

Press Release

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SAFE Glen Cove Coalition: The Opioid Epidemic Settlements

A recent article in The Washington Post discusses the long-awaited law suit settlement of four companies that made or distributed prescription opioids and played roles in the catastrophic opioid crisis. A tentative \$26 billion settlement has been reached with counties and cities that sued them for damages in the largest federal court case in American history.

The settlement offer from opioid manufacturer Johnson & Johnson and the “Big Three” distributors, McKesson, Cardinal Health and AmerisourceBergen, potentially brings a large measure of legal closure for the companies and will funnel money to communities devastated by an addiction crisis that claims more than 70,000 lives in America every year. That death toll continues to rise even as it is overshadowed by the coronavirus pandemic. The tentative deal, which has been in the works for months, must still pass muster with judges who have been handling the complex litigation in federal and state courts. That includes U.S. District Judge Dan Aaron Polster in Cleveland, who has been supervising the complex multidistrict litigation for more than two years.

The agreement creates an incentive for states to persuade local jurisdictions to agree to the terms because the payouts to the states will take place over 18 years and diminish if communities do not sign on. Another feature of the settlement is a \$2 billion fund, paid for by the companies, to compensate the hundreds of law firms involved in the litigation. It was unclear to what extent state attorneys general, who have separately sued the companies, are supportive of the tentative settlement. Part of the complexity of the opioid litigation has been the competition among different government entities and private law firms to play the dominant role in the lawsuits.

Though the \$26 billion settlement appears as a blockbuster at first glance, it does not approach the 1998 settlement between states and major tobacco companies, which totaled more than \$206 billion over 25 years. The tobacco companies operated with much bigger profit margins at the time than drug companies do now. In the opioid lawsuits, public officials have alleged that the opioid manufacturers, distributors and pharmacies knew, or should have known, that billions of the highly addictive pills they produce and sell for legitimate pain patients were siphoned off by fraudulent doctors, illegal pill mills and negligent pharmacies to people who abused the drugs.

More than 100 billion doses of two opioids — oxycodone and hydrocodone — flooded the country between 2006 and 2014, according to data obtained by The Washington Post in a lawsuit. Research analysts maintain \$26 billion will not come close to compensating states and local communities for the costs of the opioid epidemic. States who are creditors in the Purdue Pharma bankruptcy have said in court filings that the total costs of the opioid epidemic are at least \$630 billion and will run into the trillions in future years.

The Washington Post is a major American daily newspaper published in Washington, D.C. It has taken a leadership role in following the Nations opioid epidemic. Please visit The Post's Opioid Files for more information at www.washingtonpost.com.

The SAFE Glen Cove Coalition is conducting an opioid prevention awareness campaign entitled. "Keeping Glen Cove SAFE," in order to educate and update the community regarding opioid use and its consequences. To learn more about the SAFE Glen Cove Coalition please follow us on www.facebook.com/safeglencovecoalition or visit SAFE's website to learn more about the Opioid Epidemic at www.safeglencove.org.