Albany County Comptroller continues to build case against drug companies

By: Robert Cristo Troy Record November 18, 2004

Upon further scrutiny, Albany county Comptroller Michael Conner's is convinced pharmaceutical companies have inflated the price of drugs sold through the county's Medicaid program by millions of dollars.

Earlier this month, Conners released preliminary findings of an audit on Medicaid drug purchases that he believes proves pharmaceutical companies bilked the county out of nearly \$560,000 on nine prescription medicationas alone.

On Wednesday, he poured over a more complete version of the audit that he estimates shows that in 2002, prescription companies over-billed county, state and federal governments nearly \$2 million on drugs sold to Medicaid recipients in Albany County.

Conners also believes that once they get their hands on bills from 1997 to the present, the over charging could swell to an "astronomical" \$10 million just in this county.

"It's outrageous," said Conners at his office on State Street. "These companies shouldn't be allowed to take money out of the taxpayers' pockets.... It is incumbent upon us to take legal action against them."

Conners based his judgment on state Department of Health records that he says prove pharmaceutical companies overcharged on drugs such as Combivie (by \$12,000), Nexium (by \$115,000), Prilosec (by \$150,000), Celexa (by \$58,000) and the list goes on for nearly 100 different drugs.

Conners' decision to perform the audit was prompted by a 25 percent spike in Medicaid prescription costs and the lawsuit New York City filed against 44 drug companies and their subsidiaries in August. The city claims the companies have "defrauded" their Medicaid program by inflating drug prices by millions of dollars.

Similar complaints against drug companies have also been filed by local governments in Ohio, Texas and Montana.

Conners is now looking to call on state and local leaders to consider joining New York City's lawsuit or file one of their own against a myriad of drug companies.

Albany County Legislator Shawn Morse, D-Cohoes, said he was aware of Conner's request and will look into it further after the legislature irons out the 2005 county budget that includes a 28 percent tax increase.

"If the taxpayer is getting bamboozled by billion dollar companies that are over charging us to take care of our indigent people, then we should absolutely be looking at every legal avenue to recoup that money," said Morse, who expects budget negotiations to wrap up in early December.

"We're looking at a 28-percent tax increase and layoffs here in Albany so any money we can recoup could go toward filling some of the county's economic gaps," he added.

Over the summer, Conners invited 44 of the drug companies being sued in New York City to sit down and discuss the problem but they declined to attend in writing or had their lobbyists contact them.

Conners contends the companies never showed up because "they know" they're

going to be "liable" for overcharging.