

## A Marriage of Convenience: Are medical device manufacturers courting surgeons for business?

Posted by Steve Berman on Jul. 1, 2008

On Sunday, the Philadelphia Inquirer ran a story on knee and hip replacement manufacturers and the agreements these companies set up with surgeons throughout the United States. The article highlights competition tactics that include big payoffs, royalties, and other rewards to surgeons for using one device over another.

Our firm is currently investigating whether the practices have any impact on patients and the medical device industry in general. Our investigation includes looking into claims that these alleged kickbacks could affect surgeons' decisions to select one device over another, and if decisions are made in ways that hurt patients.

Last year, the Department of Justice filed criminal complaints against five manufacturers, accusing them of using consulting agreements with orthopedic surgeons as inducements to use one brand of knee or hip replacement products over another. Four of the five recently settled to the tune of \$310 million, without admitting wrongdoing.

If you believe the critics, this is a practice that's existed within the medical device industry for years and the recent scrutiny of the alleged kickbacks will warrant further, and closer, examination.

Please visit our Web site and this blog to track the progress of the investigation.