





NJ will receive about \$16 million in nationwide deal worth \$573 million

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NJ CARES

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participating jurisdictions to address the ongoing opioid epidemic.

This is the first multi-state opioid settlement to result in substantial payment to the states and jurisdictions to address the epidemic. Attorney General Grewal announced two weeks ago that New Jersey had settled its case against John Kapoor, the founder of Insys Therapeutics, Inc., over his orchestration of a kickback scheme to boost sales of the company's Subsys product.

In addition to providing funds to address the epidemic, the agreement announced today calls for McKinsey to prepare tens of thousands of its internal documents detailing its work for Purdue Pharma and other opioid companies for public disclosure online. In addition, McKinsey agreed to adopt a strict document retention plan, continue its investigation into allegations that two of its partners tried to destroy documents in response to investigations of Purdue Pharma, implement a strict ethics code that all partners must agree to each year, and stop advising companies on potentially dangerous Schedule II and III narcotics.

"We are continuing to deliver on our promise to hold accountable the corporations and executives whose bad acts contributed to the opioid epidemic that has brought so much despair to our communities," said Attorney General Grewal. "With today's settlement, McKinsey is paying much more than the money it made advising opioid manufacturers like Purdue Pharma on how to sell more of their addictive drugs.

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stratagems as significantly increasing the frequency of Purdue's sales visits to high-volume OxyContin prescribers – some of whom were writing 25 times more prescriptions for OxyContin than their lower-volume counterparts. The plan also involved focusing Purdue's market messaging on the encouragement of higher, more lucrative dosages.

The Complaint alleges that McKinsey even exerted influence when a large pharmacy chain took steps to scrutinize suspicious opioid orders, advising Purdue's owners (members of the Sackler family) to protect Purdue's market share by engaging in senior level discussions with the pharmacy chain, encouraging advocacy groups to push back against regulator-set dispensing limits, and accelerating consideration of an alternate distribution method, such as delivering OxyContin directly to patients through mail-order pharmacies.

The Complaint alleges that McKinsey continued to design and develop new ways for Purdue to increase its OxyContin sales well after the opioid epidemic had peaked, and then played both ends of the epidemic by advising Purdue on the profit potential of manufacturing and marketing opioid rescue and treatment medications.

"We are pleased that a central figure in Purdue's illegal marketing of opioids is answering for its conduct," said Sharon M. Joyce, Director of the Office of the New Jersey Coordinator for Addiction Responses and Enforcement Strategies (NJ CARES). "We cannot begin to med Translate »





Months after McKinsey halted its opioid-related consulting work in 2019, Purdue Pharma filed for bankruptcy, as did another opioid-manufacturing McKinsey client, Mallinckrodt plc.

In 2020, Purdue pleaded guilty to three felonies related to conduct spanning a decade – from 2007 through 2017 – during which Purdue worked side-by-side with McKinsey to design and implement marketing campaigns to increase opioid sales.

New Jersey has filed lawsuits against both Purdue and the Sackler family members alleging that their greed-driven push to flood the market with OxyContin and other opioid products – including the targeting of such vulnerable populations as the elderly and children — was responsible for the opioid epidemic. New Jersey's claims against Purdue and the Sacklers are now part of a case pending in U.S. Bankruptcy Court for the Southern District of New York. The State continues to aggressively pursue its claims against Purdue and the Sacklers in that court.

Assistant Attorney General Janine Matton, Deputy Attorney General Jesse Sierant, Deputy Attorney General Patricia Schiripo and Deputy Attorney General Lara Fogel, of the Division of Law's Affirmative Civil Enforcement Practice Group, handled the McKinsey matter on behalf of the State.





UPDATE: Attorney General's Office Releases Identities of the Decedent and Officers in Police-Involved Shooting in Newark May 16, 2023







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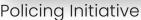
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