

Focus: General and In-House Counsel Awards

Privately held companies,
revenue under \$1 billion

RYAN RUZZICONI

Vice president and general counsel, **Diplomat Specialty Pharmacy Inc.**, Flint

Claim to fame: Created in-house counsel office, negotiated ground-breaking contract with Pfizer to sell brand-name drug Lipitor at generic prices, successfully managed patient privacy audit by the **U.S. Department of Health and Human Services'** Office of Civil Rights.

Ryan Ruzziconi has blazed several trails since he joined **Diplomat Specialty Pharmacy Inc.** in December 2009 as its first general counsel.

"Bringing me in-house has saved money," said Ruzziconi, who formed and heads the legal department for the mail-order pharmacy company. "My philosophy was to keep as much in-house as I could. I am in the best position to know the ins and outs of Diplomat and to know what human resource or compliance issues there are."

Ruzziconi, 36, rounded out his new department with a paralegal and administrative assistant, and relies partly on law school or college interns.

"We have kept our budget at under \$400,000 a year the past two years. It will go up when we hire a new corporate counsel" in late March, Ruzziconi said.

Diplomat CEO Phil Hagerman said one of Ruzziconi's best assets has been his abil-

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RYAN GARZA

ity to turn work around quickly and how he handles business partners' needs.

"He protects us as he should without trying to create unfair advantages," Hagerman said. "(That) goes a long ways when we are negotiating tough points."

To tap into outside expertise, Ruzziconi has contracted with two law firms with offices in Detroit, **Butzel Long** and **McDonald Hopkins PLC**. The firms receive paid flat fees to advise Diplomat on compliance and pharmacy licensing issues.

Last November, Diplomat took the pharmaceutical industry by surprise when it announced an innovative contract to help Pfizer market its brand name drug Lipitor at generic prices.

Because Lipitor's patent had expired, Pfizer contracted with Diplomat to mail Lipitor to patients who order the cholesterol-lowering pills directly through the pharmacy. Diplomat would bill the patients' health plans.

The Pfizer deal was the first time a major pharmaceutical drug maker has ever contracted directly with a mail-order drug company to sell its brand-name drugs to

consumers directly at generic drug prices after its patent expires

Lipitor is the top-selling drug of all time, and Pfizer has earned more than \$81 billion in sales since 1997.

Diplomat has about 600 employees, including more than 50 hired in the past few months to help service the new Pfizer contract. Its 2011 revenue was \$800 million and could grow to nearly \$1 billion this year, Hagerman said.

Ruzziconi also successfully managed a medical privacy compliance audit by the Office of Civil Rights under the **U.S. Department of Health and Human Services**, under the federal Health Insurance Portability and Accountability Act.

While Ruzziconi declined to give the reason for the audit, Diplomat received a "matter closed, audit complete" decision from HHS and no fine.

Diplomat is a pharmacy benefit management company that offers mail-order services, dialysis medication management, wellness programs and patient counseling services.

— Jay Greene