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Clerk, Circuit Court, First Circui

#### IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

#### STATE OF HAWAII

State of Hawaii.

Plaintiff,

VS.

Abbott Laboratories Inc.; Alpharma USPD, Inc.; Apothecon, Inc.; AstraZeneca Pharmaceuticals LP, AstraZeneca LP: Aventis Pharmaceuticals, Inc.; Aventis Behring LLC n/k/a ZLB Behring: Barr Laboratories, Inc.; Baxter Healthcare Corporation; Bayer Corporation; Ben Venue Laboratories, Inc.; Boehringer Ingelheim Pharmaceuticals, Inc.; Boehringer Ingelheim Roxane, Inc. f/k/a Roxane Laboratories, Inc.; Bristol-Myers Squibb Co.; Centocor, Inc.: Dey, Inc.; Forest Pharmaceuticals, Inc.; GlaxoSmithKline Pharmaceuticals: Hoffman-LaRoche, Inc.; Hospria, Inc.; Ivax Corporation; Ivax Pharmaceuticals Inc.: Janssen Pharmaceutical Products, LP: Johnson & Johnson, Inc.; McNeil-PPC, Inc.; Merck & Co., Inc.; Mylan Laboratories, Inc.; Mylan Pharmaceuticals, Inc.: Novartis Pharmaceuticals Corporation; Ortho Biotech Products, LP; Par Pharmaceutical Cos., Inc.: Pfizer, Inc.; Pharmacia Corporation; Purepac Pharmaceutical Co.; Roche Laboratories. Inc.; Sandoz, Inc.; Schering-Plough Corporation; Sicor Pharmaceuticals, Inc. f/k/a Gensia Sicor Pharmaceuticals, Inc.: TAP Pharmaceutical Products, Inc.: Teva Pharmaceuticals USA, Inc.; Warrick Pharmaceuticals Corporation: Watson Pharmaceuticals, Inc.; Watson Pharma, Inc., f/k/a Schein Pharmaceuticals, Inc.; Watson Laboratories, Inc.; Doe Corporations 1-100: Doe Entities 1-100.

Defendants.

Civil No. 06-1-0720-04 E E H  $\sim$  (Other Civil Action)

COMPLAINT; EXHIBITS 1 and 2; SUMMONS TO ANSWER CIVIL COMPLAINT; DEMAND FOR JURY TRIAL

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#### COMPLAINT

#### I. INTRODUCTION

- 1. This case is an enforcement action brought by the State of Hawaii under State law on behalf of its Medicaid program, as well as Hawaii residents who are Medicare beneficiaries, against Defendant Drug Companies who have submitted false claims and engaged in unfair or deceptive acts or practices in the sale, pricing and marketing of their prescription drug products. The State of Hawaii brings this action exclusively under the common law and statutes of the State of Hawaii. No federal claims are asserted. No aspect of the claims asserted herein is brought pursuant to any federal law, including either Medicare or ERISA, nor is any aspect of the claims asserted herein brought for the purpose of interpreting a federal contract or the terms of an ERISA plan.
- 2. The Defendant Drug Companies' fraudulent pricing and marketing of their prescription drugs have impacted elderly, disabled, and poor Hawaii citizens covered by Medicaid and Medicare by causing them to pay grossly excessive prices for the Defendants' prescription drugs. Defendants have taken advantage of the enormously complicated and non-transparent market for prescription drugs to engage in an unlawful scheme to cause Hawaii and its citizens to pay inflated prices for prescription drugs. The scheme involves the publication by Defendants of phony "average wholesale prices," which become the basis for calculating the cost at which "providers" the physicians, hospitals, and pharmacies who provide these prescription drugs to patients are reimbursed by Plaintiff. Defendants reinforce this basic tactic with other deceptive practices described in this Complaint, including the use of secret discounts and rebates to

providers and the use of various devices to keep secret the prices at which their drugs are currently available in the marketplace to other purchasers. By willfully engaging in this scheme, Defendants have succeeded in having Plaintiff finance windfall profits to these providers. Defendants attempt to profit from their scheme by using the lure of these windfall profits competitively to encourage providers to buy their drugs instead of competing in the marketplace solely on the basis of legitimate factors such as price and the medicinal value of their drugs.

- 3. Fair and honest drug pricing is a matter of great importance to the State and its citizens. Expenditures by the State and its agencies for prescription drug reimbursement have increased dramatically in the past several years as a result, in part, of Defendants' fraudulent pricing scheme. Each year Hawaii spends millions of dollars on prescription drugs under the Hawaii Medicaid program. The cost of prescription drug services in the Hawaii Medicaid program has seen dramatic increases rising from \$25.4 million in 1997 to \$117 million in 2004, an increase of over 350%.
- 4. This exponential increase in prescription drug costs in recent years has contributed to a health care funding crisis within the State that requires action to ensure fair dealing between the Defendants and the State and Hawaii Medicare beneficiaries.

#### II. PARTIES

#### A. Plaintiff

5. This action is brought by the State of Hawaii for violations of 1) the Hawaii False Claims Act, Unfair Competition, Deceptive Trade Practices, Non-Disclosure, and Unjust Enrichment, and 2) as *parens patriae* on behalf of Medicare beneficiary purchasers for Unfair or Deceptive Acts or Practices and/or Unfair Competition, Deceptive Trade Practices, declared unlawful by H.R.S. §480-2, H.R.S. §480-13 and H.R.S. § 481A-3(a)(9),

- (11) and (12) and Unjust Enrichment. No claim is asserted for Medicare beneficiaries who made flat insurance co-payments and those whose co-payment was reimbursed in full by a third-party insurer.
- 6. The Attorney General is authorized to bring this action on behalf of the State of Hawaii and its agencies by virtue of H.R.S. §28-1. The Attorney General is authorized to bring this case for indirect purchasers based upon unfair or deceptive acts or practices and/or unfair competition declared unlawful by H.R.S. §480-2 by virtue of H.R.S. §480-14.

#### B. <u>Defendants</u>

- 7. Defendants are all pharmaceutical companies whose fraudulent schemes, including the publication of excessive and inflated prices for prescription drugs, as described in this complaint, have caused to be presented to officers and/or employees of the State of Hawaii false or fraudulent claims for payment or approval of certain drugs to get these false or fraudulent claims paid or approved by the State of Hawaii Medicaid program, and have resulted in Hawaii and its citizens paying for drugs at inflated prices, as detailed below.
- 8. At all times material to this civil action, each Defendant has transacted business in the State of Hawaii by, including but not limited to, selling directly or through wholesalers its drugs, including those identified in this complaint, to purchasers within the State of Hawaii.
- 9. Defendant Abbott Laboratories Inc. ("Abbott") is an Illinois corporation with its principal place of business at 100 Abbott Park Rd., Abbott Park, IL 60064-6400.

- 10. The following two defendants are hereinafter referred to as the Alpharma group:
  - (a) Defendant Alpharma USPD, Inc. ("Alpharma") is a Delaware corporation in the business of manufacturing and selling pharmaceuticals. Alpharma's principal place of business is One Executive Dr., Ft. Lee, NJ 07024; and
  - (b) Defendant Purepac Pharmaceutical Co. ("Purepac") is a Delaware corporation in the business of manufacturing and selling pharmaceuticals. Purepac's principal place of business is 14 Commerce Dr., Ste. 301, Cranford, NJ 07016. Purepac is a wholly owned subsidiary of Alpharma, Inc.
- 11. Defendants AstraZeneca Pharmaceuticals LP and AstraZeneca LP ("AstraZeneca") are related Delaware corporations with their principal place of business at 1800 Concord Pike, Wilmington, DE 19850.
  - 12. The following two Defendants are referred to as the Aventis group:
    - (a) Defendant Aventis Pharmaceuticals, Inc. is a Delaware corporation with its principal place of business located at 300-400 Somerset Corporate Blvd., Bridgewater, NJ 08807-2854; and
    - (b) Defendant Aventis Behring, LLC n/k/a ZLB Behring is headquartered at 1020 First Ave., King of Prussia, PA 19406-2854.
- 13. Defendant Barr Laboratories, Inc. ("Barr") is a Delaware corporation with its principal place of business located at 400 Chestnut Ridge Rd., Woodcliff Lake, NJ 07677.
- 14. Defendant Baxter Healthcare Corporation ("Baxter") is a Delaware corporation with its principal place of business at One Baxter Parkway, Deerfield, IL 60015.
- 15. Defendant Bayer Corp. ("Bayer") is an Indiana corporation with its principal place of business located at 100 Bayer Rd., Pittsburgh, PA 15205-9741.

- 16. The following three defendants are hereinafter referred to as the Boehringer group:
  - (a) Defendant Boehringer Ingelheim Pharmaceuticals, Inc. ("Boehringer Pharm"), a wholly-owned subsidiary of Boehringer Ingelheim Corp. ("Boehringer"), is a Connecticut corporation engaged in the business of manufacturing and selling pharmaceuticals. Boehringer Pharm's principal place of business is located at 900 Ridgebury Rd., Ridgefield, CT 06877; and
  - (b) Defendant Boehringer Ingelheim Roxane, Inc. ("BIRI"), f/k/a Roxanne Laboratories, Inc., a wholly-owned subsidiary of Boehringer, is a Delaware corporation engaged in the business of manufacturing and selling pharmaceuticals. BIRI's principal place of business is located at 1809 Wilson Rd., Columbus, OH 43216-6532; and
  - (c) Defendant Ben Venue Laboratories, Inc. ("Ben Vue") is a wholly owned subsidiary of Boehringer Ingelheim Corporation and is a Delaware corporation engaged in the business of manufacturing and selling pharmaceuticals. Ben Venue's principal place of business is located at 300 Northfield Rd., Bedford, OH 44146. Ben Venue is also being sued for the conduct of its subsidiaries and/or divisions, including but not limited to Bedford Laboratories.
- 17. Defendant Bristol-Myers Squibb Co. ("Bristol-Myers") is a Delaware corporation engaged in the business of manufacturing and selling pharmaceuticals. Bristol-Myers' principal place of business is located at 345 Park Ave., New York, NY 10154-0037. Bristol-Myers is also being sued for the conduct of its subsidiaries and/or divisions, including but not limited to E.R. Squibb & Sons, Inc. and Apothecon, Inc.
- 18. Defendant Dey, Inc. ("Dey") is a Delaware corporation with its principal place of business at 2751 Napa Valley Corporate Dr., Napa, CA 94558.
- 19. Defendant Forest Pharmaceuticals, Inc. ("Forest") is a Delaware corporation engaged in the business of manufacturing and selling pharmaceuticals. Forest's principal place of business is located at 909 Third Ave., New York, NY 10022.

- 20. Defendant GlaxoSmithKline Pharmaceuticals ("GlaxoSmithKline"), is a Delaware corporation with its principal place of business at One Franklin Plaza, Philadelphia, PA 19102.
- 21. Defendant Hoffman-LaRoche, Inc. ("Hoffman-LaRoche") is a New Jersey corporation with its principal place of business located at 340 Kingsland Street, Nutley, NJ 07110-1199. Hoffman LaRoche is also being sued for the conduct of its subsidiaries and/or divisions, including but not limited to Roche Laboratories, Inc.
- 22. Defendant Hospira, Inc. ("Hospira") is a corporation organized under the laws of Delaware, with its principal offices at 275 N. Field Drive, Lake Forest, IL. 60045, Hospira is the successor to Abbott's Hospital Products Division.
- 23. The following five defendants are hereinafter referred to as the Johnson & Johnson group:
  - (a) Defendant Johnson & Johnson, Inc. ("J&J") is a New Jersey corporation engaged in the business of manufacturing and selling pharmaceuticals. J&J's principal place of business is located at One Johnson & Johnson Plaza, New Brunswick, NJ 08933; and
  - (b) Defendant Janssen Pharmaceutical Products, LP ("Janssen"), a wholly-owned subsidiary of J&J, is a New Jersey limited partnership engaged in the business of manufacturing and selling pharmaceuticals. Janssen's principal place of business is located at 1125 Trenton-Harbourton Rd., Titusville, NJ 08560; and
  - (c) Defendant Ortho Biotech Products, LP ("Ortho Biotech"), a wholly-owned subsidiary of J&J, is a New Jersey limited partnership engaged in the business of manufacturing and selling pharmaceuticals. Ortho Biotech's principal place of business is located at 700 U.S. Hwy. 202, Raritan, NJ 08869; and
  - (d) Defendant McNeil-PPC, Inc. ("McNeil"), a wholly-owned subsidiary of J&J, is a New Jersey corporation engaged in the business of manufacturing and selling pharmaceuticals. McNeil's principal place of business is located at 7050 Camp Hill Rd., Ft. Washington, PA 19034. McNeil Consumer & Specialty Pharmaceuticals ("McNeil Cons") is a division of McNeil; and

- (e) Defendant Centocor, inc. is a wholly owned subsidiary of Defendant Johnson & Johnson with its principal place of business at 800/850 Ridgeview Dr., Horsham, PA 19044. The principal drug it markets is Remicade for autoimmune conditions.
- 24. Defendant Merck & Co., Inc. ("Merck") is a New Jersey corporation engaged in the business of manufacturing and selling pharmaceuticals. Merck's principal place of business is located at One Merck Dr., Whitehouse Station, NJ 08889-0100.
  - 25. The following two defendants are hereinafter referred to as the Mylan group:
    - (a) Defendant Mylan Laboratories, Inc. ("Mylan") is a Pennsylvania corporation engaged in the business of manufacturing and selling pharmaceuticals, mainly through its subsidiaries. Mylan's principal place of business is located at 1500 Corporate Dr., Ste. 400, Canonsburg, PA 15317; and
    - (b) Defendant Mylan Pharmaceuticals, Inc. ("Mylan Pharm"), a wholly-owned subsidiary of Mylan, is a West Virginia corporation engaged in the business of manufacturing and selling pharmaceuticals. Mylan Pharm's principal place of business is located at 1500 Corporate Dr., Ste. 400, Canonsburg, PA 15317.
- 26. The following two defendants are hereinafter referred to as the Novartis group:
  - (a) Defendant Novartis Pharmaceuticals Corp. ("Novartis") is a New Jersey corporation engaged in the business of manufacturing and selling pharmaceuticals. Novartis' principal place of business is located at One Health Plaza, East Hanover, NJ 07936; and
  - (b) Defendant Sandoz, Inc. ("Sandoz"), formerly known as Geneva Pharmaceuticals, Inc., is a Delaware corporation engaged in the business of manufacturing and selling pharmaceuticals. Sandoz's principal place of business is located at 506 Carnegie Ctr., Princeton, NJ 08540.
- 27. Defendant Par Pharmaceutical Cos., Inc. ("Par") is a Delaware corporation with its principal place of business located at One Ram Ridge Rd., Spring Valley, NY 10977. Par is also being sued for the conduct of its subsidiaries and/or divisions, including but not limited to Par Pharmaceutical, Inc.

- 28. Defendant Pfizer, Inc. ("Pfizer") is a Delaware corporation with its principal place of business at 235 E. 42nd St., New York, NY 10017. In April, 2003, Pfizer acquired Pharmacia Corp. Pfizer is also being sued for the conduct of its subsidiaries and/or divisions, including but not limited to Warner-Lambert, Pfizer-Warner-Lambert, and Parke-Davis.
- 29. The following two defendants are hereinafter referred to as the Schering group:
  - (a) Defendant Schering-Plough Corp. ("Schering-Plough") is a New Jersey corporation with its principal place of business located at 2000 Galloping Hill Rd., Kenilworth, NJ 07033-0530. Schering-Plough has engaged in the practices described in this complaint under its own name and through its wholly-owned subsidiary, Warrick Pharmaceutical Industries, Ltd.; and
  - (b) Defendant Warrick Pharmaceuticals Corporation ("Warrick"), is a Delaware corporation with its principal place of business at 12125 Moya Blvd., Reno, NV 89506-2600. Warrick is a wholly-owned subsidiary of Defendant Schering-Plough and has been since its formation in 1993. Warrick manufactures generic pharmaceuticals.
- 30. Defendant TAP Pharmaceutical Products, Inc. ("TAP") is a Delaware corporation headquartered at Bannackburn Lake Office Plaza, 2355 Waukegan Rd., Deerfield, IL 60015. TAP is jointly owned by Abbott Laboratories and Takeda Chemical Industries, Ltd.
  - 31. The following four Defendants are referred to as the Teva Group:
    - (a) Defendant Teva Pharmaceuticals USA, Inc. ("Teva US") is a Delaware corporation engaged in the business of manufacturing and selling pharmaceuticals. Teva's principal place of business is located at 650 Cathill Rd., Sellersville, PA 18960. Teva US is a subsidiary of an Israeli corporation, Teva Pharmaceutical Industries, Ltd. ("Teva Ltd."); and
    - (b) Defendant Ivax Corp. ("Ivax"), which became a wholly owned subsidiary of Teva Ltd. on January 26, 2006, is a Florida (formerly Delaware) corporation engaged in the business of manufacturing and selling pharmaceuticals. Ivax's principal place of business is located at 4400 Biscayne Blvd., Miami, FL 33137; and

- (c) Defendant Ivax Pharmaceuticals Inc. ("Ivax Pharm"), a wholly-owned subsidiary of Ivax, is a Florida corporation engaged in the business of manufacturing and selling pharmaceuticals. Ivax Pharm's principal place of business is located at 4400 Biscayne Blvd., Miami, FL 33137; and
- (d) Defendant Sicor Pharmaceuticals, Inc., f/k/a Gensia Sicor Pharmaceuticals, Inc., is a Delaware corporation with its principal place of business at 19 Hughes, Irvine, CA 92618-1902. Sicor is owned by Teva Ltd.
- 32. The following three defendants are hereinafter referred to as the Watson group:
  - (a) Defendant Watson Pharmaceuticals, Inc. ("Watson") is a Nevada corporation engaged in the business of manufacturing and selling pharmaceuticals. Watson's principal place of business is located at 311 Bonnie Cir., Corona, CA 92880; and
  - (b) Defendant Watson Pharma, Inc., f/k/a Schein Pharmaceuticals, Inc. ("Watson Pharma"), a wholly-owned subsidiary of Watson Pharmaceuticals, Inc. since 2000, is a Delaware corporation. Watson Pharma's principal place of business is located at 311 Bonnie Cir., Corona, CA 92880; and
  - (c) Defendant Watson Laboratories, Inc. ("Watson Labs"), a wholly-owned subsidiary of Watson Pharmaceuticals, Inc., is a Nevada corporation with its principal place of business located at 311 Bonnie Cir., Corona, CA 92880.
- 33. This Court has jurisdiction over Plaintiff's claims as they involve claims arising exclusively under Hawaii statutes and the *parens patriae* authority of the Attorney General to act on behalf of the State of Hawaii and its citizens.

## III. FACTUAL BACKGROUND

### A. The Market for Prescription Drugs

34. The market for prescription drugs is extremely complex. It is composed of over 65,000 separate National Drug Codes (NDCs). Each NDC represents a quantity of each drug manufactured by each manufacturer. The essential structure of the prescription drug market is as follows:

- 35. Drugs are manufactured by large complex corporations that are hugely profitable. Defendants sell the drugs (with varying numbers of intermediaries and agents involved in the process) to physicians, hospitals, and pharmacies. In medical jargon these are known as the "providers." The providers then, in essence, resell the drugs to their patients when the drugs are prescribed for and administered or dispensed to those patients.
- 36. In the case of Medicare and Medicaid programs, the price that is paid for the patient's prescribed drug ultimately will be paid in whole or in large part by a government entity, and in the case of Medicare, the Medicare beneficiary pays a 20 percent copayment. These entities are known as the "payers" or "third party payers." In the case of Medicare and Medicaid programs the reimbursement is made directly to the provider, not to the patient.
- 37. This market structure means that the prescription drug market differs in two crucial respects from most markets.
- 38. First, in most markets, the consumer determines the product demand. This is not the case for prescription drugs. In the prescription drug market, the decision to use a prescription drug is made by the physicians, by the hospitals in which the patient is treated, home health care agencies, long term care facilities or (with respect to the decision to use generic drugs versus brand-name drugs) a pharmacy. Since prescription drugs are dispensed only on a physician's order, the physician has the principal say in what drug will be chosen for the patient. However, hospitals, particularly teaching hospitals, also have considerable influence over this choice. If a hospital decides to put one drug as opposed to a competing drug on its "formulary" (the list of drugs that the

hospital pharmacy stocks), the result will be that the physician will likely order that drug rather than a competing drug. Likewise, although pharmacies do not prescribe drugs, pharmacies can exert an important influence over the choice of which drug the patient will purchase where there is a choice between buying the generic version or the brand-name version of the drug which the physician has prescribed.

- 39. A second difference of the prescription drug market from other markets is that in ordinary markets, the ultimate consumer of the product pays for it directly. In the prescription drug market, however, most payments are made by "payers" through private or public insurance programs.
- 40. The structure of the prescription drug market produces the following fundamental fact that underlies Defendants' unlawful scheme. If a Defendant Drug Manufacturer can cause a "payer" to reimburse for the Defendant's drug at a higher price than the price the provider paid to buy the drug from the Defendant, there will be a "spread" between the two prices, and that "spread" is retained by the provider as profit. The larger the "spread" that it can create for a particular drug, the greater the incentive the provider has for choosing, or for influencing the choice of, that drug rather than a drug from a competing manufacturer.

# B. The Average Wholesale Price (AWP)

41. Each of the Defendants and/or their subsidiaries has for years identified an average wholesale price ("AWP") and, more recently, a price denominated as the wholesale acquisition cost ("WAC") (or similar terms used to denote either the price charged by wholesalers or a drug's cost to wholesalers) for most of their drugs.

Defendants disseminate these prices to the public through publication in certain medical compendiums such as the *Red Book* and *Blue Book*.

- its reimbursement formula for prescription drugs on the Defendants' published AWPs.

  Hawaii has relied on these prices for many reasons. First, simplified and reliable estimates of the cost of drugs prescribed for Hawaii citizens are needed because the huge number of different drugs and the non-transparency of the marketplace make it impracticable for Hawaii to track the drug price changes drug by drug on a daily basis.

  Second, the AWPs come directly from the Defendants, the most knowledgeable source. Third, by using the term "average wholesale price," Defendants convey that they have a good faith basis for their wholesale price calculation. Fourth, the compendiums in which these prices are published are widely used and respected. Fifth, these published prices are the only prices publicly available. Sixth, Defendants conceal the true cost of their drugs as set forth below. Seventh, Hawaii relies on the honesty of those who profit from Hawaii's Medicaid assistance programs and other State programs.
- 43. As a result, Hawaii's drug reimbursement system has been, and remains, almost completely dependent on Defendants' reported wholesale prices. Defendants know this fact and rely on it to make their AWP scheme work.
- 44. Defendants have illegally misrepresented the true AWP for virtually all of their drugs. One purpose of this scheme was and is to create the spread between the true wholesale price of a drug and the false and inflated AWP and thereby increase the incentive for providers to choose the drug for their patients, or, at a minimum, to counteract the same tactic used by a competitor, since if competing manufacturers are also publishing false and inflated AWPs for their drugs, a given Defendant will be at a competitive disadvantage unless it does the same for its own drugs.

- 45. The higher the spread between the AWP and the wholesale price the provider actually pays, the more profit a provider can make. Defendants often market their products by pointing out (explicitly and implicitly) that their drug's spread is higher than a competing drug's.
- 46. All of the Defendants have inflated their reported average wholesale prices to levels far beyond any real average wholesale price of their drugs and those of their subsidiaries. One high-ranking industry executive has described it as the industry practice to do so. Dey brought a lawsuit against First DataBank, the publisher of the medical compendium that Hawaii Medicaid relies on for prescription drug pricing, because it published the *actual* average wholesale price of Dey's drugs instead of the false average wholesale price sent to the publisher by Dey. One of Dey's allegations in that lawsuit was that the publication of its actual prices for drugs was inconsistent with the practice in the industry of accepting and publishing reported, inflated AWPs, and that such publication put Dey at a competitive disadvantage because it had no "spread" to advertise.
- Attached as Exhibit 1 to this Complaint is a list of drugs manufactured by the Defendants and/or their subsidiaries that the U.S. Department of Justice, after an extensive investigation, found to have inflated AWPs. The U.S. Department of Health and Human Services more recently concluded, with respect to all drugs utilized in the Medicare Program that "[a] general conclusion reached in reviewing GAO [General Accounting Office] and OIG [Office of Inspector General] data is that there is a level of overstatement in the listed AWP for *all* drugs. . . . " Payment Reform for Part B Drugs, 68 Fed. Reg. 50,430 (August 20, 2003) (emphasis added).

48. Examples of the Defendants' practices of inflating AWPs include the following:

Manufacturer	Drug	2000 AWP	2000 Available	Spread
			Price	
Janssen Pharm	Nizoral 200 mg	\$351.11	\$292.58	\$58.53
Merck	Pepcid 20 mg	\$177.08	\$141.66	\$35.42
Novartis	Tegretol XR tab	\$45.26	\$36.97	\$8.29
Novartis	Clozaril	\$352.26	\$243.65	\$108.61

- 49. Exhibit 2 contains additional examples of drugs manufactured by Defendants with inflated AWPs. Plaintiff has continued to obtain information relating to Defendants' publication of the prices of their drugs including material obtained by complaints filed by other states, prices available to buyers other than Hawaii's Medicaid program, and wholesaler data too voluminous to attach to a complaint, and have found that the evidence uniformly supports the conclusion that Defendants have pervasively inflated their published wholesale prices.
- 50. Defendants have similarly illegally and deceptively misrepresented and inflated the wholesale acquisition cost ("WAC") of many of their drugs making it appear that any reduction in the purchase price beyond the listed WAC would result in a loss to the wholesaler and was, hence, unachievable, when in fact the WAC was secretly discounted to purchasers other than the Medicaid and Medicare programs through an elaborate charge back system.

# IV. <u>DEFENDANTS' CONCEALMENT OF THEIR WRONGDOING</u>

51. Defendants have been able to succeed in their drug pricing scheme for more than a decade by exacerbating the complexities of the incredibly huge, and dauntingly complex, drug market, and by purposely concealing their scheme and the true acquisition cost of drugs to providers from Hawaii and its citizens, as set forth below.

#### A. <u>Defendants Scheme to Hide Their True Prices for Drugs</u>

- 52. First, Defendants sell their drugs in a unique manner that hides the true price of their drugs. This scheme works as follows: Upon agreeing on a quantity and price of a drug with a provider, or group of providers, the Defendants purport to sell the agreed upon drugs to wholesalers with whom they have a contractual arrangement, at a price they call the Wholesale Acquisition Cost ("WAC"). The WAC may be, and often is, higher than the price agreed upon by the provider and the drug manufacturer. The wholesaler then ships the product to the provider, charging the provider the (lower) price originally agreed upon by the drug manufacturer and the provider. When the wholesaler receives payment from the provider, it charges the manufacturer for handling, and any applicable rebates and discounts, and sends a bill to the manufacturer, called a "charge back," for the difference between the WAC and the price actually paid by the provider. These charge backs, (or shelf adjustments, or other economic inducements) are kept secret, so that it appears that the wholesaler actually purchased the drug at the higher WAC price. The effect of this practice is to create the impression that the "wholesale price" of the drug is higher than it really is.
- 53. Second, Defendants further inhibit the ability of the State of Hawaii and Hawaii consumers to learn the true cost of their drugs by wrapping the sales agreements they negotiate with providers in absolute secrecy, terming them trade secrets and proprietary, to preclude providers from telling others the price they paid.
- 54. Third, Defendants further obscure their true prices for their drugs with their policy of treating different classes of trade differently. Thus, for the same drug, pharmacies are given one price, hospitals another and doctors yet another.

- 55. Fourth, some Defendants have hidden their real drug prices by providing free drugs and phony grants to providers as a means of discounting the overall price of their drugs. For example, in 2004 Schering Sales Corporation, a subsidiary of Schering-Plough, plead guilty to a federal criminal indictment for engaging in such misconduct, as did Defendant Pfizer and in 2003 Defendants AstraZeneca and Bayer Corp. These illegal practices appear to be part of an industry-wide marketing effort that may well represent the industry norm, but further discovery on this issue is required.
- 56. Defendants have hidden their motive for utilizing an inflated AWP from the public. Only with the disclosure of materials secured by litigants in recent discovery has it become apparent that Defendants have purposely manipulated their AWPs and one reason Defendants do so is to compete for market share on the basis of a phony price spread, instead of the true selling price of their drugs or the medicinal value of these drugs to their users.
- 57. Defendants have further concealed their conduct by making sure that all of the entities purchasing drugs directly from the Defendants (and, hence, knowledgeable about the true price of their drugs) have had an incentive to keep Defendants' scheme secret. Defendants' scheme permits all providers, pharmacies, physicians, and hospitals/clinics, to make some profit from Defendants' inflated spread, because all of them are reimbursed in some manner on the basis of the AWP for at least some of the drugs they sell or administer. For providers, therefore, the greater the difference between the actual price and the reported AWP, the more money they make. Thus, providers willingly sign drug sales contracts requiring them to maintain secrecy about the prices they pay for drugs.

58. Defendants have themselves continuously concealed the true price of their drugs and continued to publish deceptive AWPs and WACs as if they were real, representative prices.

# B. <u>Defendants' Scheme Continues In Spite of Anecdotal Discovery</u>

59. Although from time to time reports have emerged which indicate one drug or another, at one time or another, could be purchased for less than the AWP, Hawaii has been powerless to either discover the nature of Defendants' fraud or arrest it for many reasons. First, Defendants have fraudulently concealed their scheme by publishing AWPs and WACs as if they were true prices and by hiding their true prices through elaborate cover-ups. To this day Hawaii has no idea what the true wholesale prices of Defendants' drugs are. Second, only recently has the outline of Defendants' scheme become known. Indeed, as late as 2000 the United States Congress was sufficiently confused by what Defendants were doing that it directed the General Accounting Office to launch a full scale investigation of the market. And it was not until 2003 that the U.S. Department of Health and Human Services was able to modify the Medicare reimbursement system for drugs. Third, the motive for Defendants engaging in this scheme - the belief that a larger spread enhances sales prospects - has only recently been discovered, making it clear, for the first time, that the disparities in reported AWP/actual prices were not simply a result of transient market forces but were, instead, the result of a purposefully deceptive scheme by the Defendants. Fourth, at the national level, providers have opposed any attempt by the legislatures to change the reimbursement formulas by submitting misleading data about their costs and expenses. Fifth, as a public policy matter it is impracticable to respond effectively to evidence that some drugs, at some time, for some reason, have AWPs higher than their actual purchase price. Hawaii does not have the resources to investigate

each drug company to validate the reported prices of over 65,000 NDC's on an ongoing basis. And Hawaii is not at liberty simply to slash its drug reimbursement levels in the dark. If it unknowingly reduced its levels of reimbursement to below that which the providers actually pay for drugs, the providers would simply stop supplying the drugs, to the detriment of Hawaii citizens. Thus, although Hawaii has now uncovered the outline of Defendants' unlawful scheme, the damage resulting to the State and its citizens from Defendants continues unabated and will continue until Hawaii learns the true wholesale prices of Defendants' drugs.

# C. <u>Defendants' Scheme Corrupts the Market for Prescription Drugs</u>

- 60. Instead of competing on prices and medicinal value alone, the Defendants deliberately created a powerful financial incentive for providers to prescribe drugs based on the spread between the true price of a drug and its published AWP or WAC. Creating incentives for providers to prescribe drugs based on such a spread is inconsistent with Hawaii's public policy.
- 61. Large price spreads on higher priced drugs encourage providers to prescribe more expensive drugs instead of their lower priced substitutes thereby increasing the cost of health care. Competition on the basis of such spreads has the potential to influence (consciously or unconsciously) providers to prescribe less efficacious drugs over ones with greater medicinal value. Because the Defendants have concealed their scheme, Hawaii and its citizens have unknowingly underwritten this perversion of competition in the drug market.
- 62. In sum, Defendants have been, and continue to be, engaged in an insidious, fraudulent scheme that is causing Hawaii and its citizens to pay scores of millions of

dollars a year more than they should for their prescription drugs, and may well be inducing some providers to prescribe less efficacious drugs.

# V. THE INJURY TO HAWAII'S MEDICAID PROGRAM AND HAWAII MEDICARE BENEFICIARIES

#### A. The Hawaii Medicaid Program

- 63. The Hawaii Medicaid Program is a state-administered program that pays for medical care including prescription drug benefits for Hawaii's low-income and disabled citizens. The Medicaid Program also pays for drug services for certain persons who qualify for both Medicaid and Medicare, including the 20% Medicare co-payment.
- 64. In 2004 there were approximately 43,189 individual recipients of Hawaii's Medicaid drug services. The cost of drug services in the Hawaii Medicaid program have seen dramatic increases rising from slightly over \$20.7 million in 1997 to slightly over \$112.5 million in 2004, an increase of over 500%.
- 65. In its report to the Legislature on Act 259, Part III, Section 39 Prescription Drugs for Fee for Service Clients, the Department of Human Services (DHS) reported expending \$63,255,737 for medication in calendar year 2000. There were approximately 35,000 eligible recipients. In its report to the Twenty-Third Hawaii State Legislature in 2005, DHS reported that it spent \$112,575,993.82 for all prescription drugs in fiscal year 2004 in its Med-Quest program.

# B. <u>The Medicare Program</u>

66. Medicare is a health insurance program created by the federal government for the elderly and disabled and other eligible persons. 42 U.S.C. 1395, et. seq. Typically, individuals become eligible for Medicare health insurance benefits if they are over 65 years

of age, disabled, or have end stage renal disease. There are two major components of the Medicare Program, Part A and Part B.

- 67. Medicare Part B is an optional program that provides coverage for some healthcare services for Hawaii's participating elderly and disabled citizens not covered by Part A. 42 U.S.C. 1395j through 1395w-4. Medicare Part B is supported by government funds and premiums paid by eligible individuals who choose to participate in the program.
- 68. The Medicare Program Part B reimburses physicians, pharmacies and health care providers for certain drugs prescribed for, and dispensed to, Hawaii Medicare recipients. At issue here is Medicare Part B's limited benefit for drugs which are provided either: (a) incident to a physician's service and cannot generally be self-administered; or (b) in conjunction with the medical necessity of an infusion pump or nebulizer or other durable medical device payable under Medicare's DME benefit equipment (DME).
- Department of Human Services (DHS) must pay for Part B benefits, the Medicare program has generally relied upon the falsely reported AWP. For example, from January 1, 1999, the methodology for calculating the allowable cost of multiple source drugs and biologicals is 95% of the lesser of the median average wholesale price for all sources of the generic forms of the drug or biological or lowest average wholesale price of the brand name form of the drug or biological. 42 C.F.R § 405.517. Medicare then pays eighty percent (80%) of the allowable cost. The remaining 20% is paid as a co-payment by the Medicare Part B beneficiary, or for eligible individuals, by the Medicaid Program.
- 70. Because Medicare Part B participants must pay 20 percent of the allowable cost, which is based on the AWP, for their medications, and because Defendants have

published false and inflated AWPs for their drugs, Medicare Part B participants are paying substantially more for their co-pay than they would pay if Defendants published their true wholesale prices. Indeed, with respect to some drugs, the 20% co-pay for the Medicare Part B participant is greater than the entire cost of the drug.

71. As described more fully herein, for the past decade or more the Defendant Drug Manufacturers have used the distribution chain, including but not limited to physicians, hospitals, pharmacists and others, to create and thereby profit from an unfair or deceptive scheme that improperly inflated the prescription drug payments made by the DHS and Hawaii's citizens.

#### VI. DRUG PRICING

#### A. Medicaid Drug Pricing

- 72. Plaintiff State of Hawaii, via the Department of Human Services (DHS), administers Hawaii's Medicaid program and reimburses physicians and pharmacies for drugs prescribed for, and dispensed to Medicaid recipients. Hawaii Medicaid also pays the 20% co-payment for prescription drugs for Hawaii Medicare beneficiaries who are qualified to receive Medicaid benefits.
- 73. Hawaii's Medicaid program provides services through various programs such as the Fee For Service program that provides services to qualified persons who are aged 65 and over, or certified blind or disabled under which payment is made directly to the provider, and the Med-Quest program that provides coverage for all other qualified persons under a managed care program.
- 74. Reimbursement under the Hawaii Medicaid program for prescription drugs is limited in accordance with formulas based, in part, on the maximum allowable cost established for drugs. The maximum allowable cost for drugs is based, in part, on the

Estimated Acquisition Cost (EAC) determined from price information provided by pharmaceutical manufacturers and a pricing update service. When a manufacturer reports false pricing information, or conceals true pricing information from the Medicaid program, then the calculation of EAC is inflated, and thus the reimbursement schedule is also inflated. These circumstances result in drug reimbursement overpayments to drug providers by the State's Medicaid program. At all relevant times Defendant Drug Manufacturers were aware of Hawaii's Medicaid reimbursement formulas.

75. The Hawaii Medicaid program reimburses providers for medications as follows:

For single source drugs the lowest of:

- 1. The estimated acquisition cost (EAC) for a drug product plus a dispensing fee,
- 2. The billed charge, or
- 3. The provider's usual and customary charge to the general public.
- 76. For multiple source drugs the lowest of:
  - 1. The billed charge,
  - 2. The provider's usual and customary charge to the general public,
  - 3. The Federal Upper Limit (FUL) price plus a dispensing fee,
  - The State Maximum Allowance Cost (SMAC) plus dispensing fee, or
  - 5. The estimated acquisition cost (EAC) for a drug product plus a dispensing fee.
- 77. Hawaii has estimated the EAC as the Average Wholesale Price (AWP) minus 10.5%.

78. Hawaii has adopted a list of drugs that are covered without prior authorization. In determining which drugs will be included on the list, DHS considers information provided by prescription drug manufacturers regarding the AWP and the wholesale acquisition cost (WAC).

#### B. Medicare Drug Pricing

- 79. During the period 1992 through 1997, Medicare's reimbursement for Covered Drugs was set at the lesser of the Estimated Acquisition Cost (EAC) or national Average Wholesale Price (AWP). For generic drugs, payment was based on the lower of the EAC or wholesale price that was defined as the median price for all sources of the generic form of the drug. This payment methodology was set forth in 42 C.F.R. §405.517, a regulation first published in the Federal Register on November 25, 1991 and which became effective on or about January 1, 1992.
- 80. Historically, Medicare has used the AWP published in the *Red Book* or other compendia as a ceiling for Medicare reimbursement.
- 81. On January 1, 1998, 42 C.F.R. §405.517 was amended to provide that the allowed amount would be based upon the lower of the billed charge on the Medicare claim form or 95% of AWP.<sup>1</sup>
- 82. The Medicare program has publicly announced that it would use the AWP published in pharmaceutical industry magazines as the basis for reimbursement.

  Specifically, Program Memorandum AB-99-63 (dated September 1999 but re-issued PM AB-98-76 dated in December 1998), a publicly available Medicare Program bulletin, confirmed that reimbursement for certain Medicare Part B drugs and biologicals "are paid

<sup>&</sup>lt;sup>1</sup> P. L.108-173, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, changed the basis of Medicare Part B drug reimbursement from AWP to Average Sales Price (ASP), a statutorily defined price calculated from actual sales transactions.

based on the lower of the billed charge or 95% of the AWP as reflected in sources such as the *Red Book*, *Blue Book*, or Medi-Span."

- 83. Pursuant to PM AB-99-63, the AWP for a single-source drug or biological equals the AWP of the single product. For a multi-source drug or biological, the AWP is equal to the lesser of the median AWP of all the generic forms of the drug or biological or the lowest brand name product AWP.
- 84. Medicare Part B reimburses medical providers 80% of the allowable amount for a Covered Drug. The Medicare Part B beneficiary must pay the remaining 20%, the "co-payment" amount. All medical providers are required by law to bill the 20% co-payment and make attempts beyond merely billing to collect that amount. In addition, beneficiaries under Part B are required to pay an annual deductible amount before Part B benefits are payable.
- 85. As described more fully herein, Defendants engaged in an unfair or deceptive scheme or trade practices, anti-trust and unfair competition in violation of H.R.S. Ch. 480 and H.R.S. § 481A-3(a)(9), (11) and (12), entitling Hawaii and its citizens to compensatory damages trebled, plus attorneys' fees and costs pursuant to H.R.S. §480-13 and/or enhanced elder penalties provided for in H.R.S. §480-13(b).

# VII. <u>DEFENDANTS MANIPULATED THE AWP AND KEPT THE TRUE PRICES</u> <u>SECRET</u>

86. The Defendants knew that the actual transaction price data, the amounts actually charged to providers and others for the drugs, was not publicly available, and they kept this information highly confidential and secret. The reimbursement system is based upon published AWP that was itself dependent on the honesty of the drug manufacturers.

The Defendants knew they could directly control and fabricate the AWP for their drugs at any time through the materials they sent to the publishers of medical compendium.

- 87. At all relevant times, the Defendants were aware that the Medicare / Medicaid programs used the published AWP to establish the amount to reimburse health care providers for drugs dispensed to Medicare beneficiaries and others.
- 88. Defendants willfully and knowingly misrepresented their reported prices when in fact the reported prices were far higher than their drugs were made available in the marketplace. In addition, Defendants further manipulated the AWP by giving health care providers various rebates, grants, discounts and "free" samples all of which served to increase the "spread" between the published AWP and the actual prices charged to the prescribing providers. By manipulating the AWP and keeping secret the true AWP, Defendant Drug Manufacturers inflated the prescription drug prices thus causing Hawaii and its citizens to overpay for their drug purchases.

#### VIII. TOLLING

- 89. By concealing the true AWP, not disclosing that the price data reported to the trade journals was false, and the use of rebates, discounts and "free" samples to create the AWP spread, the Defendant Drug Manufacturers concealed the State's and Hawaii's Medicare beneficiaries' causes of actions.
- 90. In addition, Defendant Drug Manufacturers' AWP scheme is subject to H.R.S. § 480-24 and is tolled as a continuing violation.
- 91. Any applicable statute of limitation has been tolled by Defendants' knowing and active concealment and denial of the facts alleged herein. The State of Hawaii and Hawaii's Medicare beneficiaries have been kept in ignorance of vital information essential

to the knowledge of, and the pursuit of, these claims and Hawaii's citizens could not reasonably have discovered the fraudulent nature of the scheme.

92. Defendants were and continue to be under a continuing duty to disclose to Plaintiff the fact that the published AWPs bore and continue to bear no relationship to the prices or pricing structures for Covered Drugs and brand name drugs. Because of their knowing, affirmative, and/or active concealment of the fraudulent nature of the published AWPs, Defendants are estopped from relying on any statutes of limitations.

#### Count I - False Claims

(On Behalf of the State of Hawaii)

93. Defendant Drug Manufacturers knowingly caused to be presented to an officer or employee of the State a false or fraudulent claim for payment, and/or caused to be made or used a false record or statement and/or conspired to defraud the State by getting a false or fraudulent claim allowed or paid in violation of H.R.S. § 661-21 (a)(1), (2) and (3).

# Count II - Unfair or Deceptive Acts or Practices

(On Behalf of Hawaii Medicare Beneficiaries)

- 94. Plaintiff re-alleges and incorporates all the above allegations.
- 95. The AWP Scheme constitutes an unfair or deceptive act or practice in violation of Chapter 480, Hawaii Revised Statutes.

H.R.S. § 480-2 provides in part:

- (a) Unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce are unlawful.
- 96. Defendants violated this section by, including but not limited to, intentionally engaging in a scheme to falsify the true AWP of their drugs, reporting false, misleading and inflated pricing information on their drugs to national reporting services while at the

same time concealing actual AWP pricing information. The reporting services in turn published the Defendants' inflated pricing information to substantial numbers of persons, including but not limited to, the Medicare/Medicaid program, in connection with the promotion of the sale of, or to increase the consumption of, Defendants' prescription drugs and thereby enabled Defendants to obtain excessive, unjust and illegal profits. In addition, this conduct caused the beneficiaries to overpay, and allowed Defendants to increase their market share.

#### Count III - Unfair Competition

(On Behalf of Medicare Beneficiaries and the State of Hawaii)

- 97. Plaintiff re-alleges and incorporates all the above allegations.
- 98. The AWP Scheme constitutes an unfair competition act in violation of Chapter 480, Hawaii Revised Statutes.
- 99. Defendants violated this section by, including but not limited to, intentionally engaging in a scheme to falsify the true AWP of their drugs, reporting false, misleading and inflated pricing information on their drugs to national reporting services while at the same time concealing actual AWP pricing information. The reporting services in turn published the Defendants' inflated pricing information to substantial numbers of persons, including but not limited to, the Medicare/Medicaid program, in connection with the promotion of the sale of, or to increase the consumption of, Defendants' prescription drugs and thereby enabled Defendants to obtain excessive, unjust and illegal profits. In addition, this conduct caused the beneficiaries and the State to overpay, and allowed defendants to increase their market share.

#### Count IV - Deceptive Trade Practices Act

(On Behalf of Medicare Beneficiaries and the State of Hawaii)

- 100. Plaintiff re-alleges and incorporates all the above allegations.
- 101. H.R.S. § 481A-3 provides:
  - (a) A person engages in a deceptive trade practice when, in the course of the person's business, vocation, or occupation, the person:
    - (9) Advertises goods or services with the intent not to sell them as advertised;
    - (11) Makes false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions;
    - (12) Engages in any other conduct which similarly creates a likelihood of confusion or misunderstanding.
- 102. Defendants violated these sections and thereby committed a per se violation of H.R.S. § 480-2 by, including but not limited to, intentionally engaging in a scheme to falsify the true AWP of their drugs, reporting false, misleading and inflated pricing information on their drugs to national reporting services while at the same time concealing actual AWP pricing information. The reporting services in turn published the Defendants' inflated pricing information to substantial numbers of persons, including but not limited to, the Medicare/Medicaid program, in connection with the promotion of the sale of or to increase the consumption of Defendants' prescription drugs and thereby enabled Defendants to obtain excessive, unjust and illegal profits.

## Count V - Non-Disclosure

(On Behalf of the State of Hawaii)

- 103. Plaintiff re-alleges and incorporates all the above allegations.
- 104. Defendants intentionally and/or negligently caused to be published false and incorrect pricing information, as described above, in trade publications.

- 105. Defendants engaged in this scheme with the intent that others, including the State of Hawaii's Medicaid Program, use it in their business transactions.
- 106. Plaintiff State of Hawaii's Medicaid Program relied upon the false and incorrect AWP information, as alleged above, and was damaged by overpaying for Defendants' drug products.

#### Count VI - Unjust Enrichment

(On Behalf of Medicare Beneficiaries and the State of Hawaii)

- 107. Plaintiff re-alleges and incorporates all the above allegations.
- 108. Defendant Drug Manufacturers knew that pharmacies and physicians who obtained Medicare/Medicaid reimbursement for Defendants' drug products were not entitled to improperly inflated reimbursement rates that were based on Defendants' false pricing information.
- 109. As a result of the excessive payments to health care providers of all or part of the "spread," Defendants were unjustly enriched at the expense of the State of Hawaii and its citizens.
- 110. Defendants knew they were not entitled to the profits that resulted from the sales obtained through the use of the spreads they created, and should be required to make restitution of all such amounts obtained through the use of such spreads.

WHEREFORE, Plaintiff and the Attorney General on behalf of its citizens, ask the Court for the following relief and seek judgment against the Defendant Drug Manufacturers as follows:

a. That general and special damages be awarded to the State of Hawaii and Hawaii Medicare beneficiaries.

- b. That mandatory treble damages be awarded pursuant to HRS § 480-13, 480-14, or alternatively punitive damages.
- c. That qualifying Medicare beneficiaries be awarded the statutory minimum damages of \$5,000 per incident for unfair and deceptive acts and practices against elderly persons pursuant to HRS § 480-13(b).
- d. That the Court award costs of suit, pre-judgment and post-judgment interest, and attorneys' fees pursuant to HRS § 480-13 and 480-14 or as otherwise allowed by law; and such other relief as this Court deems just and proper.
- e. That the Court enjoin the Defendant Drug Manufacturers from continuing the deceptive or unfair acts or practices complained of herein.
- f. That the Court grant such other and further relief or equitable relief that it deems just and proper.

Dated: Honolulu, Hawaii,

APR 2 7 2006

MARK J/BENNETT

ATTORNEY GENERAL STATE OF HAWAII

CHARLES BARNHILL, JR.
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SPECIAL DEPUTY ATTORNEYS GENERAL ATTORNEYS FOR PLAINTIFF

# Program Memorandum Intermediaries/Carriers

Transmittal AB-00-86

Department of Health and Human Services (DHHS) HEALTH CARE FINANCING ADMINISTRATION (HCFA)

Date: SEPTEMBER 8, 2000

**CHANGE REQUEST 1232** 

SUBJECT: An Additional Source of Average Wholesale Price Data in Pricing Drugs and Biologicals Covered by the Medicare Program

The purpose of this Program Memorandum (PM) is to provide you with an alternative source of average wholesale price data (attached) for some drugs and biologicals covered by the Medicare program. The first attachment includes data for 32 drugs that you are to consider in determining the Medicare payment allowances for your January 2001 quarterly update. The second attachment includes data for 14 oncology drugs and 3 clotting factors that are not to be implemented in that same quarterly update.

The payment allowance for drugs and biologicals covered by the Medicare program is described in PM AB-99-63. That PM states that drugs and biologicals not paid on a cost or prospective payment basis are paid based on the lower of the billed charge or 95 percent of the average wholesale price reflected in sources such as the Red Book, Blue Book, or Medispan. Examples of drugs that are paid on this basis are drugs firmished incident to a physician's service, drugs firmished by pharmacies under the durable medical equipment benefit, covered oral anti-cancer drugs, and drugs firmished by independent dialysis facilities that are not included in the end stage renal disease composite rate payment. While the Blue Book is no longer available, another publication, Price Alert, is available. Also, there are electronic versions of the same data.

The data in the attachments have come from the United States Department of Justice (DOI) and the National Association of Medicaid Fraud Control Units (NAMFCU). They are an alternative source of average wholesale price data for certain drugs, which has recently become available to HCFA. These data have been compiled for about 400 national drug codes (NDC) representing about 50 different chemical compounds. These data are from wholesalers' catalogs that list the prices at which the wholesaler sells the respective products. The DOI has indicated that these are more accurate wholesale prices for these drugs. Furthermore, the DOI has indicated that because purchasers often receive further discounts below the advertised wholesale catalog price, either from a wholesaler or from the drug manufacturer directly, actual acquisition costs may be lower. The DOI indicates that some physicians and suppliers obtain drugs at prices lower than the wholesale catalog prices through Group Purchasing Organizations (GPO). For example, the DOI data from wholesale catalogs indicates an average wholesale price of \$22 for one albuterol sulfate NDC which is substantially less than the \$73 average wholesale price in the Redbook and compares to \$15 from a GPO. These data are generally consistent with findings from OIG reports.

There has been correspondence with some members of congress on this subject. Under separate cover, we will send you a letter from the Administrator to Members of Congress, which places in context the issue of pricing drugs covered under the existing Medicare drug benefit and this new source.

DOJ and NAMFCU have provided these data to First Data Bank, a company that compiles average wholesale prices for most State Medicaid programs. On May I, 2000, First Data Bank provided these new average wholesale prices to State Medicaid programs. Some States have already implemented these new average wholesale prices while others have not.

HCFA-Pub. 68AB

You are to consider these alternative wholesale prices as another source in determining your Jamary, 2001 quarterly update for the 32 drugs (Attachment 1), as per PM AB-99-63. These drugs account for 75 percent of Medicare spending and 70 percent of savings (based on DOJ data) for the drugs on the complete DOJ list. However, we have some concern about access to care related to the DOJ's wholesale prices for 14 chemotherapy drugs and 3 clotting factors (Attachment 2), due to other Medicare payment policies associated with the provision of these drugs for the treatment of cancer and hemophilia. Therefore, you are not to consider at this time using the DOJ data for these drugs (Attachment 2) to establish your Medicare allowances while we further review these concerns and develop alternative policies. For the drugs shown in Attachment 2, use your usual source of average wholesale prices in your next quarterly update.

The data in these attachments may not represent all of the NDCs for a drug or biological in applying the pricing rules described in PM AB-99-63; if you decide to use these data, then you must use solely these data as the source of average wholesale prices in establishing your Medicare payment allowances for the drugs in Attachment 1.

You are to report by October 15, 2000, your usual source as well as the source you intend to use for the January 2001 updates. Also, you are to provide a list of what the updates would be for the source(s) you identify as usual and for January 2001 updates, and the percentage difference, if any, for all the drugs listed in Attachment 1 and 2 (source for drugs in Attachment 2 can not be DOJ data). You are to submit these reports electronically to a special mailbox being established for this purpose. The e-mail address for this mailbox is DOJAWP@hcfa.gov.

For the drugs in Attachment 1, we may provide additional guidance by the end of October, which could affect your January 2001 updates. We will provide guidance in subsequent correspondence that concerns your fixture drug updates, and on Medicare allowances for the drugs listed in Attachment 2 as any necessary adjustments to other payments related to the provision of these drugs are being carried out. We will also convey how we plan to adjust Medicare allowances under the outpatient prospective system for drugs that are both subject to the AWP rules and paid on a passthrough basis.

The enclosed data show a price for each NDC that is an average of the wholesale prices in the catalogs of the various wholesale companies that are also shown. The DOJ indicates that these wholesalers have toll-free numbers (included in Attachment 1) and the capacity to supply drugs via overnight delivery to any place in the country. If you decide to use these data and if a physician or supplier indicates that they cannot obtain one of these products for the average wholesale price in this new source, you may explain to the physician or supplier that one or more of the wholesale companies in the attachment have indicated to the DOJ that they supply these drugs at or below these prices. You may give the physician or supplier the name and toll-free number of the wholesaler(s). You may also give the name and telephone number of the manufacturer of the drug (available in the Red Book) as DOJ has indicated that manufacturers often supply the drugs directly. Some of the manufacturers also have web pages on the Internet. Physicians or suppliers who are members of a GPO might also obtain these drugs through that organization at or below these average wholesale prices. However, you should not imply in any way that the physician or supplier is required to change their procedure for obtaining drugs. Further, you should indicate that you are not advocating the use of these sources and do not assume any liability for the choice of source by the physician or supplier.

Sections 1842(o) and 1833(a)(1)(S) of the Social Security Act (the Act) require the Medicare program to set payment allowances for drugs and biologicals at the lower of the actual amount billed or 95 percent of the average wholesale price. The attached data represent another source of average wholesale prices for the products on the attached list. Therefore, use of this new source of average wholesale prices in Attachment 1 is not an inherent reasonableness adjustment under paragraphs (8) and (9) of section 1842(b) of the Act.

The procedure for processing intermediary claims has not changed. As described in PM AB-97-25, all carriers will continue to furnish free of charge their drug payment allowance updates for all drugs and biologicals directly to the fiscal intermediaries in their jurisdiction. Carriers should contact the fiscal intermediaries to determine the preferred method of transmission. Carriers are to send this information to all fiscal intermediaries with whom they routinely deal. To further clarify, fiscal intermediaries must use each carrier's drug payment allowances for claims submitted under that carrier's jurisdiction.

### Attachments (3)

The effective date for this (PM) is September 8, 2000.

The implementation date for this PM is September 8, 2000.

These instructions should be implemented within your current operating budget.

This PM may be discarded September 1, 2001.

If you have any questions contact Robert Niemann at 410-786-4531.

Attachment I – If you decide to use these data, use solely these data to update the HCPCS billing codes that correspond to the drugs on this list.

<u>Drug Name</u>	<u>Fred/Mh</u>	Measurements	NDC	Wholesuler	Average Wholesale (AWP)
Acelyicysleine	(Abbott Hosp.)/SQL IH	10%, 30 ml, 3s	00074-3307-03	MK	\$21.90
Acetylcysteine	(Abbott Hosp.)/SOL, IH	20%, 4 ml, 30 ml, 3s	00074-3308-03	MK 88	\$18.75
Acetylcysteine	(Dey)/SOL, IH	10%, 4ml, 12s	49502-0181-04	MK	\$25.80
Acetylcysteine	(Dey)/SOL, IH	10%, 10 ml, 3s	49502-0181-10	MK	\$15.27
Acelylcysteine	(Dey)/SOL, IH	10%. 30 ml. 3s	49502-0181-30	MK	\$41.97
Acetylcysteine	(Dey)/SOL, IH	20%, 100 ml, ea	49502-0182-00	MK	\$75.90
Acelylcysteine	(Dey)/SOL, IH	20%, 4 mt, 12s	49502-0182-04	MK	\$31.08
Acetylcysteine	(Dey)/SOL IN	20%, 10 ml, 3s	49502-0182-10	MK	\$18.57
Acetylcysteine	(Dey)/SOL, IH	20%, 30 mi, 3s	49502-0182-30	MK	\$50.64
Acetylcysteine	(Faulding)/SOL, IH (VIAL)	10%, 4 ml, 10s	61703-0203-04	MKBB	\$13.50
Acetylcysteine	(Faulding)/SOL IH (VIAL)	10%, 30 ml, 10s	61703-0203-31	BB	\$91.00
Acetylcysteine	(faulding)/SOL, IH (VIAL)	10%, 4 ml, 10s	61703-0204-04	MK, BB	\$19.50
Acetylcysteine	(Faulding)/SOL, IH (VIAL)	10%, 30 ml, 10s	61703-0204-31	MK	\$91.00
Acyclovir Socilum	(Abbott Hosp.)/(Vial, fliptop)	500 mg, 10s	00074-4427-01	BB. MX	\$349.05
Acyclovit Socium	(Abboll Hosp.)/(Vial, Hiptop)	1000 mg., 10s	00074-4452-01	BB, MK	\$700.10
Acyclovir Socium	(App)/INJ, IJ (Vlai)	50 mg/ml, 10 ml	63323-0325-10	MK	\$15.00
Acyclovir Sodium	(App)/INJ, LJ (Yial)	50 mg/mi, 20 ml	63323-0325-20	MK	\$28.00
Acyclovir Sodium	(App)/PDI	15s, 500 mg, ea	63323-0105-10	MK	\$37.15
Acyclovir Sodium	(App)/PDI	15s, 1000 mg, eo	63323-0105-20	MK	\$75.13
Acyclovir Sodium	(Bedford)/PDI, LJ (S.D.V.)	500 mg, 10s	55390-0612-10	88, ASD, FI	\$207.00
Acyclovit Sodium	(Bedford)/PDI, LJ (S.D.V.)	1000 mg., 10s	55390-0613-20	BB, ASD, R. OS	\$401.75
Acyclovir Sodium	(Fauiding)/PDI, LI	500 mg, 10s	61703-0311-20	P	\$89.00
Acyclovir Sodium	(Faviding)/PDI, iJ	1000 mg, 10s	61703-0311-43	Ħ	\$179.50
Acyclovir Socium	(Fujisawa/APP)/PDI, IJ (YIAL)	500 mg, 10s	63323-0105-10	BB, MK	\$371.50
Acyclovir Sodium	(Fujisawa/APP)/PDI, iJ (VIAL)	1000 mg, 10s	63323-0110-20	88, MK	\$751.80
Acyclovir Sodium	(Fujisawa/APP)/PDL LI (VIAL)	500 rng., 10s	63323-0325-10	55	\$150.00
Acyclovir Sodium	(Fujisawa/APP)/PDI, IJ (YIAL)	1000 mg, 10s	63323-0325-20	88. MK	\$280.00
Acyclovir Sodium	(Gensic)/PDI, IJ (VIAL)	500 mg. 10s	00703-8104-03	88	\$100.00
Acyclovir Socium	(Gensla)/PDI, IJ (VIAL)	1000 mg, 10s	00703-8105-03	88	\$186.00
Albutarol Sulfate	(Dey)/SOL, IH	0.5%, 20 ml	49502-0196-20	BB, MK	\$5.91
Albuterol Sulfate	(Dey)/SOL, IH	0.083%, 3 ml, 25s, UD	49502-0697-03	88, MK	\$9.17
Albuterol Suttate	(Dey)/SOL, IH	0.083%, 3ml, 30s, UD	49502-0697-33	BB. MK	\$11.01
Albuteral Sulfate	(Day)/SOL, IH	0.083%, 3ml, 60s. UD	49502-0697-60	BB, MK	\$22.01
Albuterol Sulfate	(Schein)/SOL, IH	0.5%, 20 ml	00364-2530-55	88, MK	\$7.62
Albuteral Sulfate	(Warrick)/SOL, IH	0.083%, 3ml, 60s	59930-1500-06	BB, MK, AND	\$21.92
Albuterol Sullate	(Warrick)/SOL, IH	0.083%, 3ml, 25s, UD	59930-1500-08	BB, ME, AND	\$9.16
Albuterol Sulfate	(Warrick)/SOL, IN	0.5%, 20 ml	59930-1515-04	BB, MK	\$5.65
	(Abboti Hesp.)/(Vial, Fliptop)	50 mg/ml, 2 ml, 10s	00074-1955-01	8.8	\$125.00
		250 mg/ml, 2 ml, 10s		BB, MK	\$150.00

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YUNKOCHI YURUN	(Abbott Hosp.)/(Vial, Fliptop)	250 mg/ml, 4 ml, 10s	00074-1957-01	BB. MK	\$320.00
Amikacin Sulfale	**************************************	250 mg/ml, 2 ml	00015-3020-20	FI. MK	\$17.31
Amikacin Sulfate		250 mg/mL 4 ml	00015-3023-20	FI, MK	\$34.49
Amikacin Sullate	(Bedford)/INJ, U (S.D.V., P.F.)	250 mg/mL 2 mL 10s	55390-0226-02	BB. MK. A	\$65.33
Amikacın Sulfate	(Sedford)/INJ, IJ (S.D.V., P.F.)	250 mg/mi, 4 mi, 10s	55390-0226-04	88. MK. FI	\$125.33
Amikacin Sulfate	(Faviding Pharm.)/INJ, LJ (VIAL)	50 mg/ml, 2 ml, 10s	61703-0201-07	MK	\$295.00
Amikacin Sutiale	(Faulding Pharm.)/INJ, IJ (VIAL)	250 mg/ml, 4 ml, 10s	61703-0202-04	BB, MK	\$890.00
Amikacin Suliale	(Faulding Pharm.)/INJ, U (VIAL)	250 mg/ml, 2 ml, 10s	61703-0202-07	88. MK	\$450.00
Amikacin Sulfaia	(Faulding Fhorm.)/INJ, U (VIAL)	250 mg/mL 3 mL 10s	61703-0202-08	MK	\$600.00
Amikacin Sulfate	(Gensia)/ไหน, ม (S.D.V.)	50 mg/ml, 2 ml, 10s	00703-9022-03	88, OS	\$72.68
Amikacin Sulfate	(Gensia)/INI, IJ (S.D.V.)	250 mg/mL 2 mL 10s	00703-9032-03	BB, MK	\$70.00
Amlicacin Sulfate	(Gensia)/INJ, U (Vial)	250 mg/ml, 4 ml, 10s	00703-9040-03	BB	\$140.00
Amphotercin 8	(Apothecon) Fungizone/PDI, 13	50 mg, ec	00003-0437-30	FI	\$6.20
Amphotercin B	(Gensia)/PDI, LI (S.D.V.)	50 mg, ea	00703-9785-01	58	\$7.80
Amphotercin B	(Pharmacia/Upjohn) Amphocin/PDL IJ	50 mg, ec	00013-1405-44	AŠD	\$16.00
Calclirio	(Abbatt Hosp) Calcijex/INJ, IJ (AMP)	Imag/ml, Irnl. 100s	00074-1200-01	R	\$1.079.00
Calcilio	(Abbott Hosp) Calcijex/INJ, LJ (AMP)	2 msg/ml, 1 ml, 100s	00074-1210-01	F	\$2,009.35
Cimelidine	(Abbott Hosp.)/INJ, LJ	300 mg/50 ml, 50 ml,	00074-7447-16	MK	\$120.00
Hydrochloride		488			
Hydrochlorida	(Abbolt Hosp.)/INJ, U (ADD- YANTAGE)	150 mg/ml, 2 mL, 25s	00074-7446-02	MK. BB	\$35.00
Hydrochlorida	(Abbott Hosp.)/INJ, IJ (VAIL FLIPTOP)	150 mg/ml, 2 mg/ml, 2 ml, 10s	00074-7444-01	ASD, BB, MK, OTH. FI	\$11.72
Hydrochloride	(Abbott Hosp.)/INJ, IJ (VAIL, FLIFTOP)	150 mg/ml, 8 ml, 10s	00074-7445-01	ASD, BB, MK, OS	\$30.00
Phosphale	(Abbott Hosp.)/(Vial, Riptop)	150 mg/mi, 2 ml, 25s	00074-4050-01	A	\$75.35
Clindamycin Phosphafe	(Abboll Hosp.)/(Vial, Fliptop)	150 mg/ml, 4 ml, 25s	00074-4051-01	86	\$174.00
Clindamycin Phosphale	(Pharmacia/Upjohn) Cieocin/INJ, Li		00009-0870-26	BB. MK	\$61.20
Clindamycin Phasphaie	(Pharmacia/Upjohn) Cieocin/INJ, IJ	150 mg/ml, 4 ml, 25s	00009-0775-26	BB. MK	\$126.00
	(Add-Vanlage)	150 mg/mi, 4 mi, 25s	00009-3124-03	BB. MK	\$126.00
Clindamycin Phosphale		i			
	(Add-Vanlage)	150 mg/ml, 6 ml, 25s	00009-0902-18	88. MK	\$162.00
Phosphate Clindamycin Phosphate Clindamycin	(Add-Vantage)		00009-0702-18 00009-3447-03	88. MK 88. MK	\$162.00
Phosphate Clindanycin Phosphate		150 mg/ml, 6 ml, 25s			

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Cromolyn Sodium	(Dey)/SOL, IH	10 mg/ml, 2ml, 120s, UD	49502-0689-12	BB, MK	\$45.71
Dexamelhasone Acetate	(Schein)/INJ, IJ (M.D.V.)	8 mg/ml. 5 ml	00364-6699-53	Ħ	\$11.50
Dexamethasone Sodium Phosphale	(Elkins-Sin)/(MLD.Y.)	10 mg/mL 10 ml	00641-2277-41	FL OS	\$2.65
Dexamethasone	(Fujisawa/APP)/INJ, IJ	4 mg/ml, 1 ml ea	00469-1650-00	88	\$0.66
Sodium Phosphale Dexamelhasone	(VIAL) (Fujisawa/APP)/INJ, IJ	4 mg/ml, 5 ml	00469-1650-20	ВВ	\$1.67
Sodium Phosphale Dexamelhasone	(VIAL) (Fujisawa/APP)/INJ, IJ	30 ml	00469-1650-50	· 88	\$10.00
Socilum Phosphate  Dexamethasons	(VIAL) (Fujisawa/APP)/INJ, IJ	4 mg/ml, 5 ml	63323-0165-05	OTN	\$0.90
Sodium Phosphate Dexamethasone	(VIAL) (Fujisawa/APP)/INJ, U	30 mi	63323-0165-30	Я	\$10.00
Sodium Phosphate Dexamethasone	(VIAL) (Pujisowa/APP)/INJ, U	30 ml	63323-0165-01	BB	\$0.66
Sodium Phosphale Dexamelhasone	(VIAL), (M.D.V.) (Schein)/INJ, IJ (M.D.V)	4 mg/ml, 5 ml ea	00364-6681-32	35	\$1.08
Sodium <u>Phosphale</u> Dexirose	(Abbott Hosp.)/(ADD- VANTAGE LIFECARE)	5%, 50 mi	00074-7100-13	BB, TRI	\$3.22
Dexirose	(Abbott Hosp.)/(ADD- VANTAGE)	5%. 250 ml	00074-7100-02	TRI	\$4.12
Dextrose	(Abbott Hosp.)/(ADD- VANTAGE, LIFECARE)	5%, 100 mi	00074-7100-23	TRI	\$3,22
Dextrose	(Abboti Hosp.)/(UFECARE)	250 mi	00074-1522-02	TRIL, FI	\$3.63
Dexirose	(Abbott Hosp.)/(LIFECARE)	5%, 150 ml	00074-7922-61	BB. TRI	\$1.46
Dextrose	(Abbott Hosp.)/(LIFECARE)	5%, 50 ml	00074-7923-36	Ba, TRI	\$1.45
Dextrose	(Abbott Hosp.)/(UFECARE)	5%, 100 mi	00074-7923-37	ASD	\$1.45
Dextrose	(Abbott Hosp.)/(UFECARE/PLASTIC)	(1000 ml container). 1000 ml	00074-1 <i>5</i> 18-05	BB, FL OTN, TRE, OS	\$14.54
Dexfrose	(Abboti Hosp.) /(UFECARE/PLASTIC)	(1000 ml container). 1000 ml	00074-1519-05	ASD, OS, FL OTH. TRS	\$13.71
Dextrose	(Abbott Hosp.) /(LIFECARE/PLASTIC)	5%, 500 ml	00074-1522-03	ASD, OS, FL OTH. TRI	\$3.87
Dexirose	(Abbott Hosp.) /(LIFECARE/PLASTIC)	(1000 ml container). 500 ml	00074-1536-03	85	\$9,19
Dextrose	(Abboff Hosp.) /(UFECARE/PLASTIC)	(1000 ml container). 50%, 500 ml	00074-5645-25	BS, AHT	\$3.69
Dextrose	(Abboil Hosp.) /(UFECARE/PLASTIC)	(1000 ml container), 70%, 500 ml	00074-5647-25	BB. OS. FI	\$4.26
Dextrose	(Abboil Hosp.) /(LIFECARE/PLASTIC)	(Bulk Package), 70%. 2000 ml	00074-7120-07	88	\$13.60
Dexfrose	(Abbott Hosp.) /(UFECARE/PLASTIC)	(1000 mil container). 500 mil	00074-7918-19	98	\$8.81
Dexirose	(Abboil Hesp.) /(UFECARE/PLASTIC)	5%. 250 ml	00074-7922-02	ВВ	\$1.54
Dextrose	(Abboti Hosp.) /(UFECARE/PLASTIC)	5%. 500 ml	00074-7922-03	Sa, TRI	\$1.61
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Dextrose	(McGaw)/(GLASS W/ AIR TUBE)	70%, 2000 ml	00264-1129-50	TRI	\$18.35
Dextrose	(McGaw)/(GLASS W/SOLID	70%, 1000 ml	00264-1290-55	TRI	\$6.62
Dezirose	(McGaw)/(GLASS W/SOLID STOPPER)	50%, 500 ml	00264-1281-55	TRS .	\$2.76
Dextrose	(McGaw)/(W/SOLID STOPPER, GLASS)	50%, 2000 ml	00264-1285-55	TRI	\$11.32
Dextrose	(McGaw)/INJ, IJ (100 ML PAB)	50 ml	00264-1510-31	TRI, OTN	\$1.67
Dextrose	(McGaw)/INJ, IJ (150 ML PAB)	5%, 100 ml	00264-1510-32	TRI, OTN	\$1.62
Dextrose with Societies Chloride		5%-0.45%, 250 ml	00074-7926-02	TRT, PL, OS	\$1.80
Dextrose with Sodium Chloride		500 mi	00074-7926-03	TRI. OTN., ASD. R. OS	\$1.96
Dextrose with Sodium Chloride		1000 ml	00074-7926-09	TRI. OTN, ASD, FL OS	\$2.66
Dextrose with Sodium Chloride		5%-0.9%, 250 mi	00074-7941-02	TRI	\$1.93
Dextrose with Sodium Chloride		500 ml	00074-7941-03	TRL OTH, ASD, FL. OS	\$1.85
Dextrose with Sodium Chloride	(Abbott Hosp.)	. 1000 ml	00074-7941-09	BB, OTN, ASD, FI, OS	\$2.24
Dextrose with Sodium Chloride		5%-0.45%, 250 ml	00338-0085-02	TRL, FI	\$2.47
Dextrose with Sodium Chloride		500 ml	00338-0085-03	TRL P	\$1.90
Dextrose with Sodium Chloride		1000 ml	00338-0085-04	A	\$2.25
Dextrase with Sodium Chloride	(Baxter)	5%-0.9%, 250 ml	00338-0089-02	TRI ,	\$2.93
Dextrose with Socium Chioride	(Baxler)	500 ml	00338-0089-03		\$2.00
Dextrase with Sodium Chloride	(Baxler)	1000 ml	00338-0089-04	Я	\$2.25
Dextrose with Socium Chloride	(McGaw)	1000 ml	00264-7610-00	TŘI, FI	\$2.10
Dextrose with Sodium Chloride	(McGaw)	500 mi	00264-7610-10	IRL FI	\$1.81
Dextrose with Sodium Chloride	(McGaw)	5%-0.9%, 250 ml	00264-7610-20	1R1	\$1.78
Desdrose with Sodium Chloride	(McGaw)	1000 mJ	00264-7612-00	TRI, FL ASD	\$1.85
Dextrose with Sodium Chloride	(McGaw)	500 ml	00264-7612-10	TRI, FI	\$1.85
Dextrose with Sodium Chloride	(McGaw)	5%-0.45%, 250 ml	00264-7612-20	TROL, FI	\$1.89
Diazepam	(Abbolf Hosp.)/(CARPUJECT LUER LOCK)	5 mg/ml,2 ml, ea C- IY	00074-1273-32	68	\$2.03
Diazepam	(Abbott Hosp.)/(CARPUJECT, 22GX1-1/47)	5 mg/mi, 2mi, ea C- IV	00074-1273-02	BB. FI	\$2.12
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Diazepam	(Abbott Hosp.)/(VIAL, FLIPTOP)	5 mg/ml, 10 ml, ea. C-IV	00074-3213-01	OTN, MK	\$2.50
Diazepam		5 mg/ml, 2ml, EA C-	00074-3210-32	88	\$1.49
Dlazepam	(Schein)/INJ, U (S.D.V.) (M.D.V.)	5 mg/ml, 10 ml, ea, C-IV	00364-0825-54	ASD.	\$2.50
Furosemide	(Abbott Hosp.)/INJ, U (VIAL, PF, FUPTOP)	10 mg/mL 2 ml 25s	00074-6102-02	ASD, BB, MK	\$14.38
Furosemide	(Abbott Hosp.)/INJ, IJ (VIAL, PF, FLIPTOP)	10 mg/ml, 4 ml 25s	00074-6102-04	OS, ASO, OTN, BB. M.K	\$20.28
Gentarnicin Sulfate	(Abbolt Hosp.)/(Vial, Fliptop)	40 mg/ml, 2 ml	00074-1207-03	OTN. 88. CS. FI	\$0.51
Gentamich Sulfate	(Fujisawa)/(Buik Package)	40 mg/ml, 50 ml	00469-1000-60	MK, BB	\$7.00
Genjamich Sulfate	(Fujisawa)/(Bulk Package)	40 mg/ml, 50 ml	63323-0010-50	MK BB	\$7.00
Gentamicin Sulfate	(Fujisawa)/INJ, IJ (M.D.V.)	40 mg/ml, 20 ml	00469-1000-40	OTN	\$5.40
Gentamicin Sulfate	(Fujisawa)/INJ, LJ (M.D.V.)	40 mg/ml, 20 ml	63323-0010-20	BB, MK	\$3.50
Gentamicin Sulfate	(Schein)/(M.D.V.)	40 mg/ml, 20 ml	00364-6739-55	88	\$2.63
Gentamicin Sulfate	(Schein)/INJ, U (S.D.V.)	40 mg/ml, 2 ml	00364-6739-48	BB	\$1.18
Heparin Lock Flush		10 u/ml, 10 ml 25s	00074-1151-70	O\$, OTH	\$13.60
Heparin Lock Flush	(Abbolt Hosp.)/INJ, U (VIAL. FLIPTOP)	100 u/ml, 10 ml 25s	00074-1152-70	ASD, OS, FL OIN	\$13.43
Heparin Lock Flush	(Abbott Hosp.)/INJ, IJ (VIAL, FLIPTOP)	30 ml, 25s	00074-1152-78	ASD, OS, OTN	\$21.07
Hydrocortisane Sodium Succinate	(Pharmacia/Upjohn) Solv- Corlef/ (ACT-O-YIAL)	100 mg, ea	00009-0900-13	BB, MK, ASD, BB, Fl, OS	\$1.55
Hydrocorlisone Socilum Succinate	(Pharmacia/Upjohn) Solu- Cortet/ (ACT-O-VIAL)	250 mg, ea	00009-0909-08	ASD, FI, BIL, MK	\$2.65
Hydrocorlisone Socilum Succinate	(Pharmocia/Upjohn) Solu- Cortel/ (ACT-O-VIAL)	500 mg, ea	00009-0912-05	ASD, MK, BB. OS. R	\$5.89
Hydrocortisone Socilum Succinale	(Pharmacia/Upjohn) Solu- Cortel/ (ACT-O-VIAL)	1000 mg, ea	0009-0920-03	FL, MK	\$11.57
immune Globulin	(Alpha Therapeutics) Venoglobulin-S 10%/INJ, IJ (10 gm/Vial, w/Admin. Sel)	100 mg/ml, 100 ml	49669-1623-01	R	\$780.00
immune Globulin	(Alpha Therapeutics) Venoglobulin-S 10%/INJ. U (20 gm/Vial, w/Admin. Sel)	100 mg/ml, 200 ml	49669-1624-01	#	\$1,560.00
knmune Globulin	(Alpha Therapeutics) Venoglobulin-\$ 10%/NJ, LI (5 gm/Viol, w/Admin. Sef)	100 mg/ml, 50 ml	49669-1622-01	R	\$390.00
Immune Globulin	(Baxier Hyland/Immuno) Gammagard S/D/PDI, Li	2.5 gm. ea	00944-2620-02	Ħ	\$175.00
immune Globulin	(Baxier Hyland/Immuno) Gammagard S/D/PDI, IJ	5.0 gm, ea	00944-2620-03	R	\$350.00
immune Globulin	(Bader Hyland/Immuno) Gammogard S/D/PDI, U	10.0 gm. ea	00944-2620-04	Ħ	\$700.00
immune Globulin	(Bayer) Gamimune N10%/INJ, KJ (10 gm/Viai)	100 mg/ml, 100 ml	00026-0648-71	Fi, ASD, OS, Bayer Wholesola	\$727.50
immune Globulin	(Bayer) Gamimune N10%/INJ, KJ (20 gm/Viai)	100 mg/mL 200 ml	00026-0648-24	Pi, OS, Boyer Wholestrie	\$1.503.33
immune Globulin	(Bayer) Gamimune N10%/INJ, KJ (5 gm/Vlai)	100 mg/ml, 50 mi	00026-0648-20	Pt. ASD. OS. Bayer Wholesple	\$362.50

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Methylprednisolone	(Pharmacia/Upjohn) Solu-	1 gm, ea	00009-3389-01	BB, ASD, R, OS	\$11.39
Sodium Succinate		1 gm, ea	00009-0698-01	88, R. OS	\$11.69
Methylprednisolone	(Pharmacia/Upjohn) Solu- Medrol/(VIAL)	i grit eu	00007-0070-01		<b>V</b> (11.5)
Sodium Succinate	(Pharmacia/Upjohn) Solu-	500 mg, ea	00009-0758-01	BB. FI, OS	\$6.37
Methylprednisolone Sodium Succinate	Medrol/IVIAL)	500 mg, 00		į l	•••
Methylprednisolone	(Pharmacia/Upiohn) Solu-	2 gm, ea	00009-0796-01	88. P	\$14.41
Sodium Succinate	Medrol/(W/DKUENT)	_ <b>_</b>			
Methylprednisolone	(Pharmacia/Upjohn) Solu-	500 mg, ea	00009-0887-01	8	\$6.17
Socilum Succinale	,				
Methylprednisolone	(Pharmacla/Upjohn) Solu-	40 mg, ea	00009-0113-12	ASD. 88. OS	\$1.45
Sodium Succinate	Medrol/PDI, LI (ACT-O-VIAI)				451.00
Milomycin	(Bedford)/PDI, U (S.D.V.)	5 mg, ea	55390-0251-01	FLOS. ASD	\$51.83
Milomycin	(Bedford)/PDLU (S.D.V.)	20 mg, ea	55390-0252-01	PL ASD, OS	\$146.67
Milomycin	(foulding)/DL, IJ	20 mg. ea	61703-0306-50	ASD, OS	\$134.00
Peniamidine	(Fujisawa) Nebupent/PDR, (H	300 mg, ea	57317-0210-06	R	\$36.00
Iselhionale	(S.D.V., P.F.)		(0000 0077 15	FI	\$36.00
Penlamidine	(Fujisawo) Nebupent/PDR, IH	300 mg, ea	63323-0877-15	"	\$2000
Isethionate	(S.D.V., P.F.) (Gensia)/PDI, LJ (S.D.V.)	300 mg, ea	00053-1000-05	Я	\$29.00
Peniamidine Iselitionale	(Genaly For a (a.p. F.)	00011192, 000	10000		•
Socilum Chloride	(Abbolt Hosp.)/(ADD-VANT,	0.9%, 50 mi	00074-7101-13	TR1, B8	\$3.22
	LIFECARE P.F.)				
Socilum Chloride	(Abbott Hosp.)/(ADD-VANT, LIFECARE P.F.)	0.9%, 100 ml	00074-7101-23	TR1, 88	\$3.22
Sodium Chloride	(Abbott Hosp.)/(ADD-VANT, LIFECARE)	0.9%, 250 ml	00074-7101-02	TR1, 88	\$4.19
Sodium Chloride	(Abbott Hosp.)/(LIFECARE)	0.9%, 50 ml	00074-7984-36	TRI, ASD, OS, OTN.	\$1.45
Sodium Chloride	(Abboft Hosp.)/(LIFECARE)	0.9%, 100 ml	00074-7984-37	TRE, ASD, OS, OTN.	\$1.45
Sodium Chloride	(Abbott Hosp.)/(LIFECARE, PLASTIC CONT)	0.9%, 500 mi	00074-7983-03	FI, ASD, 68, OS	\$1.69
Sodlum Chloride	(Abbott Hosp.)/(LIFECARE, PLASTIC CONT)	0.9%. 1000 ml	00074-7983-09	PI, ASD. 88, OS	\$2,17
Sodium Chloride	(Abboil Hosp.)/(LIFECARE, PLASTIC)	0.9%. 250 ml	00074-1583-02	TRE, OTH, FL OS	\$1,94
Sodium Chloride	(Abbott Hosp.)/(LIFECARE, PLASTIC)	0.9%, 250 ml	00074-7983-02	FI, ASD, BB	\$1.41
Sodium Chloride	(Abbott Hosp.)/(LIFECARE, PLASTIC)	0.9%, 150 ml	00074-7983-61	FL ASD, OS, OTN	\$1.43
Sodium Chloride	(Baxter)/(MINI-BAG PLUS)	0.9%, 50 ml	00338-0553-11	TRI	\$3.32
Sodium Chloride	(Baxter)/(MiNI-BAG PLUS)	0.9%, 100 mi	00338-0553-18	TRI	\$3.17
Sodium Chloride	(Boxler)/(MULTI PACK, MINI-	0.9%, 50 ml	00338-0049-31	TRIL FI	\$1.55
SAMAIN PINAIRE	BAG)				
Sodium Chloride	(Baxier)/(MULTI PACK, MINI- BAG)	0.9%, 100 ml	00338-0049-38	TRI, FI	\$1.55
Sodium Chioride	(Baxter)/(QUAD PACK, MINI- PACK)	0.9%, 50 ml	00338-0049-11	TRE	\$1.80
Sodium Chloride	(Boder)/(QUAD PACK, MINI- PACK)	0.9%, 100 ml	00338-0049-18	TRE	\$1.80
Socium Chloride	(Baxder)/(SINGLE PACK,	0.9%, 150 ml	00338-0049-01	TRL FI	\$1.51
30010117 (5110110)	MINI-BAG)				

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Sodium Chloride	(Baxter)/(SINGLE PACK, MINI-BAG)	0.9%, 250 mi	00338-0049-02	TRI, FI	\$1.49
Socium Chloride	(Boxder)/(SINGLE PACK. MINI-BAG)	0.9%, 500 ml	00338-0049-03	TRI, FI	\$1.58
Sodium Chloride	(Baxier)/(SINGLE PACK, MINI-BAG)	0.9%, 1000 ml	00338-0049-04	TRI, FI	\$2.03
Sodium Chloride	(Boxier)/(SINGLE PACK, MINI-BAG)	0.9%, 50 ml	00338-0049-41	TRI	\$1.71
Sodium Chloride	(Baxler)/(SINGLE PACK, MINI-BAG)	0.9%, 100 ml	00338-0049-48	TRI, FI	\$1.55
Sodium Chloride	(McGaw)	50 ml	00264-1800-31	TRI, FI	\$1.49
Sodium Chloride		0.9%, 100 ml	00264-1800-32	TRI, FI	\$1.49
Sodium Chloride	(McGow)/(EXCEL)	0.9%, 1000 ml	00264-7800-00	TRIL OTN, FL ASD	\$2.19
Sodium Chloride	(McGaw)/(EXCEL)	0.9%, 500 ml	00264-7800-10	TRL OTN. FL ASD	\$1.53
Socium Chloride	(McGaw)/(EXCEL)	0.9%, 250 ml	00264-7800-20	TREL OTH, FL ASD	\$1.51
Testosterone Cyplonate	(Pharmacia/Upjohn) Depo- Testosterone	200 mg/ml, 1 ml, C-lli	00009-0417-01	BB. OTN	\$11.79
Testosterane Cypionate	(Pharmacia/Upjohn) Depo- lesiosterone	200 mg/ml, 10 ml, C- tii	00009-0417-02	BB, OTN	\$24.78
Testosterone Engniticite	(Schein)/INJ, U (M.D.V.)	200 mg/ml, 10 ml, C- 11	00364-6617-54	ASD, MK, FI	\$13.39
Tobramycin Sulfate	(Abbott Hosp.)/(SRN)	40 mg/ml, 2 ml	00074-3583-01	B8	\$5.84
Tobramycin Sulfate		40 mg/ml, 50 ml	00074-3590-02	BB, MK	\$103.64
Tobramycin Sulfate		40 mg/ml, 2 ml	00074-3578-01	BB. MK	\$4.99
Tobramycin Sulfate		10 mg/ml, 2 ml	00074-3577-01	BB, MK	\$2.94
Tobramycin Sutlate	(Gensia)/INJ, IJ (M.D.V.)	40 mg/ml. 2ml	00703-9402-04	FI, MK	\$6.98 .
Tobramycin Sulfate	(Gensia)/INJ, IJ (M.D.V.)	40 mg/ml, 30 ml	00703-9416-01	R	\$36.90
Vancomycin Hydrochladda	(Abbott Hosp.)/(BULK VIAL)	5 gm, ea	00074-6509-01	FI, M.C. BB	\$41.24
Vancomycin Hydrochioride		500 mg, 10s, ea	00074-4332-01	FI, OTH, MIC. BB. OS	\$4.98
Vancomycin Hydrochlaride	(Abboll Hosp.)/(VIAL	1 gm, 10s, ea	DO074-6533-01	FL ASD, OS, MK. BB	\$9.05
Vancomycin Hydrochloride	(Abbott Hosp.)/(VIAL,	t gm, 10s. ea	00074-6535-01	FI, OTN. MK., BB	\$12.17
Vancomych Hydrochlotide		500 mg, 10s. ea	00074-6534-01	FL MK. BB	\$5.09
Vancomycia Hydrochloride	(Fujisawa) Lyphocin/PDI U	500 mg, ea	00469-2210-30	BB, MK	. \$7.00
Vancomych Hydrochloride	(Fujisawa) Lyphocin/PDI iJ	l gm, éa	00469-2840-40	BB, MK	\$13.00
Vancomycin Hydrochloride	(Fujisawa) Lyphocin/PDI IJ	5 gm, ea	00469-2951-00	ВВ	\$71.50
Vancomycin Hydrochloride	(Fujisawa) Lyphocin/PDI iJ	) gm, ea	63323-0284-20	88. MK	\$13.00
Vancomycin Hydrochlaride		5 gm, ea	63323-0295-41	88	\$71.50
Vancomycin	(Fujisawa) Lyphocin/PDi Li	10 gm, ea	63323-0314-61	MK	\$143.00
Hydrochloride					

		700	63323-2210-30	BB. MX	\$7.00
Vancomycin Hydrochloride	(Fujisawa) Lyphocin/PDI IJ (VIAL)	500 mg, ea			
Vancomycin Hydrochloride	(Lederie Std. Prod.) Vancoled/PDI INJ, IJ	5 gm. eo	00205-3154-05	MK. BB	\$45.09
Vancornycin Hydrochloride	(Lederle Sid. Prod.) Vancoled/PDI INJ. IJ	1 gm, 10s, ea	00205-3154-15	MK, 88	\$9.02
Vancomycin Hydrochlorida	(Lederie Sid. Prod.) Vancoled/PDI INJ, U	500 mg, 10s, ea	00205-3154-88	MK. BB	\$4.51
Vancomycin Hydrochloride	(Schein)/PDI, IJ (M.D.V.)	1 gm, 10s, ea	00364-2473-91	OTN	\$12.90
Vancomycin Hydrochloride	(Schein)/PDL LI (S.D.V.)	500 mg, 10s, ea	00364-2472-33	MK	\$3.84
Winsho SDF	(Nabi) rho (d) immune globulin/ (VIAL)	5000 iu, ec	60492-0024-01	ASD, FI, OŢN, OS	\$505.56
Wintho SDF	(Nabi) the (d) immune globulity/PDL 13 (S.D.V.)	600 iu. ea	60492-0021-01	ASD,FL CS	\$64.96
Wintho SDF	(Nabi) rho (d) immune globulin/PDI, LI (\$.D.Y.)	1500 iu, ea	60492-0023-01	ASD, FL OTH, OS	\$152.30

# Wholesgler Information

ASD = ASD Specially Healthcare (1-800-746-6273)

88 = Bergen Brunswig (1-800-746-6273)

FJ = Florida Infusion (1-800-624-0152)

MK = McKesson (1-888-782-6156)

OS = Oncology Supply (1-800-633-7555)

OTN = Oncology Therapeutics Network (1-800-482-6700)

TRI = Tidad Medical (1-800-999-8633)

ANDA = ANDA (1-800-331-2632)

Blomed Plus 3/99 = Blomed Plus, Inc. (1-800-809-2308)

FFF = FFF Enterprises (1-800-843-7477)

Bayer Wholesale = Bayer Wholesale (1-203-812-2000)

Health Coalition = Health Coalition (1-800-456-7283)

Attachment 2 – Do <u>not</u> use these data to update the HCPCS billing codes that correspond to the drugs on this list. Instead, use your usual source for average wholesale prices.

<u>Drug Name</u>	Prod/Mt	Measurements	NDC	Wholesaler	Average Wholesde (AWP)
Anti-Inhibitor Coogulant Complex	(NABI) AutoPiex T/PDL IJ (390-1050 FECU)	ea	59730-6059-07	Biomed Plus 3/99	1.06
Anzemet/Dolcsetron Mesylcte	(Hoechst Marion)/INJ, IJ (VIAL)	20 mg/ml, 5 ml	00088-1206-32	Ös	\$74.08
Bleomycin Sulfate	(Bristol-Myer Onc/Imm) Blexonane/PDI, IJ (YL)	15 v. ea	00015-3010-20	R, OS, ASD	\$255.39
Bleomycin Sulfate	(Bristol-Myer Onc/Imm) Blexonane/PDI, IJ (VL)	30 u, ea	00015-3063-01	FI. OS	\$509.29
	(Pharmacia/Upjohn)/PD I, U (VIAL)	15 u, ea	00013-1616-78	ASD, FLOS	\$158.67
Bleomycin Sulfate	(Pharmacia/Upjohn)/PD i, ij (VIAL)	30 u. ea	00013-1636-86	ASD, FL OS	\$322.00
Cisplatin	(APP)/INJ. U	1 mg/ml, 50 mg, 50 ml	63323-0103-51	OS, FI	\$150.98
Cisplatin	(APP)/INJ, LI	1 mg/ml, 200 mg, 200 ml	63323-0103-64	O\$. FI	\$603.50
. Cisplatin	(APP)/INI, LI	1 mg/ml, 100 mg, 100 ml	63323-0103-65	OS, FI	\$301.50
Cyclophospamide	(Bristol-Myer Onc/Imm) Cyloxon Lyophilized/PDI, IJ (VIAL)	100 mg, ea	00015-0539-41	ASD, OS, OTN	\$4.18
Cyclophospamide	(Bristol-Myer Onc/Imm) Cyloxon Lyophilized/PDI, IJ (VIAL)	200 mg, ea	00015-0546-41	ASD, OS, OTN	\$7.03
Cyclophospamide	(Bristol-Myer Onc/Imm) Cyloxon Lyophilized/PDI, IJ (VIAL)	500 mg. ea	00015-0547-41	ASD, OS, OTN	\$11.59
Cyclophospamide	(Bristol-Myer One/Imm) Cyloxan Lyophilized/PDI, IJ (VIAL)	Igm, ea	00015-0548-41	ASD. OS. OTN	\$23.19
Cyclophospamide	(Mistol-Myer Onc/Imm) Cytoxan Lyophilized/PDi, IJ (VIAL)	2 gm. ea	00015-0549-41	ASD, OS, OTN	\$45.83
Cyclophospamide	(Pharmacla/Upjohn) Neosar/PDI, IJ, (S.D.Y.)	100 mg, ea	00013-5606-93	.20 ,0TO ,02A FI	\$3.92
Cyclophospamide	(Pharmacia/Upjohn) Neosar/PDL, 1J., (S.D.V.)	200 mg. ea	00013-5616-93	.20 ,R ,CZA NTO	\$5.06
Cyclophospamide	(Pharmocla/Upjohn) Neosar/PDL U. (S.D.V.)	500 mg. ea	00013-5626-93	ASD, FI, OS, OTN	\$7.33

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Cyclophospamide	(Pharmacia/Upjohn) Neosar/PDI, IJ, (S.D.Y.)	1 gm, ea	00013-5636-70	ASD, FL, OTN, OS	\$11.24
			00010 5/4/ 70		
Cyclophospamide	(Pharmocia/Upjohn) Necsar/PDI, IJ, (S.D.V.)	2 gm, ea	00013-5646-70	ASD, FL OTN.	\$21.60
C. to a the		100	F5200 0121 10	ASD,OS, FL, MK.	*2.55
Cytarabine	(Bedford)/PDL IJ (VIAL)	100 mg. ea	55390-0131-10	BB, OTN	\$3.55
Cytorabine	(Bedford)/PDI, IJ (VIAL)	500 mg, ea	55390-0132-10	ASD,OS, FI,	\$11.46
Cytatobile	(medioidhtoi' in (AIME)	300 mg. 60	333,0-0132-10	OTN, MK, BB	<b>4</b> ,
Cytarabine	(Bedford)/PDI, IJ (VIAL)	1 gm. ea	55390-0133-01	ASD,OS, FI,	\$23.64
				OTN, MK, BB	·
Cytarabine	(Bedford)/PDI, IJ (VIAL)	2 gm. ea	55390-0134-01	ASD,OS, FI,	\$47.94
1		- •	1	OTN, BB, MK	
Cytarabine	(Bedford)/PDI, IJ (VIAL)	100 mg, ea	55390-0806-10	88	\$3.50
Cytarabine	(Bedford)/PDL 1J (VIAL)	500 mg, ea	55390-0807-10	88	\$10.50
Cytorobine	(Bedford)/POL LI (VIAL)	l gm, ea	55390-0808-01	88	\$22.00
			55370-0807-01	BB	\$44.00
Cytorablne	(Bedford)/PDI, IJ (VIAL)	2 gm, ea	61703-0303-50	BB. MK	\$39.00
Cytarabine	(Faulding)/INJ, IJ	(P.F. BULK	01/03-0303-30	30, MA	437.00
	(.R.S.,V.C.2)	PACKAGE 20	i i	ļ	•
		mg/ml, 50 ml			
Cyfarabine	(Faulding)/INJ, IJ (S.D.V.J.F.)	20 mg/mL 25 ml	61703-0304-25	ASD, BB, FI, OS	\$12.63
Cytorabine	(Faulding)/INJ, IJ	20 mg/ml, 5 ml	61703-0305-09	BB, MK, FI	\$4.62
	(.t.q.,V.d.2)	(MD.V.)			
Cyturabine	(Pharmacia/Upjohn)	100 mg. ea	00009-0373-01	ASD, OS, OTN,	\$4.06
	Cytosar-U/PDI, IJ	•	{	FL MK	1
	(ALD.V.)		2222 2472 22	100 00 001	
Cytarabine	(Pharmocia/Upjohn)	500 mg, ea	00009-0473-01	ASD, OS, OTN,	\$13.18
	Cylosar-U/PDI, LI			FI, MK	- 1
Code-pales	(MLD.V.) (Pharmacia/Up)ohn)	30 ml viat, 1 am.	00009-3295-01	ASD, OS, OTN,	\$25.11
Cyfarobine	Cylosor-U/PDI, IJ	BQ	32/3-01	FI. MK	423.(1
į i	(M.D.V.)	-	]	I to Ivan	
Cytarabine	(Pharmacia/Upjohn)	2 gm. ea	00009-3296-01	ASD, OS, OTN.	\$49.82
Cylindrical	Cytosor-U/PDL, IJ	29.000		FL.MK	******
	(M.D.Y.)		i 'i	14,77	
Cytarabine	(Schein)/PDI, IJ (MLD.V.)	100 mg. ea	00364-2467-53	B8, MK	\$4.16
Cylorobine	(Schein)/PDI, LI (M.D.V.)	500 mg. ea	00364-2468-54	BB, MK, OTN	\$12.14
	(Bedford)/INJ, IJ (M.D.Y)	2 mg/ml, 100 ml	55390-0238-01	FL OTN	\$139.75
Hydrochloride			1	1	
	(Bedford)/INJ, U (S.D.V)	2 mg/ml. 5 ml	55390-0235-10	FL OTN	\$10.35
Hydrochloride	Programme and seconds				
	(Becford)/INJ, IJ (S.D.V)	10 ml	55390-0236-10	FL OTN	\$20.20
Hydrochloride	to a man with a family				·
	(Bedford)/INJ, U (S.D.V)	25 ml	55390-0237-01	FI, OTN, OS	\$37.97
Hydrochloride			<u> </u>		
Doxorobicin	(Bedford)/PDI, IJ (S.D.V)	10 mg	55390-0231-10	FL OTN	\$9.68
Hydrochloride			] [	_ [	
Doxorubicin	(Bedford)/PDL IJ (S.D.V)	20 mg	55390-0232-10	FI, OTN	\$18.48
Hydrochloride		== ' 🛩			,
Dozorubicin	(Jedford)/PDL, U (S.D.V)	50 mg, ea	55390-0233-01	FI, OTN, OS	\$35.92
Hydrochloride	ן ייינייטן או דיי אינייייטייטיי				7
Doxorubicin	(Fujisawa/APP)/(VIAL)	2 mg/ml. 100 ml	00469-1001-61	ASD	\$140.00
Hydrochloride	4 Jun - 1 1 1 1 1 1 1 1	<b>_</b>			1
				<u> </u>	

Doxorubicin Hydrochloride	4 4	2 mg/ml, 100 ml	63323-0101-61	OS	\$117.17
Dexerubicin Hydrochloride	(fujsawa/APP)/INJ, IJ	2 mg/ml, 5 ml	00469-8830-20	OS	\$7.35
Doxorubicin Hydrochloride	(Fujisawa/APF)/INJ, IJ	t0 ml	00469-8831-30	OS	\$14.7G
Daxorubicin Hydrochlaridə	(Fujisawa/APP)/INJ, LJ	25 mi	00469-8832-50	ASD	\$35.00
Doxorubicin Hydrochloride	(Fujlsawa/APF)/INJ, IJ	2 mg/ml. 5 ml	63323-0883-05	O\$	\$7.35
Doxorubicin Hydrochloride		10 ml	63323-0883-10	0\$	\$14.70
Doxorubicin Hydrochloride		25 ml	63323-0883-30	ASD	\$34.00
Daxorubicin Hydrochloride	POLYMER)	2 mg/ml, 100 ml	00703-5040-01	ASD, OS	\$142.00
Daxorubich Hydrochloride	POLYMER)	2 mg/ml, 5 ml	00703-5043-03	ASD, OS, BB	\$12.63 \$35.50
Doxorubicin Hydrochiaride Doxorubicin	POLYMER)	25 ml	00703-5046-01	ASD, OS, FL	\$150.86
Hydrochloride Doxorubicin	Addiamycln/(M.D.V. P.F.)	150 mg. ea	00013-1116-83	OTN ASD, OS, FL	\$113.75
Doxorubicin Hydrochloride Doxorubicin	Adriamycin/(M.D.V.)	2 mg/ml, 5 ml	00013-1136-91	OIN ASD, OS, FL	\$8.49
Pozorusicii Hydrochloride		2 mg/m, 3 m	,	OIN	<b>40.77</b>
Doxorubicin Hydrochloride		10 mi	00013-1146-91	ASD.OS, FL OIN	\$16.74
Doxarubicin Hydrochloride		25 ml	00013-1156-79	ASD, FI, OTN	\$37.80
Doxorubicin Hydrochloride		37,500 ml	00013-1176-87	ASD, FI, OTN, OS	\$59.59
Doxarubicin Hydrachlaride	(Pharmacia/Upjohn) Adriamycin/RDF PDI, IJ	10 mg, ea	00013-1086-91	ASD, FI, OTN, OS	\$8.24
Doxorubicin Hydrochioride	(Pharmacia/Upjohn) Adriamycin/RDF PDI, IJ	50 mg, ea	00013-1104-79	ASD, OS, FI, OTN	\$37.15
<i>Etoposide</i>	(Bedford)/INJ, IJ (M.D.V.)	20 mg/ml, 5 ml	55390-0291-01	FL OS	\$8.45
Eloposide	(Bedford)/INJ, IJ (M.D.V.)	25 mi	55390-0292-01	FL OS	\$45.13
Eloposide	(Bedford)/INJ, IJ (M.D.V.)	50 ml	55390-0293-01	OS, FI	\$87.43
Etoposide	(Bristol-Myer Onc/imm) Vepesid/INJ, LI (M.D.V.)	7.5 mi	00015-3084-20	OS OS	\$51.45
Etoposide	(Bristol-Myer One/Imm) Vepesid/INJ, IJ (M.D.Y.)	20 mg/ml, 5 ml	00015-3095-20	05	\$34,30
Etoposide	(Gensia)/(BULK PACKAGE)	20 mg/ml, 50 ml	00703-5668-01	ASD, OS	\$78.63
Etoposide	(Gensia)/(M.D.Y.)	20 mg/ml, 25 mi	00703-5646-01	ASD, OS	\$40.00

Etoposide	(Gensia)/INJ, U (M.D.Y. POLYMER)	20 mg/mL 5 ml	00703-5653-01	ASD, OS	\$7.00
<b>Eloposide</b>	(Pharmacia/Upjohn) Toposar/INJ, IJ (MLD.V.)	20 mg/ml, 5 ml	00013-7336-91	ASD.OS, FI	\$9.47
Eloposide		10 ml	00013-7346-94	ASD,OS, FI	\$19.00
Eloposide	(Pharmocia/Upjohn) Toposar/INJ, U (M.D.V.)	25 ml	00013-7356-88	ASD.OS.FI	\$44.00
Facilor IX	(Centeon) Mononine/Factor IX Coagulation Factor PDI, U	1 iu. ea	00053-7668-01	ASD 3/99	\$0.79
Factor IX	(Centeon) Monozine/Factor IX Coagulation Factor PDI, IJ	1 iu. ea	00053-7668-02	ASD 3/99	\$0.79
Factor IX	(Centeon)  Mononine/Factor IX  Coagulation Factor PDI,  1J	1 iu, ea	00053-7668-04	-ASD 3/99	\$0.79
factor IX	(Genetics inst.) Benetix/Factor DX Coagulation Factor PDI, U (S.D.V. w/dituent, 1000 lu)	1 iu, ea	58394-0001-01	ASD 2/00	\$0.81
Factor IX	(Genefics Inst.) Benefix/Factor IX Coogulation Factor PDI, IJ (S.D.V. w/diluent, 1000 lu)	l iu, ea	58394-0002-01	ASD 2/00	\$0.81
Factor IX	(Genefics Inst.) Benefix/Factor DX Coagulation Factor PDI, U (S.D.V. w/diluent, 1000 tu)	l iu, ea	58394-0003-01	ASD 2/00	\$0.81
Factor Vtil	(Baxter Hyland/Immuno) Recombinate/anti- hemophilic factor, human PDL IJ (approx. 1000 kr/Vlaf)	l iu, ea	00944-2938-01	Blomed Plus, all sizes, 3/99	\$0.92
Factor VIR	(Baxier Hyland/Immuno) Recombinate/anti- hemophilic factor, human PDI, U (apprex. 1000 lu/Viai)	1 iv. ea	00944-2938-02	Biomed Plus, all sizes, 3/99	\$0.92
Factor VIII	(Baxier Hyland/Immuno) Recombinate/anti- hemophilic factor, human PDI, U (approx. 1000 (u/Vial)	1 lu, ea	00944-2938-03	ASD, all sizes 3/99	<b>\$</b> 0.78
Pactor VIII	(Bayer Pharm) Koate HP/anti-hemophilic factor, human PDI, IJ (approx 1000 u/Vial)	l iu. ea	00026-0664-50	ASD all sizes 3/99	\$0.42

Factor VIII	(Bayer Pharm) Koale	1 iu. ea	00026-0664-60	ASD all sizes	\$0.42
	HP/anti-hemophilic		1	3/99	1
1	lactor, human PDI, IJ		1	i	1
	(approx 1500 tr/Vial)	<u> </u>	<u> </u>	<u> </u>	
Factor VIII	(Bayer Pharm) Koate	1 iu. ea	00026-0664-20	ASD all sizes	\$0.42
	HP/anti-hemophilic	ł		3/99	l
i	factor, human PDI, IJ	İ	1		]
	(approx 250 v/Vlai)			·	
Factor VIII	(Bayer Pharm) Koale	l iu, ea	00026-0664-30	A5D all sizes	\$0.42
	KP/anti-hemophilic			3/99	
<b>!</b>	factor, human PDL, IJ				
	(approx 500 v/Vlal)				
Factor VIII	(Bayer Pharm)	l iu, ea	00026-0670-20	Biomed Plus,	\$0.92
	Kogencie/anii-	<u> </u>		ali sizes, 3/99	ł
Ş.	hemophilic factor,	ļ	İ		ĺ
1	recombinant PDI, iJ				
Factor VIII	(Bayer Pharm)	1 iu. ea	00026-0670-30	Biomed Plus,	\$0.92
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Kogenale/anti-		ĺ	all sizes. 3/99	ļ
	hemophilic factor,				
	recombinant PDI, IJ				
Factor VIII	(Bayer Pharm)	l iu, ea	00026-0670-50	Blomed Plus.	\$0.92
	Kogenale/anti-	·	1	oil sizes, 3/99	
i	hemophilic factor,				
	recombinant PDI, IJ				
Factor VIII (	Centeon) Blockste/anti-	າ ນ, ອວ	00053-8110-01	Biomed Plus,	\$0.91
}	hemophlic factor,			off sizes 3/99	
	recombinant PDI, IJ		20052 8110 00	hanish CEE DIOD	#D 04
foctor VIII (	Centeon) Biociale/anti-	1 iu, ea	00053-8110-02	(unit) FFF, 8/99	\$0.86
Ì	hemophilic factor,	i			
	recombinant PDI, U	1 iv. ea	00053-8110-04	ASD, all stres	\$0.78
factor VIII (	(Centeon) Biociale/anti- hemophilic factor,	10,60	100035-0110-04	3/99	40.70
. [	recombinant PDI, IJ			3,,,	
Factor VIII (	Centeon) Helixate/anti-	1 lu, ea	00053-8120-01	ASD, all sizes	\$0.78
tories sm /	hemophilic factor,	1 0.0		3/99	<b>4</b>
	recombinant PDI, IJ			<b>5,</b>	
Factor VIII (	Centeon) Helizate/anti-	l iu, ea	00053-8120-02	(unit) FFF, 8/99	\$0.86
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	hemophilic factor,	1.5,45			
	recombinant PDI, IJ		1		
Factor VIII (	Centeon) Helixate/anti-	l lu, ea	00053-8120-04	Biomed Plus,	\$0.91
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	hemophilic factor,			all sizes 3/99	
	recembinant PDL IJ				
Factor VIII	(Centeon) Monociate-	1 iu, ea	00053-7656-01	ASD all sizes	\$0.70
2	/anti-hemophilic lactor,			2/00	
	human PDL, IJ		<u> </u>		
Factor VIII	(Centeon) Monoclate-	1 iu, ea	00053-7656-02	ASD all sizes	\$0.70
	/anii-hemophilic factor.		] ]	2/00	
	human PDI, IJ				
	(Centeon) Monoclate-	l iu, ea	00053-7656-04	ASD all sizes	\$0.70
P.	/anti-hemophilic factor.		j	2/00	
	human PDL, U		<u> </u>		
Fluorouracil		50 mg/mi, 10 ml	63323-0117-10	OS, FI	\$1.20
	(Fujisawa/APP)/iNJ, Li	SO DISTANCE AS UR	,	,	
	(Fujisawa/APF)/iNJ, U (VIAL)	SOTTION TO THE			
Fluorourocii		1gm. 20 ml	63323-0117-20	OS, FI	\$2.60

Fluorourac	(VIAL)		63323-0117-5	OS, FI	\$6.00
Fluorourac	(VIAI)	5 gm, 100 ml	63323-0117-6	OS, FI	\$11.00
Fluorourac	Adreck/INJ, LJ (VIAL)	50 mg/ml. 10 ml	00013-1036-9	ASD,OS, OTN	\$1.47
Fluoroutac	(Pharmocla/Upjohn) Adrucii/INJ, U (VIAL)	- 50 ml	00013-1046-9	ASD, OTN, FI	\$8.15
Fluorourae	(Pharmacia/Upjohn) Adrucii/NJ, IJ (VIAL)	100 ml	00013-1056-94	ASD, OTN, FL OS	\$14,44
Kyhi	(\$K Beecham Pharm.)/INJ, U (\$.D.V.)	1 mg/ml. 1 ml	00029-4149-01	FLOS. OTN, ASD	\$139.04
Kytri	(SK Beecham Pharm.)/INJ, U (S.D.V.)	1 mg/mt 4 mil	00029-4152-01	FLOTN, ASD, OS	\$555.67
Leucovorin Calcium	(Abboll Hosp.)/(VIAL, FUPTOP 30 ML)	10 mg/ml, 25 ml	00074-4541-04	FLOTH, ASD,	\$8.56
Leucovorin Calcium	(VIAL FLIPTOP)	10mg/mL 10mi	00074-4541-02	FI, OTN, OS	\$3.85
Leucovorin Calcium		50 mg, 10s ea	55390-0051-10	FI, OTN, ASD, OS	\$2.76
Leucovorin Calcium		100 mg, 10s ea	55390-0052-10	OS	\$3.24
Leucovorin Calcium		200 mg, ea	55390-0053-01	FI, OTN, ASD, OS	\$8.19
Leucovorin Calcium	VIAL)	100 mg, ea	00703-5140-01	OTN, ASD, OS	\$3.49
Leucovorin Calcium	VIAL)	350 mg, eq	00703-5145-01	OTN, ASD, OS	\$15.83
Leucovorin Calcium Methotrezate Sodium	(Inmunex)/PDL U (I.S.) (Bedford)/INJ, U (I.C.)	350 mg, ea 25 mg/ml, 2 ml,	58406-0623-07 55390-0031-10	OTN, PLOS ASD, OTN, PI	\$14.58 \$2.63
Methotrexate Sodium	(Bedford)/INJ, IJ (S.D.Y.)	ea 25 mg/mi, 4 mi,	55390-0032-10	ASD, OTN, FI	\$3.65
Methokexate Sodium	(Pedford)/INJ, U (S.D.Y.)	25 mg/ml, 8 ml,	55390-0033-10	ASD, OTN, FI	\$5.03
Methotrexate Sodium	(Bedford)/INJ, IJ (S.D.V.)	25 mg/ml, 10 ml, ea	55390-0034-10	ASD, OTN, FI	\$5.70
Methotrexate Sodium	(Immunex) LPF/INJ, LJ (S.D.V., P.F.)	25 mg/ml, 8 ml	58406-0683-12	ASD, OS, OIN.	\$5.84
Methotrexate Sodium	(lmmunex) LPF/INJ, IJ (S.D.Y., P.J.)	25 mg/ml, 2 ml	58406-0683-15	ASD. ASD. OS.	\$2.91
Methotrexate Sodium	(Immunex) LPF/INJ, IJ (S.D.V., P.F.)	25 mg/ml, 10 ml	58406-0683-16	ASD, OTN, FI,	\$7.10
Methotrexate Sodium	(Immunex) LPF/INJ, IJ (S.D.Y., P.F.)	25 mg/ml, 4 ml	58406-0683-18	FL MK, OTN, OS	\$4.32
Methotrexate Sodium	(Immunex)/INJ, IJ (VIAL, LP.P.)	25 mg/ml, 2 ml	58406-0681-14	ASD,OS, OTN.	\$3.43
Methotrexate Sodium	(lmmunex)/PDi, IJ (S.D.V.)	i gm, ea	58406-0671-05	OS, OTH, MK	\$45.97
Vinblasiine Sullate	(Bedford)/PDI, IJ (VIAL)	10 mg, ea	55390-0091-10	ASD, OS, OTN,	\$8.19
Vinbiastine Sulfate	(Faulding)/INJ, IJ (VIAL)	, 10 mg, ea	61703-0310-18	ASD	\$7.95

Vinblastine Sulfate	(Fujisawa/APP)	1 mg/ml, 10 mi	00469-2780-30	ASD, OS	\$9.00
Vinblastine Sulfate	(Fujisawa/APP)	1 mg/ml, 10 ml	63323-0278-10	OTN, FI	\$10.93
Vincristine Sulfate	(foulding)/INJ, IJ (S.D.V.	1 mg/ml, 1 ml	61703-0309-06	.ATO . 20 . DZA	\$4.34
•	P.F.)			FI	
Vincristine Sulfate	(faulding)/INJ, iJ (LD.V.,	1 mg/ml, 2 ml	61703-0309-16	ASD,OS, OTN.	\$7.60
	P.F.)			FI	
Vincristine Sulfate	(Pharmacia/Upjohn)	1 mg/ml, 1 ml	00013-7456-86	ASD, OTN, FL	\$5.10
	Vincasar/INJ, LI (VIAL)			OS	
Vincristine Sulfate	(Pharmacia/Upjohn)	1 mg/ml, 2 ml	00013-7466-86	ASD, OTN, FL	\$8.35
	Vincasar/INJ, IJ (VIAL)			OS	
Zotran	(Cerenex)/INJ, IJ	2 mg/ml, 20 ml	000173-0442-	FLOTN, ASD.	\$169.06
	(M.D.V.)		00	O\$	
Iofron	(Cerenex)/INJ, IJ	30 mg/50ml, 50	000173-0461-	FLOTN, FLOS	\$128.09
	(PREMIXED BAG)	mi	00		
Zotran	(Cerenax)/INJ, IJ	2 mg/mi, 2 mi	000173-0442-	FI, OTN, OS	\$22.61
	(\$.D.V.)		02		

# Examples of Spreads from Defendants

		•			2000 Available			
Manutacturer	Drug	Dose	NDC Code	AWP	Price	\$ Spread	% Spread *	
	Vancomycin HCL	1 gm, 10s	00074-6533-01	\$764.16	\$47.50	\$669.16	1509%	
AstraZeneca	Zestril 40 mg	100s	00310-0134-10	\$145.16	\$88.91	\$56.25	63%	
Aventis Pharm.	Lovenox 30 mg	.3 ml 10s	00075-0624-30	\$183.48	\$138.31	\$45.17	33%	
	Chlordiazepoxide 25 mg cap	100s	00555-0159-02	\$22.68	\$4.09	\$18.59	455%	
	Sodium Chloride Irr. Solution	500 ml 18s	00338-0048-03	\$208.01	\$14.22	\$193.79	1363%	
	Immune Globulin (Gamimune N)	10% 100, 100 ml	00026-0648-71	\$900.00	\$727.50	\$172.50	24%	
Boehringer Ingelheim Pharm.	Mesoridazine Besylate (Serentil)	100 mg tablet, 100s	00597-0023-01	\$133.01	\$104.74	\$28.27	27%	
Bristol-Myers Squibb	in Lyophilized)	IV 1 gm	00015-0548-41	\$51.43	\$23.19	\$28.24	122%	
		3ml, 25s	49502-0697-03	\$30.25	\$5.24	\$25.01	477%	
Forest Labs	Tiazac 120mg	30s	00456-2612-30	\$30.66	97	\$10.91	25%	
	Verapamil HCL 240 mg tablet	100s	00172-4280-60	\$120.95	\$10.50	\$110.45	1052%	
Janssen Pharm.		100s	50458-0220-10	\$351.11	\$281.33	\$69.78	25%	
	Topamax 25 mg	mg 60s	00045-0639-65	75.58		12.61	20%	
		20 mg 100s	00006-0963-28	\$177.08	\$	\$46.75	36%	
	Atenolol 25 mg	100s	00378-0218-01	\$74.00		\$72.40	4525%	
	Clozaril	100 mg 100s	00078-0127-05	\$352.26	\$249.52	\$102.74	41%	
Ortho Biotec	Epoetin alfa (Procrit)	2000 ml, 1ml 6s	59676-0302-01	\$154.87	\$115.95	\$38.92	34%	
PAR Pharm.		1000s	49884-0544-10	\$1,480.00	\$27.70	\$1,452.30	5243%	
	Azithromycin (Zithromax) 200 mg	15 ml x 1	00069-3120-19	\$28.60		\$6.41	29%	
Purepac Pharm.	Clonazepam 1mg tab	100s	00228-3004-11	\$81.46		\$73.46	918%	
	Furosemide 20 mg Tablet	1000	00054-4297-31	\$36.05	\$8.30	\$27.75	334%	
Sandoz (fka Geneva)	Haloperidol 5 mg	100s	00781-1396-01	\$67.50	\$2.68	\$64.82	2419%	
	Lotrisone	15 gm x 1	00085-0924-01	\$23.54	\$18.82	\$4.72	25%	
Smithkline Beecham (dba GSK)	Zantac	25 mg/ml, 6 ml x 1	00173-0363-01	\$9.26	\$5.07	\$4.19	83%	
	Lupron	22.5 mg	00300-3336-01	\$1,605.56	\$1,147.60	\$457.96	40%	
	Naproxen 500 mg	100s	00093-0149-01	\$113.70	\$6.75	\$106.95	1584%	
Watson Pharma (fka Schein)	Dicyclomine 20 mg	100s	52544-0795-01	\$33.11	\$7.31	\$25.80	353%	
in the second second second	The Carry							
ille 76 spread is calculated as follows:	(AWP-available price)/available pr	ice = % Spread						
	_				_		-	

# Exhibit "2"

# IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

# STATE OF HAWAII

State of Hawaii,

Plaintiff,

VS.

Abbott Laboratories Inc.; Alpharma USPD. Inc.; Apothecon, Inc.; AstraZeneca Pharmaceuticals LP, AstraZeneca LP; Aventis Pharmaceuticals, Inc.; Aventis Behring LLC n/k/a ZLB Behring; Barr Laboratories, Inc.; Baxter Healthcare Corporation; Bayer Corporation; Ben Venue Laboratories, Inc.; Boehringer Ingelheim Pharmaceuticals, Inc.; Boehringer Ingelheim Roxane, Inc. f/k/a Roxane Laboratories, Inc.: Bristol-Myers Squibb Co.; Centocor, Inc.; Dey, Inc.; Forest Pharmaceuticals, Inc.: GlaxoSmithKline Pharmaceuticals; Hoffman-LaRoche, Inc.; Hospria, Inc.; Ivax Corporation; Ivax Pharmaceuticals Inc.: Janssen Pharmaceutical Products, LP: Johnson & Johnson, Inc.; McNeil-PPC, Inc.; Merck & Co., Inc.; Mylan Laboratories, Inc.; Mylan Pharmaceuticals, Inc.; Novartis Pharmaceuticals Corporation; Ortho Biotech Products, LP; Par Pharmaceutical Cos., Inc.: Pfizer, Inc.; Pharmacia Corporation; Purepac Pharmaceutical Co.; Roche Laboratories. Inc.; Sandoz, Inc.; Schering-Plough Corporation; Sicor Pharmaceuticals, Inc. f/k/a Gensia Sicor Pharmaceuticals, Inc.; TAP Pharmaceutical Products, Inc.: Teva Pharmaceuticals USA, Inc.; Warrick Pharmaceuticals Corporation; Watson Pharmaceuticals, Inc.; Watson Pharma, Inc., f/k/a Schein Pharmaceuticals, Inc.; Watson Laboratories, Inc.; Doe Corporations 1-100: Doe Entities 1-100.

Defendants.

Civil No.	
(Other Civil Action)	 

SUMMONS TO ANSWER CIVIL COMPLAINT

# SUMMONS TO ANSWER CIVIL COMPLAINT

# STATE OF HAWAII

To the above-named Defendants:

You are hereby summoned and required to serve upon Plaintiff's attorney, Price, Okamoto, Himeno & Lum, whose address is 707 Richards Street, Suite 728, Honolulu, Hawaii 96813, an answer to the Complaint which is attached. This action must be taken within twenty (20) days after service of this summons upon you, exclusive of the day of service.

If you fail to make your answer within the twenty (20) day time limit, judgment by default will be taken against you for the relief demanded in the Complaint.

This summons shall not be personally delivered between 10:00 p.m. and 6:00 a.m. on premises not open to the general public, unless a judge of the above-entitled court permits, in writing on this summons, personal delivery during those hours.

A failure to obey this summons may result in an entry of default and default judgment against the disobeying person or party.

DATED: Honolulu, Hawaii \_\_\_\_\_ APR 2 7 2006

M. N. TANAKA

CLERK OF THE ABOVE-ENHILED COURT



In accordance with the Americans with Disabilities Act, and other applicable state and federal laws, if you require a reasonable accommodation for a disability, please contact the ADA Coordinator at the First Circuit Court Administration Office at PHONE NO. 539-4333, FAX 539-4322, or TTY 539-4853, at least ten (10) working days prior to your hearing or appointment date.

### IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

### STATE OF HAWAII

State of Hawaii,

Plaintiff,

VS.

Abbott Laboratories Inc.; Alpharma USPD, Inc.; Apothecon, Inc.; AstraZeneca Pharmaceuticals LP, AstraZeneca LP; Aventis Pharmaceuticals, Inc.; Aventis Behring LLC n/k/a/ ZLB Behring; Barr Laboratories, Inc.; Baxter Healthcare Corporation; Bayer Corporation; Ben Venue Laboratories, Inc.; Boehringer Ingelheim Pharmaceuticals, Inc.; Boehringer Ingelheim Roxane, Inc. f/k/a Roxane Laboratories, Inc.; Bristol-Myers Squibb Co.; Centocor, Inc.; Dey, Inc.; Forest Pharmaceuticals, Inc.; GlaxoSmithKline Pharmaceuticals; Hoffman-LaRoche, Inc.; Hospria, Inc.; Ivax Corporation; Ivax Pharmaceuticals Inc.; Janssen Pharmaceutical Products, LP; Johnson & Johnson, Inc.; McNeil-PPC, Inc.; Merck & Co., Inc.; Mylan Laboratories, Inc.; Mylan Pharmaceuticals, Inc.: Novartis Pharmaceuticals Corporation; Ortho Biotech Products, LP; Par Pharmaceutical Cos., Inc.: Pfizer, Inc.; Pharmacia Corporation; Purepac Pharmaceutical Co.; Roche Laboratories, Inc.; Sandoz, Inc.; Schering-Plough Corporation; Sicor Pharmaceuticals, Inc. f/k/a Gensia Sicor Pharmaceuticals, Inc.: TAP Pharmaceutical Products, Inc.; Teva Pharmaceuticals USA, Inc.; Warrick Pharmaceuticals Corporation: Watson Pharmaceuticals, Inc.; Watson Pharma, Inc., f/k/a Schein Pharmaceuticals, Inc.: Watson Laboratories, Inc.; Doe Corporations 1-100: Doe Entities 1-100.

Defendants.

Civil No.	
(Other Civil Action)	

**DEMAND FOR JURY TRIAL** 

# **DEMAND FOR JURY TRIAL**

Plaintiff State of Hawaii, through its counsel, Price Okamoto Himeno & Lum, hereby demands a jury trial on all claims in this action that are triable of right by a jury.

APR 2 7 2006

Dated: Honolulu, Hawaii,

MARK J. BENNETT

ATTORNEY GENERAL STATE OF HAWAII

CHARLES BARNHILL, JR.
WILLIAM P. DIXON
ROBERT LIBMAN
W. DANIEL "Dee" MILES, III
CLINTON CARTER
WARREN PRICE, III
KENNETH T. OKAMOTO
RICK J. EICHOR

SPECIAL DEPUTY ATTORNEYS GENERAL ATTORNEYS FOR PLAINTIFF