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Gilead Reaches \$45M Settlement To End Kickback Claims

By **Spencer Brewer**

Law360 (October 22, 2026, 8:28 PM EDT) -- The Texas Office of the Attorney General on Thursday announced that pharmaceutical company Gilead Sciences Inc. signed off on a \$45 million settlement to end claims that the company ran an illegal kickback scheme in order to get prescribers to favor its medications.

The office said the company offered illegal incentives to medical providers in Texas, including "free nurses" and reimbursement support services. These measures were designed to entice medical providers to prescribe Gilead's drugs over competitors, the statement said.

"Doctors ought to prescribe medication in accordance with what is in the best interest of the patient. When Big Pharma attempts to bribe providers by offering kickbacks, the integrity of our healthcare system is jeopardized," Attorney General Ken Paxton said in a statement. "Gilead will now repay \$45 million to Texas."

The state said it brought the suit in 2023, alleging Gilead's tactics resulted in millions of dollars in claims submitted to Texas Medicaid.

Of the settlement amount, about \$24 million is restitution. A to-be-determined amount will go to the relator, Health Choice Advocates LLC.

"Let this be a warning to every Big Pharma company: If you jeopardize the health of Texans or abuse taxpayer dollars, I will come after you and you will pay," Paxton said.

Last year, Gilead **agreed to pay \$202 million** to the federal government and some states to resolve claims in New York federal court it made improper payments to high-volume prescribers of its HIV drugs. The U.S. attorney's office in Manhattan said that Gilead will pay nearly \$177 million to the federal government along with about \$25 million to some states to settle claims that it paid millions to doctors in speaking fees, dinners and other perks either as a reward for being high prescribers of its HIV drugs or to encourage them to prescribe the drugs.

Gilead also agreed to cooperate with the government's ongoing investigation of people and entities not subject to the settlement.

In an emailed statement, a Gilead spokesperson said that the company denies the allegations. The relator, Health Choice Advocates, was formed to file lawsuits against pharmaceutical companies, Gilead said.

"We believe our patient support programs are lawful, appropriate and beneficial, and this settlement helps ensure that Texas patients can continue to access the Gilead medicines they rely on while we remain focused on serving patients and advancing innovative therapies," the spokesperson said.

Representatives for the state and Health Choice Advocates didn't immediately respond to a request for comment.

The state is represented by Amy Hilton of the Texas Office of the Attorney General.

Health Choice Advocates is represented by W. Mark Lanier, Zeke DeRose III, Jonathan Wilkerson and

Alex J. Brown of the Lanier Firm PC and Radu Lelutiu, Rick Halper, Jennifer Truelove, Rachael Jones, Michael Catapano, Alexander Hartman, and Nishant Varma of McKool Smith PC.

Gilead is represented in-house by Keeley Wettan and by Jonathan M. Phillips and Betty Yang of Gibson Dunn & Crutcher LLP.

Case information wasn't immediately available Thursday.

--Additional reporting by Craig Clough. Editing by Emily Kokoll.

Update: This article was updated to include additional counsel information.

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