Biogen's Payment of Speaker Honoraria and Consulting Fees for MS Drug Results in $250 Million Whistleblower Award



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Setting a new standard for whistleblower cases, the United States Department of Justice agreed to award $250,000,000 to a former Biogen, Inc. employee for pursuing a whistleblower action under the federal False Claims Act against Biogen. The former Biogen employee initiated the whistleblower claim soon after he left Biogen in 2012, alleging that from 2009 through 2014, Biogen offered and paid remuneration to healthcare professionals in the form of speaker honoraria, speaker training fees, consulting fees and meals in order to encourage the healthcare professionals to prescribe several multiple sclerosis drugs produced by Biogen, in violation of the federal Anti-Kickback Statute. The Department of Justice declined to intervene in the case.

In September 2022, Biogen and the Department of Justice agreed to a settlement of the case, according to which Biogen agreed to pay a penalty in excess of $840 Million to the Federal Government and another $56 Million to 15 States. Biogen did not admit any wrongdoing in its settlement with the Department of Justice. The $250,000,000 that the whistleblower received from the Federal Government for pursuing the case amounts to 29.6% of the amount that Biogen has agreed to pay the Federal Government, which is just under the 30% maximum award threshold for whistleblower cases under the False Claims Act that the Department of Justice declines to pursue. The award is the highest whistleblower award ever under the False Claims Act and is believed to be one of the highest whistleblower awards ever under any government program.

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