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MADELINE COX ARLEO
U.S. MAG. JUDGE

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	**CRIMINAL COMPLAINT**
v.	:	
DEPUY ORTHOPAEDICS, INC.,	:	Mag No. 07-8131(MCA)

I, Brian D. Dyson, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

From in or about January 2002 to in or about December 2006, in the District of New Jersey and elsewhere, defendant

DEPUY ORTHOPAEDICS INC.,

did knowingly and willfully combine, conspire, confederate, and agree with others to commit an offense against the United States, that is, to violate the Anti-Kickback Statute by entering into financial arrangements with orthopedic surgeons who were offered or who solicited payments from DEPUY ORTHOPEDICS, in part, for the surgeons' use of DEPUY ORTHOPAEDICS hip and knee joint reconstruction and replacement products, contrary to Title 42, United States Code, Sections 1320a-7b(b)(2), in violation of Title 18, United States Code, Section 371.

I further state that I am a Special Agent with the Department of Health and Human Services, Office of the Inspector General, and that this complaint is based on the following facts:

SEE ATTACHMENT A

continued on the attached page and made a part hereof.

Special Agent Brian D. Dyson
Department of Health and Human Services
Office of the Inspector General

Sworn to before me and subscribed in my presence,
September 27, 2007, at Newark, New Jersey

HONORABLE MADELINE COX ARLEO
UNITED STATES MAGISTRATE JUDGE

Signature of Judicial Officer

ATTACHMENT A

I, Brian D. Dyson, am a Special Agent with the Department of Health and Human Services, Office of the Inspector General. I have personally participated in this investigation and am aware of the facts contained herein, based upon my own investigation, as well as information provided to me by other law enforcement officers. Because this Attachment A is submitted for the limited purpose of establishing probable cause, I have not included herein the details of every aspect of the investigation.

1. At all times relevant to this Complaint:

a. Defendant DePuy Orthopaedics, Inc., ("DePuy") with its principal place of business in Warsaw, Indiana, was a leading national manufacturer and distributor of orthopaedic implant devices and supplies, including hip and knee reconstruction and replacement products. DePuy was a wholly owned subsidiary of the Johnson & Johnson Corporation. Johnson & Johnson's headquarters is located in New Brunswick, New Jersey.

b. The Department of Health and Human Services ("HHS"), was an agency of the United States and acted through the Administrator of the Centers for Medicare and Medicaid Services to administer and supervise the Medicare program ("Medicare").

c. Medicare was a federal health care insurance program established to provide benefits to aged, blind, and disabled individuals who qualify for coverage. According to HHS statistics, during the years through and including 2002 to 2006, more than 700,000 hip and knee replacement surgeries have been performed in the United States annually. Approximately two-thirds of those surgeries have been performed on patients who were covered by Medicare.

d. The Medicare Fraud Statute, 42 U.S.C. § 1320a-7b, contains an anti-kickback provision, which prohibited companies from paying, and doctors from receiving, anything of value to influence the referral of federal health care program business.

Object of the Conspiracy

2. Defendant DePuy used consulting agreements with orthopedic surgeons, and payments made thereunder, in part as inducements for such surgeons' use of DePuy's artificial hip and knee reconstruction and replacement products.

Overt Act

3. In furtherance of the conspiracy and to effect the unlawful object thereof, defendant DePuy and its co-conspirators committed, and caused to be committed, the following overt acts in the District of New Jersey and elsewhere: From in or about January 2002 to in or about December 2006, defendant DePuy entered into consulting agreements with certain orthopedic surgeons designed, in part, to induce the surgeons to use, and cause the purchase of, DePuy's hip and knee reconstruction and replacement products.