

 An official website of the United States government
[Here's how you know](#)



Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Monday, September 26, 2022

Biogen Inc. Agrees to Pay \$900 Million to Settle Allegations Related to Improper Physician Payments

Pharmaceutical company Biogen Inc. (Biogen), based in Cambridge, Massachusetts, has agreed to pay \$900 million to resolve allegations that it caused the submission of false claims to Medicare and Medicaid by paying kickbacks to physicians to induce them to prescribe Biogen drugs.

The settlement announced today resolves a lawsuit filed and litigated by former Biogen employee Michael Bawduniak against Biogen under the *qui tam* or whistleblower provisions of the federal False Claims Act, which permit a private party (known as a relator) to file a lawsuit on behalf of the United States and receive a portion of any recovery. The United States may intervene in the action or, as in this case, the relator may proceed with the lawsuit.

In his lawsuit filed in the District of Massachusetts, Bawduniak alleged that Biogen paid kickbacks to physicians to induce them to prescribe the company's multiple sclerosis drugs. According to the relator's complaint, from Jan. 1, 2009, through March 18, 2014, Biogen offered and paid remuneration, including in the form of speaker honoraria, speaker training fees, consulting fees and meals, to health care professionals who spoke at or attended Biogen's speaker programs, speaker training meetings or consultant programs to induce them to prescribe the drugs Avonex, Tysabri and Tecfidera, in violation of the Anti-Kickback Statute.

"The relator diligently pursued this matter on behalf of the United States for over seven years," said Principal Deputy Assistant Attorney General Brian M. Boynton, head of the Justice Department's Civil Division. "The settlement announced today underscores the critical role that whistleblowers play in complementing the United States' use of the False Claims Act to combat fraud affecting federal health care programs."

"We thank Mr. Bawduniak for uncovering this behavior and bringing it to light," said U.S. Attorney Rachael S. Rollins for the District of Massachusetts. "This matter is an important example of the vital role that whistleblowers and their attorneys can play in protecting our nation's public health care programs."

Under the terms of the settlement, Biogen will pay \$843,805,187 to the United States and \$56,194,813 to 15 states. Bawduniak will receive approximately 29.6% of the federal proceeds from the settlement.

The case is captioned *United States ex rel. Bawduniak v. Biogen Idec, Inc.*, No. 12-cv-10601-IT (D. Mass.), and was monitored by the Civil Division's Commercial Litigation Branch and the U.S. Attorney's Office for the District of Massachusetts.

The claims resolved by the settlement are allegations only and there has been no determination of liability.

Topic(s):

False Claims Act

Component(s):

Civil Division

Press Release Number:

22-1016

Updated September 26, 2022