

## **Top 25 Largest Whistleblower Rewards paid under the False Claims Act and Qui Tam Whistleblower Reward Program**

Here is a list of the top 25 largest Federal and State False Claims Act *qui tam whistleblower reward* cases. The government pays rewards to whistleblowers a portion ranging from 15% to 25% of the civil False Claims Act recovery. More details about whistleblower rewards can be found at [www.HowToReportFraud.com](http://www.HowToReportFraud.com).

<b>Rank</b>	<b>Company</b>	<b>FCA Settlement</b>	<b>Reward</b>	<b>Date</b>
1.	GlaxoSmithKline <sup>i</sup>	\$2 billion	\$300 million≈	July 2012
2.	Bank of America <sup>ii</sup>	\$1.85 billion	\$275 million≈	November 2014
3.	Johnson & Johnson <sup>iii</sup>	\$1.72 billion	\$167 million	November 2013
4.	Pfizer <sup>iv</sup>	\$1 billion	\$102 million	August 2009
5.	Tenet Healthcare <sup>v</sup>	\$900 million	\$150 million	June 2006
6.	Abbott Labs <sup>vi</sup>	\$800 million	\$84 million	May 2012
7.	Eli Lilly <sup>vii</sup>	\$800 million	\$79 million	January 2009
8.	HCA <sup>viii</sup>	\$745 million	\$150 million	December 2000
9.	Merck <sup>ix</sup>	\$650 million	\$100 million≈	February 2008
10.	HCA <sup>x</sup>	\$641 million	\$151 million	June 2003
11.	JP Morgan <sup>xi</sup>	\$614 million	\$90 million≈	February 2014
12.	Amgen <sup>xii</sup>	\$612 million	\$90 million≈	December 2012
13.	GlaxoSmithKilne <sup>xiii</sup>	\$600 million	\$90 million≈	October 2010
14.	Serono <sup>xiv</sup>	\$567 million	\$50 million	October 2005
15.	TAP <sup>xv</sup>	\$540 million	\$95 million	October 2001
16.	New York <sup>xvi</sup>	\$540 million	\$10 million*	July 2009
17.	AstraZeneca <sup>xvii</sup>	\$520 million	\$45 million	April 2010
18.	Abbott Labs <sup>xviii</sup>	\$414 million	\$60 million≈	July 2003
19.	Fresenius <sup>xix</sup>	\$385 million	\$65 million	January 2000
20.	NME <sup>xx</sup>	\$379 million	\$65 million	July 1994

21.	Cephalon <sup>xxi</sup>	\$375 million	\$46 million	September 2008
22.	Ranbaxy <sup>xxii</sup>	\$350 million	\$49 million	May 2013
23.	Bristol-Myers <sup>xxiii</sup>	\$328 million	\$50 million	September 2007
24.	Northrop <sup>xxiv</sup>	\$325 million	\$49 million	April 2009
25.	SmithKline <sup>xxv</sup>	\$325 million	\$60 million≈	March 1997
25.	HealthSouth <sup>xxvi</sup>	\$325 million	\$60 million≈	December 2004

You can ask *qui tam* attorney Joel D. Hesch to review in complete confidence your potential whistleblower reward case and find out if it is the right type of case in which is eligible for a significant reward for reporting fraud against the government. Joel Hesch worked for 16 years in the U.S. Department of Justice’s whistleblower reward office in Washington, D.C. and worked on some of the large whistleblower reward cases listed above. Joel now exclusively represents whistleblowers filing for rewards under government whistleblower reward programs. Click on this link (<http://www.howtoreportfraud.com/report-fraud/fraud-questionnaire/>) to fill out a form to find out if you are eligible for a reward.

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<sup>i</sup> In July 2012, GlaxoSmithKline plead guilty and paid \$3 billion to settle criminal and civil liability stemming from the company’s off-label promotion of prescription drugs, failing to report safety data, and its civil liability for alleged false price reporting practices. The settlement included \$2 billion to settle its civil liabilities under the False Claims Act. “As part of this global resolution, GSK has agreed to resolve its civil liability for the following alleged conduct: (1) promoting the drugs Paxil, Wellbutrin, Advair, Lamictal and Zofran for off-label, non-covered uses and paying kickbacks to physicians to prescribe those drugs as well as the drugs Imitrex, Lotronex, Flovent and Valtrex; (2) making false and misleading statements concerning the safety of Avandia; and (3) reporting false best prices and underpaying rebates owed under the Medicaid Drug Rebate Program.” Off-label marketing occurs when a pharmaceutical company obtains FDA approval for a specific use of a new drug, but then asks doctors to prescribe it for other uses that it did not seek or obtain FDA approval. The government did not disclose the amount of the whistleblower award, but typically it is between 15% and 25% of the civil False Claims Act recovery. Fifteen percent of \$2 billion would amount to a whistleblower reward of \$300 million. <http://www.justice.gov/opa/pr/glaxosmithkline-plead-guilty-and-pay-3-billion-resolve-fraud-allegations-and-failure-report>

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<sup>ii</sup> In November 2014, the Justice Department announced that Bank of America paid \$1.85 billion as a settlement to resolve allegations that it violated the False Claims Act in connection with the bank's practices in underwriting, origination and quality control of residential mortgages the bank sold to Fannie Mae and Freddie Mac, and other loans insured by the Federal Housing Administration (FHA). The \$1.85 billion False Claims Act settlement was part of a broader settlement that included a \$5 billion penalty under the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) and \$7 billion in relief to consumers harmed by the financial crisis to redress abuses in residential mortgage backed security practices. In total, Bank of America agreed to pay \$16.65 billion under the global resolution. The government did not disclose the amount of the whistleblower award, but typically it is between 15% and 25% of the civil False Claims Act recovery. Fifteen percent of \$1.85 billion would amount to a whistleblower reward of \$275 million. <http://www.justice.gov/opa/pr/justice-department-recovers-nearly-6-billion-false-claims-act-cases-fiscal-year-2014>

<sup>iii</sup> In November 2013, Johnson & Johnson (and its related entities) agreed to pay \$2.2 billion to the U.S. Government settle fraud allegations relating to prescription drugs Risperdal, Invega and Natrecor. The government alleged that it engaged in off-label fraud and kickbacks. The civil fraud settlement amounted to \$1.72 billion. From just the federal portion of the civil settlements, the whistleblowers will receive awards of \$167 million. <http://www.justice.gov/opa/pr/johnson-johnson-pay-more-22-billion-resolve-criminal-and-civil-investigations>

<sup>iv</sup> In August 2009, Pfizer (and its subsidiary, Pharmacia & Upjohn Company) agreed to pay the U.S. Government over \$2.3 billion to settle a series of False Claims Act cases alleging promotion of off-label use drugs. It includes \$1.3 billion criminal fine and \$1 billion will be paid to settle civil False Claims Act liabilities involving Bextra (an anti-inflammatory drug), Geodon (an anti-psychotic drug), Lipitor (a cholesterol drug), Norvasc (anti-hypertensive drug), Viagra (erectile dysfunction), Zithromax (antibiotic), Zyrtec (antihistamine), Zyrvox (an antibiotic), Lyrica (an anti-epileptic drug), Relpax (anti-migraine drug), Celebrex (anti-inflammatory drug), and Depo-provera (birth control). Of the civil False Claims Act claims, \$668,514,830 is federal and \$331,485,170 is state claims. The whistleblowers received over \$102 million. <http://www.justice.gov/opa/pr/justice-department-announces-largest-health-care-fraud-settlement-its-history>

<sup>v</sup> In June 2006, Tenet Healthcare, a large chain of hospitals, paid \$900 million to settle allegations that it committed fraud by manipulating of outlier payments to Medicare, paid kickbacks, upcoded DRG codes, and engaged in bill padding. The whistleblower received over \$150 million for reporting the fraud. [http://www.justice.gov/archive/opa/pr/2006/June/06\\_civ\\_406.html](http://www.justice.gov/archive/opa/pr/2006/June/06_civ_406.html)

<sup>vi</sup> On May 7, 2012, the Government announced that Abbott Labs agreed to pay \$1.5 billion to settle criminal and False Claims Act allegations of off-label promotion of the drug Depakote.

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The settlement included criminal fines and forfeitures of \$700 million and civil settlements of \$800 million. The whistleblowers we paid a reward of \$84 million from just the federal share of the settlement amount and additional rewards based on the state portion of the civil FCA settlement.

<http://www.justice.gov/opa/pr/abbott-labs-pay-15-billion-resolve-criminal-civil-investigations-label-promotion-depakote>

<sup>vi</sup> In January 2009, Eli Lilly paid \$1.4 billion in criminal and civil settlements for off-label promoting its drug Zyprexa. This amount included \$800 million to resolve the federal and state civil FCA claims and a criminal fine of \$515 million. The federal share of the civil settlement amount is \$438 million. The whistleblowers received \$79 million from the federal share of the settlement amount and additional amounts from the state share of the FCA case.

<http://www.justice.gov/archive/opa/pr/2009/January/09-civ-038.html>

<sup>viii</sup> In December 2000, after changing its name to “HCA The Healthcare Company” (formerly known as Columbia HCA), the largest for-profit hospital chain in the United States, settled False Claims Act allegations by paying \$745 million to resolve allegations that it billed for lab tests that were not medically necessary or not ordered by physicians, upcoding, and non-reimbursable costs incurred in the purchase of home health agencies around the country. The whistleblowers received over \$150 million. The company also paid criminal fines of \$95 million.

<http://www.justice.gov/archive/opa/pr/2000/December/696civrm.htm>

<sup>ix</sup> In February 2008, Merck & Company paid \$650 million to resolve allegations that it failed to pay proper “rebates” to Medicaid under the Best Price statute and that it paid kickbacks to doctors. Under the Medicaid best price statute or rebate program, a pharmaceutical company is required to give Medicaid the same discount it gives its best customers. The three drugs involved were Zocor, Vioxx, and Pepcid. The government did not disclose the amount of the whistleblower award, but typically it is between 15% and 25% of the civil False Claims Act recovery. Fifteen percent of \$650 million would amount to a whistleblower reward of close to \$100 million. [http://www.justice.gov/archive/opa/pr/2008/February/08\\_civ\\_094.html](http://www.justice.gov/archive/opa/pr/2008/February/08_civ_094.html)

<sup>x</sup> In June 2003, HCA Inc. (formerly known as Columbia HCA – The Healthcare Company) paid the United States \$631 million plus \$10 million in interest to settle allegations that it paid kickbacks to physicians and included unallowable cost in its annual cost reports. In this case, the whistleblowers received \$151.5 million million.

[http://www.justice.gov/archive/opa/pr/2003/June/03\\_civ\\_386.htm](http://www.justice.gov/archive/opa/pr/2003/June/03_civ_386.htm)

<sup>xi</sup> In February 2014, the Department of Justice announced that JPMorgan Chase (JPMC) will pay \$614 million to settle allegations that it violated the False Claims Act by originating and underwriting non-compliant mortgage loans submitted for insurance coverage and guarantees by the Department of Housing and Urban Development’s (HUD) Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA). The government did not disclose the

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amount of the whistleblower award, but typically it is between 15% and 25% of the civil False Claims Act recovery. Even at 15%, the reward paid to the whistleblowers would top \$90 million. <http://www.justice.gov/opa/pr/jpmorgan-chase-pay-614-million-submitting-false-claims-fha-insured-and-va-guaranteed-mortgage>

<sup>xii</sup> In December 2012, the Department of Justice announced that Amgen Inc. settled criminal and civil False Claims Act cases amounting to \$762 million. The civil settlement of the FCA was \$612 million (\$587.2 million to the United States and \$24.8 million to the states) and it resolved off-label marketing fraud relating to three drugs: Aranesp, Enbrel and Neulasta; and illegal kickback fraud. Amgen also paid a criminal fine of \$136 million and criminal forfeiture in the amount of \$14 million. The government did not disclose the amount of the whistleblower award, but typically it is between 15% and 25% of the civil False Claims Act recovery. Based upon 15% of \$612 million FCA settlement, the award should be at least \$90 million.

<http://www.justice.gov/opa/pr/amgen-inc-pleads-guilty-federal-charge-brooklyn-ny-pays-762-million-resolve-criminal>

<sup>xiii</sup> In October 2010, the government reached a global criminal and civil settlement of \$750 million with GlaxoSmithKline to resolve allegations that it made and sold adulterated drugs at its now-closed Puerto Rico facility. The civil settlement under the False Claims Act and related state claims totaled \$600 million. The drugs made at the plant included Kytril, Bactroban, Paxil CR and Avandamet. The federal share of the civil settlement amount is \$436,440,000. The government did not disclose the amount of the whistleblower award, but typically it is between 15% and 25% of the civil False Claims Act recovery. Based upon 15% of \$612 million FCA settlement, the award should be at least \$90 million.

<http://www.justice.gov/opa/pr/glaxosmithkline-plead-guilty-pay-750-million-resolve-criminal-and-civil-liability-regarding>

<sup>xiv</sup> In October 2005, a Swiss company named Serono paid \$704 million to settle criminal and civil fraud allegations involving Serostim, a human growth hormone product used to fight AIDS-related wasting. The fraud allegations included paying kickbacks to doctors and off-label marketing of the drug. The civil settlement amounted to \$567 million. The whistleblowers who reported a portion of the fraud received over \$50 million.

[http://www.justice.gov/archive/opa/pr/2005/October/05\\_civ\\_545.html](http://www.justice.gov/archive/opa/pr/2005/October/05_civ_545.html)

<sup>xv</sup> In October 2001, TAP Pharmaceutical Products Inc. paid \$875 million to settle civil and criminal cases alleging fraud in connection with its drug pricing and marketing conduct with regard to Lupron. The Federal FCA portion amounted to \$559 million and \$25 million for the states. The company also paid a criminal fine of \$290 million. The whistleblowers received a reward of \$95 million. <http://www.justice.gov/archive/opa/pr/2001/October/513civ.htm>

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<sup>xvi</sup> In July 2009, the state of New York and New York City agreed to pay \$540 million to settle Medicaid fraud allegations that they submitted false claims relating to school-based health care services, including speech therapy and transportation. The whistleblower reported a portion of the fraud and received a \$10 million reward. <http://www.justice.gov/opa/pr/new-york-state-and-new-york-city-pay-record-540-million-settle-allegations-false-claims>

<sup>xvii</sup> In April 2010, AstraZeneca LP and AstraZeneca Pharmaceuticals LP agreed to pay \$520 million to resolve allegations that it illegally marketed through off-label fraud the anti-psychotic drug Seroque. Of this amount, \$300 million was federal and the remainder was state False Claims Act claims. The whistleblowers who reported a portion of the fraud received \$45 million as a reward. <http://www.justice.gov/opa/pr/pharmaceutical-giant-astrazeneca-pay-520-million-label-drug-marketing>

<sup>xviii</sup> In July 2003, Abbott Laboratories, Inc. paid \$414 million to resolve civil False Claims Act allegations relating to the sale of “enteral” products, which pump food into the stomach of patients who cannot digest meals. The company also paid a criminal fine of \$200 million. The government did not disclose the amount of the whistleblower award, but typically it is between 15% and 25% of the civil False Claims Act recovery. Based upon 15% of \$414 million FCA settlement, the award should be at least \$60 million.

<http://www.justice.gov/archive/dag/pubdoc/hcfareport2004.htm>;  
<http://oig.hhs.gov/publications/docs/semiannual/2004/SemiannualSpring04.pdf>

<sup>xix</sup> In January 2000, Fresenius Medical Care of North America, formerly known as National Medical Care, paid \$385 million to resolve civil FCA allegations that it committed fraud relating to fictitious blood testing claims by LifeChem, Inc., paying kickbacks to dialysis facilities to obtain blood testing contracts for LifeChem, and submitting fraudulent claims to Medicare for intradialytic parenteral nutrition (a nutritional therapy provided to patients while on kidney dialysis). The company also paid a criminal fine of \$101 million. The whistleblower received a reward of \$65 million.

<http://www.justice.gov/archive/dag/speeches/2000/nmichaelhealthremarks.htm>

<sup>xx</sup> In July 1994, NME paid \$379 million to settle criminal and civil False Claims Act claims relating to allegations that it paid kickbacks to psychiatric and substance abuse hospitals in more than 30 states. Of the settlement, \$324 million related to a civil False Claims Act *qui tam* case. The whistleblower received \$65 million.

<sup>xxi</sup> In September 2008, Cephalon Inc. paid \$425 million to settle criminal and civil fraud allegations that it engaged in off-label marketing of Gabitril, Actiq and Provigil. The civil FCA portion of the settlement is \$375 million. The whistleblower will receive \$46 million as a reward from the federal share plus additional amounts from the state FCA amounts.

<http://www.justice.gov/archive/opa/pr/2008/September/08-civ-860.html>

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<sup>xxii</sup> On May 13, 2013, the government reached a global criminal and civil FCA settlement with Ranbaxy relating to the manufacture and distribution of adulterated drugs made at two of Ranbaxy's manufacturing facilities in India. The company paid \$350 million towards the civil FCA case and a criminal fine of \$150 million. The federal government's share of the civil settlement amount is \$231 million. The whistleblower will receive \$48.6 million from the federal share of the settlement amount, plus additional amounts from the state share. <http://www.justice.gov/opa/pr/generic-drug-manufacturer-ranbaxy-pleads-guilty-and-agrees-pay-500-million-resolve-false>

<sup>xxiii</sup> In 2007, BMS and its wholly owned subsidiary, Apothecan, Inc., paid \$515 million to settle allegations that it paid kickbacks, promoted off-label use drugs, and violated Medicaid's best price statute. Of this amount, \$328 million related to the civil False Claims Act. The whistleblowers received \$50 million from the federal portion of the FCA and additional amounts from the states. [http://www.justice.gov/archive/opa/pr/2007/September/07\\_civ\\_782.html](http://www.justice.gov/archive/opa/pr/2007/September/07_civ_782.html)

<sup>xxiv</sup> In April 2009, Northrop Grumman Corp., its subsidiary Northrop Grumman Space and Mission Systems Corp., and its predecessor TRW Inc. paid \$325 million to settle False Claims Act allegations that it improperly billed the National Reconnaissance Office (NRO) for defective microelectronic parts, known as Heterojunction Bipolar Transistors (HBTs). The whistleblower received a reward of \$48.75 million. <http://www.justice.gov/opa/pr/northrop-grumman-corp-settles-false-claims-act-case-defective-satellite-parts>

<sup>xxv</sup> In March of 1997, SmithKline Beecham Clinical Laboratories Inc. paid \$325 million to settle allegations that it submitted false claims relating to lab tests which were either not medically needed or not performed, and that it paid kickbacks to doctors. The government did not disclose the amount of the whistleblower award, but typically it is between 15% and 25% of the civil False Claims Act recovery. Based upon 15% of \$325 million FCA settlement, the award should be at least \$49 million.

<sup>xxvi</sup> In December 2004, HealthSouth Corporation paid \$325 million to settle allegations that it engaged in many schemes to defraud Medicare relating to providing rehabilitative medicine services. The government did not disclose the amount of the whistleblower award, but typically it is between 15% and 25% of the civil False Claims Act recovery. Based upon 15% of \$325 million FCA settlement, the award should be at least \$49 million.