



ICYMI: Governor Murphy and AG Platkin Announces 100% Participation by NJ Counties and Municipalities in \$20.1 Billion Nationwide Opioid Settlements with CVS, Walgreens, Walmart Pharmacies, and Two Drug Makers Teva and Allergan

05/3/2023

If Approved, Settlements Would Bring Total Opioid Settlement Funds Secured for NJ by Murphy Administration to Over \$1 Billion

TRENTON – Governor Phil Murphy and Attorney General Matthew J. Platkin announced today that all 21 counties and all 241 municipalities in New Jersey eligible for direct distributions have joined the State in signing onto the nationwide settlement agreements with pharmacy chains CVS, Walgreens, and Walmart, and drug makers Teva Pharmaceuticals and Allergan, to resolve claims involving their alleged roles in fomenting the country's opioid crisis.

As a result, New Jersey and its eligible counties and municipalities are on track to receive the maximum amount available to the State under the settlements: approximately \$508.1 million. Under the settlements, the amount that each state will receive depends on the level of participation among its eligible county and municipal governments. New Jersey has now achieved 100 percent participation among those counties and municipalities.

If the proposed settlements are approved, the Murphy Administration will have secured over \$1 billion through investigation and litigation for New Jersey and its communities to spend in combatting the opioid epidemic.

"While thousands of New Jerseyans have lost their lives to the opioid epidemic and thousands of others continue to struggle with opioid addiction, these large corporations and drug makers profited from the pain and struggle of our communities. While this settlement does not bring our loved ones back, it will bring resources to the state that will support programs and initiatives that save lives," said **Governor Murphy**. "I thank Attorney General Platkin and his office for their work on delivering these settlements to our state. This Administration will continue to prioritize and support our residents with substance use disorders."

New Jersey announced

(https://urldefense.com/v3/_https://t.e2ma.net/click/3bsmgj/7ys5259b/nfwbw3_...!J30X0Zrnc1oQtBAINAKf2XSkmA1LbLoGuLnsWC_U6yWnj0DJCyfdg9I0US7hwW7iQ4fKAmXR9LSmsatVr6_fxS0RoUYYEePuomSLikHSs) participation in the settlements on January 11, 2023, and eligible counties and municipalities were given until May 2, 2023, to sign on. During that time, state, county, and local officials have been working together to ensure that New Jersey receives the maximum possible benefit from the settlements, with assistance from the Murphy Administration, the New Jersey State League of Municipalities, and the New Jersey Association of Counties.

Teva, Allergan, CVS, and Walgreens are expected to announce by June 1, 2023, whether their settlements will go forward, which will depend on whether enough state subdivisions from around the country have signed on. The Walmart settlement becomes effective by its own terms so long as sign-on is achieved by 85% of the aggregate population of litigating subdivisions and 85% of the aggregate population of subdivisions with populations equal to or greater than 30,000 that have not filed suit against Walmart, and populations between 10,000 and 30,000 that have not filed suit against Walmart but have filed opioid litigation against McKesson, AmerisourceBergen, Cardinal Health, and/or Janssen Pharmaceuticals or any parents, subsidiaries, divisions, predecessor, successors and/or assigns of any of these companies. If all states and eligible subdivisions participate, the agreements will collectively be valued at \$20.1 billion nationwide.

"I thank the counties and municipalities across New Jersey for working with us to ensure our state is on track to receive the maximum available funding from these settlements," said **Attorney General Platkin**. "No amount of money can bring back the lives lost or undo the suffering caused by the addiction epidemic, but the funding we receive will provide critical support through prevention, treatment, and recovery services and programs that help us heal and move forward."

"No one is immune from the opioid epidemic that continues to ravage through our communities and claims over 3,000 lives each year in New Jersey," said **New Jersey Health Commissioner Judith Persichilli**. "The opioid settlement funds will put accountability into practice, supporting prevention efforts and expanding access to care, treatment and recovery programs for individuals and families struggling with substance use disorder."

"I'm pleased to see complete sign-on from our counties and municipalities, allowing New Jersey to take advantage of the maximum funding available under this settlement," said **Human Services Commissioner Sarah Adelman**. "I look forward to this funding being available to connect people to treatment, enhance our prevention efforts and to save and restore lives impacted by the opioid crisis."

"On behalf of the League of Municipalities and its members, our deep appreciation to the Governor's and Attorney General's offices for working closely with the League and the New Jersey Association of Counties to again reach 100% participation for local government in the recent opioid settlements," said **League President Raymond Heck, Mayor, Millstone Borough**. "This funding will be critical to fund services to address the devastating impact of opioids in our communities. Local governments will put this funding towards education, relief and preemptive services. It's a take full court effort from all level of governments to address this scourge and we're honored to part of these efforts."

"The New Jersey Association of Counties (NJAC) commends Attorney General Platkin for his steadfast commitment to combatting the opioid crisis and leadership in securing vital resources that county governments across the State will use to provide critical support for those in need," said **John Donnadio, Executive Director, NJAC**.

The settlements with CVS, Walgreens, and Walmart resolve allegations that the pharmacy chains helped fuel the opioid epidemic by ignoring red flags that prescriptions were being diverted into illegal trafficking. In addition to the financial settlements, the pharmacies have agreed to court-ordered injunctive relief that requires the pharmacies to monitor, report, and share data about suspicious activity related to opioid prescriptions.

The settlements reached with Allergan and Teva resolve allegations that the drug makers helped fuel the U.S. opioid epidemic by overstating the painkillers' benefits, downplaying the risk of addiction, and failing to maintain controls to prevent opioid misuse. Teva, an Israeli-based drug manufacturer, makes Actiq and Fentora, which are branded fentanyl products for cancer pain, as well as a number of generic opioids, including oxycodone. Ireland-based Allergan formerly made Norco- and Kadian-branded and generic opioids. The company sold its generics portfolio, including opioid products, to Teva in 2016.

The opioid abatement funds New Jersey stands to receive from all five settlements will be split 50/50 between the State and its eligible subdivisions pursuant to the Memorandum of Agreement between the State of New Jersey and Local Governments on Opioid Litigation Recoveries, which establishes binding terms for the distribution and spending of funds from any national opioid litigation resolution and is applicable by its terms to these five settlement agreements.

The settlements announced today are the latest multistate accords resolving nationwide claims against drug makers and pharmacies for their alleged roles in the opioid addiction epidemic.

In February 2022, the Attorney General's Office announced that New Jersey was to receive a historic \$641 million from settlements with opioid manufacturer Johnson & Johnson and the country's three largest pharmaceutical distributors – McKesson, Cardinal Health, and AmerisourceBergen. The \$641 million in settlement funds will be paid through 2038, and will fund programs focused on treatment, prevention, and other strategies to combat the opioid epidemic in the State.

In June, AG Platkin announced New Jersey would receive approximately \$30 million in settlement funds from global pharmaceutical maker Mallinckrodt PLC. In August, he announced a multistate agreement-in-principle with opioid maker Endo International plc and its lenders that would provide up to \$450 million to participating states and local governments, ban promotion of Endo's opioids, and require Endo to turn over millions of documents related to its role in the opioid crisis for publication in a public online archive. Final settlement amounts for individual states have not yet been determined.

Also in August, Governor Murphy issued Executive Order No. 305 establishing an Opioid Recovery and Remediation Fund Advisory Council chaired by Commissioner of the Department of Human Services Sarah Adelman and comprised of the Attorney General and the Commissioners of the Departments of Health and Children and Families, along with relevant stakeholders, who will provide input, advice, and recommendations on the disbursement of opioid settlement funds awarded to the State. The Advisory Council was codified into law through legislation signed by the Governor in March.

The Executive Order and statute also formally designate the Department of Human Services as the lead agency for purposes of directing the use of funds received by the State from national opioid litigation resolutions and performing the State's reporting, public disclosure, and other compliance obligations under the settlements.

The state has solicited funding recommendations through an online portal and the Opioid Recovery and Remediation Fund Advisory Council will host a series of public listening sessions starting on May 4. For more information, please visit <https://www.nj.gov/opioidfunds/> (https://urldefense.com/v3/_https://t.e2ma.net/click/3bsmgj/7ys5259b/37bw3_...!J30X0Zrnc1oQtBAINAKf2XSkmA1LbLoGuLnsWC_U6yWnj0DJCyfdg9I0US7hwW7iQ4fKAmXR9LSmsatVr6_fxS0RoUYYEePuohwhuiVZS).

Assistant Attorney General Lara Fogel and Deputy Attorney General Brian DeVito of the Division of Law's Affirmative Civil Enforcement Practice Group, under the supervision of Deputy

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