

## **Nonprofit Health Services Organization Files Lawsuit Against Fortune 500 Pharmaceutical Company Over Prescription Drug Access**

LAS VEGAS, Nev. — Sagebrush Health Services, a nonprofit organization serving over 10,000 Nevada patients, has filed a lawsuit against Amgen Inc. (NASDAQ: AMGN), alleging that Amgen acted unlawfully by unilaterally terminating the sale of discounted drugs to Sagebrush's clinics and improperly retracting millions of dollars in past discounts. These actions, Sagebrush maintains, temporarily prevented it from supplying its clinics with necessary medications from Amgen and other manufacturers.

Sagebrush filed the lawsuit in the California Superior Court in Ventura County, where Amgen is headquartered. The complaint asserts five causes of action against Amgen for violating California law and seeks to protect patients' access to affordable care, particularly for the economically challenged and uninsured populations Sagebrush primarily serves.

The dispute centers on the 340B Drug Pricing Program, which allows eligible healthcare organizations ("covered entities"), such as Sagebrush's clinics, to purchase outpatient drugs at significantly reduced prices. In its complaint, Sagebrush asks the court to order the return of not less than \$7 million that Amgen improperly took from Sagebrush, and to award treble (triple) damages under California law, as well as punitive damages to "punish Amgen and deter future similar conduct."

### **Lawsuit Alleges Amgen Ignored Established Federal Process**

According to the complaint, the issue began nearly two years ago when Amgen unilaterally determined that Sagebrush was not an eligible entity under the 340B Program. The lawsuit asserts that Amgen, a \$184 billion company, disregarded the established federal process for challenging a covered entity's eligibility and instead took unilateral action.

The lawsuit also cites a letter from Amgen's attorneys to a U.S. Senate committee, in which they acknowledged that "the 340B program is not designed to permit even this modest level of manufacturer oversight" and that manufacturers "are not equipped or permitted to police compliance."

### **Statement from Sagebrush CEO**

Guru Charan, the founder and CEO of Sagebrush Health Services, says, "We tried every step to avoid this lawsuit, but Amgen left us no choice. It's vitally important that we continue to protect our patients' access to the federal 340B Program and to the services it allows us to provide. We believe we're standing up not only for our Nevada patients but also for those served by the additional 3,500 Section 318 grantees. These grantees provide health care to hundreds of thousands of people across the U.S. We must succeed to protect them as well."

Notably, in March, the U.S. Department of Health and Human Services (HHS) confirmed Sagebrush's eligibility as a covered entity under the 340B Program during a federal court hearing.

### **Sagebrush's Commitment to Underserved Patients**

Sagebrush Health is proud of its legacy of improving access for underserved populations. Its mission is to improve patients' quality of life by using state-of-the-art technologies and evidence-based medicine, supported by its team of experienced providers and staff.

For instance, Sagebrush's sexually transmitted infection (STI) program integrates education, screening, testing, and treatment services with specialized medical care, particularly for immunocompromised patients who face higher risks. This program provides critical services at a time of rising STI cases in the U.S.

Sagebrush reinvests savings from the 340B Program directly into vital community services, including free STI testing and prevention programs that are not covered by its grant funding. The lawsuit alleges that Amgen's actions have severely curtailed these activities.

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