

The Truth  *About Health*

Drug Giant Eli Lilly Agrees To \$495 Million Class Action Settlement For Zyprexa

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Pharmaceutical giant Eli Lilly has agreed to a \$495 million class action settlement covering claims from more than 18,000 patients who took the drug Zyprexa, Lilly's drug for schizophrenia and bipolar disorder. Claimants say they developed diabetes or other diseases after taking Zyprexa.

The agreement will pay about \$27,000 a plaintiff. In 2005, a \$700 million agreement covered 8,000 patients, valued at about \$90,000 a plaintiff, and the company has made 2,500 individual settlements whose total value has not been disclosed. An additional 1,200 claims are still awaiting trial. The total known Zyprexa settlements is now about \$1.2 billion.

The settlement will not affect continuing civil or criminal investigations of Zyprexa by state attorneys general and federal prosecutors.

A 2003 change by the FDA requiring greater cautions labeling the product has allowed Lilly to settle the most recent case with a lower per-claim value. The label change may also help to protect Lilly from future lawsuits.

Largest-selling drug and major profit center

Some 20 million people worldwide have taken Zyprexa since its introduction in 1996. With global sales of roughly \$4.2 billion last year, Zyprexa is Lilly's largest-selling drug and a major contributor to the company's profits.

Zyprexa is the brand name for olanzapine, a potent chemical that binds to receptors in the brain to reduce psychotic hallucinations and delusions. Clinical trials show that in many patients, Zyprexa also causes severe weight gain and increases in both cholesterol and blood sugar.

Documents provided to The New York Times last month by a lawyer who represents mentally ill patients show that Lilly played down the risks of Zyprexa to doctors as the drug's sales soared after its introduction in 1996. The internal documents show that in Lilly's clinical trials, 16 percent of people taking Zyprexa gained more than 66 pounds after a year on the drug, a far higher figure than the company disclosed to doctors.

The documents also show that Lilly marketed the drug as appropriate for patients who did not meet accepted diagnoses of schizophrenia or bipolar disorder, Zyprexa's only approved uses. By law, drug makers may promote their drugs only for diseases for which the Food and Drug Administration has found the medicines to be safe and effective, though doctors may prescribe drugs in any way they see fit.

Source: <http://www.lawyersandsettlements.com/articles/00585/zyprexa-lawsuits.html>

Zyprexa is a trade mark of Eli Lilly