

## **Stryker Corp. to pay at least \$1.4 billion to settle hip replacement lawsuits**

Stryker HQ.JPG

**Al Jones | ajones5@mlive.com** By **Al Jones | ajones5@mlive.com** on November 03, 2014 at 6:39 PM, updated November 03, 2014 at 7:22 PM **KALAMAZOO, MI** –

Stryker Corp. has agreed to pay at least \$1.4 billion to settle thousands of lawsuits by U.S. patients who had surgeries to revise problematic Stryker hip replacements.

The settlement in New Jersey's Bergen County Superior Court is intended to compensate individuals who had to have surgery to replace either of two Stryker products -- the Rejuvenate Modular-Neck hip stem and/or ABG II Modular-Neck hip stem.

Following complaints by patients of pain and swelling that were attributed to fretting and corrosion of the metal-on-metal hip implants, Stryker voluntarily conducted a worldwide recall of the products in July of 2012.

The company did not provide an estimate of how many people may have been effected or how many may be compensated. It also did not offer a representation of how much individuals stand to receive.

"The ultimate cost to entirely resolve these matters will depend on many factors that are difficult to predict and may be materially different than the amounts accrued to date," the company stated in a press release. "Further charges to earnings may need to be recorded in the future as additional information related to patient enrollment in the Settlement Program becomes available."

The company stated that it expects to make the majority of the payments under the settlement agreement by the end of 2015. The agreement, which is intended to resolve a wave of state and federal lawsuits, was brokered by New Jersey Superior Court Judge Brian R. Martinotti with the help of former United States Magistrate Judge Diane M. Welsh, acting as chief mediator.

It covers individuals who have already had surgery to replace the Stryker products. It also covers those who are already party to a lawsuit as well as those who are not.

In a June report, MT Services LLC reported that some cases involving revisions of Stryker Rejuvenate and ABG II hips could be worth more than \$500,000.