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## Truce Called in Fee-Cap Fight

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**The Recorder**  
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SACRAMENTO -- The drug war is over.

On Monday, the Pharmaceutical Research and Manufacturers Association of America confirmed it will pull from consideration a state ballot initiative that sought to slap a 20 percent cap on attorneys' contingency fees.

The cease-fire came after several meetings between a team of PhRMA negotiators, including former Assembly Speaker and San Francisco Mayor Willie Brown and Consumer Attorneys of California President Sharon Arkin.

"Sharon [Arkin] did a really good job of convincing PhRMA that we had nothing to do with pharmaceutical stuff and not to pick a fight with us," said former CAOC President Bruce Brusavich, who had worked with Arkin on developing strategy to oppose PhRMA's plan.

"They wanted to focus on pharmaceutical issues, and clearly, we are not a pharmaceutical issue," said Arkin.

In a brief prepared statement Monday, PhRMA spokesman Dave Puglia said the group "decided we will probably not pursue a contingency fee measure."

PhRMA leaders had said they proposed the fee cap to gain leverage with Democrats in the Legislature. Drug makers want support for SB 19, which would expand a program offering state-funded prescription medicines to low-income Californians. As backup, PhRMA has submitted a ballot measure that would do the same thing.

Arkin said Monday that CAOC had agreed to "counsel" legislators to meet with PhRMA, but she said CAOC wasn't asked to "press" lawmakers to support SB 19.

As part of the compromise, Arkin said, PhRMA agreed it wouldn't pursue a fee cap next year, either.

The labor unions and consumer groups allied against PhRMA's plan have introduced a rival measure that would create a broader drug-benefit program and force deeper discounts from drug makers. That group, Alliance for a Better California, said the accord between CAOC and PhRMA wouldn't affect their own battle with the drug industry. "Trial attorneys were never a part of the alliance," said spokesman Jim Farrell.

State Sen. Deborah Ortiz, D-Sacramento, who authored SB 19, said the accord between PhRMA and the CAOC will help refocus attention on her bill, which is slated for committee hearings later this month. "This is a significant breakthrough from my perspective," said Ortiz. She added that she had told PhRMA from "the beginning" that trial lawyers "had no battle" in the prescription drug debate.

PhRMA has a \$10 million war chest, and CAOC officials said last month they had raised \$3 million and pledges of \$4 million more to fight the fee cap.

The money could come in handy if some other group launches an assault on attorneys fees.

"We always expect that," said Arkin, "but it won't come from PhRMA."