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2022 RES-355

**APPROVING THE PROPOSED SETTLEMENT OF OPIOID-RELATED CLAIMS
AGAINST MANUFACTURERS AND RETAILERS**

In 2018, Dane County (“County”) joined many other municipalities in Wisconsin in bringing suit against several manufacturers, distributors, wholesalers, and other parties responsible for the opioid epidemic. The County’s lawsuit was also joined with lawsuits from states and local governments across the country in what is called Multi-District Litigation administered by a Federal Judge in Cleveland, Ohio. Plaintiffs’ interests are represented by a National Consortium that includes the County’s retained counsel. In its complaint, the County sought the recovery of the financial resources previously expended and to be expended in the future to abate the consequences and harms of the opioid epidemic on the County’s residents.

In 2021 the National Consortium reached nationwide settlements with three pharmaceutical distributors, McKesson, Cardinal Health, and Amerisource Bergen, and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson. The County Board approved County participation in those settlements and authorized the Office of Corporation Counsel to execute the appropriate settlement documents. Dane County began receiving funds from that settlement in 2022. Nationwide settlements have now been reached to resolve claims by state and local governments against two manufacturers, Teva and Allergan, and three pharmacies, CVS, Walgreens and Walmart. The Settlements require the settling Manufacturers and Pharmacies to pay over \$20 billion. Of this amount, approximately \$17 billion will be used by participating states and local governments to remediate and abate the impacts of the opioid crisis. The Settlement also contain injunctive relief governing opioid marketing, sale, distribution, and/or dispensing practices.

Dependent upon participation by states and local governments, the Settlements require:

- Teva to pay up to \$3.34 billion over 13 years and to provide either \$1.2 billion of its generic version of the drug Narcan over 10 years or an agreed upon cash equivalent over 13 years;
- Allergan to pay up to \$2.02 billion over 7 years;
- CVS to pay up to \$4.90 billion over 10 years;
- Walgreens to pay up to \$5.52 billion over 15 years; and
- Walmart to pay up to \$2.74 billion in 2023, and all payments to be made within 6 years.

The County can participate in these settlements if it approves the Settlement Agreements. The settlement proceeds will be distributed in the manner approved for the previous settlement. The County Board has previously approved a Memorandum of Understanding with the Wisconsin Attorney General regarding the allocation of settlement proceeds. That agreement provides that 70 percent of the total proceeds to the State of Wisconsin will go to the litigating local governmental entities. The County’s share of the proceeds going to Wisconsin local governments is expected to be approximately 8.248 percent.

NOW, THEREFORE, BE IT RESOLVED that the nationwide settlements with, CVS, Walgreens, Walmart, Teva, and Allergan are hereby approved and that the Office of the Corporation Counsel and/or the County’s outside legal counsel are hereby authorized, to take such action as may be necessary to opt-in the settlements.