

IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF ARKANSAS
WESTERN DIVISION

STATE OF ARKANSAS,
ex rel. Dustin McDaniel
Attorney General

PLAINTIFF

vs.

NO: 4:08CV00601 BSM

ASTRAZENECA PHARMACEUTICALS, LP;
ET AL.

DEFENDANTS

ORDER

Pending before the court are defendants' motion to stay all proceedings pending transfer to the Judicial Panel on Multidistrict Litigation and plaintiff's motion to remand for lack of subject matter jurisdiction.

Plaintiff filed this action in the Circuit Court of Pulaski County, Arkansas claiming damages on behalf of the state's medicaid program and other state agencies and programs. The complaint alleges that defendants marketed a name brand "second-generation" anti-psychotic medication, Seroquel, promoting the drug for medically unnecessary uses and withholding information about potential side effects. Plaintiff claims that as a result its medical benefits programs paid for unnecessary prescriptions, as well as treatment for the side effects.

Defendants removed this action on the ground that the case raises important federal questions arising under and requiring interpretation of federal law. Plaintiff asserts that removal is improper as all the claims arise under state law.

The exact issue was raised recently in two other cases in this district and decided adversely to the defendants. *See State of Arkansas v. Eli Lilly & Co., Inc.*, No. 4:08CV00472BSM and *State of Arkansas v. Janssen Pharmaceutica*, No. 4:07CV01210WRW. The court is not persuaded by

defendants' attempt to distinguish its case from *Eli Lilly* and *Janssen*. After careful review of the law and facts, the court adopts the reasoning of *State of Arkansas v. Eli Lilly & Co., Inc.*, No. 4:08CV00472BSM and *State of Arkansas v. Janssen Pharmaceutica*, No. 4:07CV01210WRW in full.

Accordingly, plaintiff's motion to remand (Doc. No. 10) is granted. Defendants' motion to stay all proceedings (Doc. No. 3) is denied. The case is remanded to the Circuit Court of Pulaski County, Arkansas.

IT IS SO ORDERED this 25th day of August, 2008.


UNITED STATES DISTRICT JUDGE