

# NEW MEXICO INJURY ATTORNEY BLOG

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## **Paxil Settlements Near \$1 Billion**

GlaxoSmithKline has paid around \$1 billion in Paxil settlements for litigation related to birth defects, suicides, and addiction as well as some non-medical related litigation. There remain 600 birth defect lawsuits pending so that the settlements are likely to grow much larger in the coming months and years.

Bloomberg News reports that Glaxo has spent almost \$400 million in suicide related lawsuits, \$200 million in addiction and birth defect litigation, and \$400 for claims unrelated to antitrust, fraud and design.

Paxil was first approved in 1992 for the treatment of depression. It is among the most frequently prescribed drugs on the market with sales close to \$1 billion in 2008. Unfortunately, the drug has many side effects including suicidal ideation, birth defects, and addiction. The drug maker failed to warn users and doctors of these known side effects.

The drug has been clearly linked to suicide. It is reported that there have been 300+ suicide attempts with an average settlement of \$300,000. In addition, there have been around 150 wrongful death lawsuits related to suicide related deaths.

Paxil used during pregnancy has been linked to birth defects including persistent pulmonary hyper-tension in newborns along with other congenital heart defects. The average settlement costs for the birth defect cases has been in the range of \$4 million. There remain around 600 birth defect related lawsuits outstanding.

Analysts have estimated potential liability of \$1.5 billion in damages before it is all over. Glaxo has not disclosed the total numbers. However, the company has disclosed that it set aside \$3.09 billion for legal and other non-tax disputes including litigation at year end 2008.

The numbers seem pretty large but pale in comparison to the \$21 billion necessary to resolve 200,000 personal injury lawsuits against Pfizer for the diet drug fen-phen. However, the scope of the problems in the Paxil lawsuits is unique with a range of serious side-effects from birth defects to suicide. It is very unusual for one drug to present such a wide range of problems for its users.

It is important to the public that the settlement numbers be disclosed. First, it helps to alert the public to the problems with Paxil. More importantly, it alerts doctors and other medical providers of the risks of the drug. This puts a burden on doctors to both research the drug and to know their patients before routinely prescribing the drug as seems to have been the case in the past.

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The sheer volume of the prescriptions of the drug suggests that perhaps some doctors have not given it the proper medical attention. The next wave of lawsuits will likely be against doctors for medical malpractice in the negligent prescription of the drug as they can no longer argue that they were unaware of the dangerous side effects.

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