

Attorney General Raoul Gains Larger Recovery In \$25 Million Remicade Settlement

December 9 2022 10:20 AM

CHICAGO – Attorney General Kwame Raoul today announced that, as a result of his intervention, Illinois consumers and third-party reimbursers, such as insurance companies and self-insured businesses, who purchased Remicade from April 5, 2016, to Feb. 28, 2022, have until Dec. 27, 2022 to submit claims to be included in a \$25 million settlement for overcharges due to antitrust violations. Recovery payments will be based on 100% of the price of Remicade purchases made, however, the exact amount of reimbursements will be determined after a final approval hearing.



Remicade is a drug used to treat Crohn's disease and other autoimmune disorders. Under the original proposed allocation plan of a settlement that Johnson & Johnson and Janssen Biotech, Inc. (J&J) entered to resolve antitrust allegations related to the drug, Illinois residents and businesses could claim only 1% of the price of their Remicade purchases. Meanwhile, consumers and businesses in other states with similar laws would claim 100% of their purchases for the shared reimbursement. As a result of Raoul's

s objections to these terms, the parties agreed to a revised plan [in a settlement letter](#) that allows Illinois residents and businesses to claim 100% of the price of their purchases of Remicade.

“I am pleased with the revised settlement allocation plan that allows Illinois purchasers and businesses to receive amounts equal to those in other states with similar laws,” Raoul said. “I will continue to work to ensure that Illinois residents and businesses are treated fairly and have access to the recovery they are entitled.”

The settlement resolves a class action lawsuit that alleged J&J engaged in an anticompetitive scheme to foreclose competition posed by less expensive alternative drugs. J&J’s scheme allegedly caused consumers and businesses to pay artificially inflated prices by preventing similar drugs, which were up to 35% cheaper than Remicade, from being offered to them as an alternative.

While Illinois consumers can claim 100% of their purchases of Remicade, that does not mean they will receive a payment for the full price of their purchases. Reimbursements will be calculated based on the percentage of all claims submitted by consumers and businesses, but under the new agreement, Illinois residents will be eligible for a larger share of the payout than they were under the earlier plan.

Federal antitrust laws do not allow individual consumers to qualify to receive compensation if they do not purchase items directly from the alleged wrongdoer, which in this case is J&J. However, Illinois recognized that consumers and third-party payers bear the burden of antitrust overcharges and was among the first states to amend its antitrust laws to allow indirect purchasers to qualify for recovery. Illinois’ laws are now mirrored in roughly half the states.

Attorney General Raoul encourages individuals or businesses that purchased Remicade between April 5, 2016 and Feb. 28, 2022 to [submit a claim](#) for compensation as soon as possible, but no later than the **Dec. 27, 2022 deadline**.

Assistant Attorney Generals Richard Schultz and Brian Yost handled the case for Attorney General Raoul’s Antitrust Bureau.