. ex rel. Ronald Streck et al. v. Takeda Pharmaceuticals America, Inc.* No. 1:14-cv-09412 and proceeded in the Northern District of Illinois.

Contact: Jennifer Besada, jbesada@wmhlaw.com, 212.335.2979