

The Opioid Epidemic and Settlements

HISTORY

The Opioid epidemic has impacted thousands of New Mexicans through prescription opioid overdoses and opioid use disorders, as well as the general cost to the State to abate this epidemic. Beginning in 2017, the State brought several lawsuits against pharmaceutical manufacturers, distributors and retailers/pharmacies for their roles in this crisis. Some of the lawsuits were directly filed by the State against certain entities and others were filed as part of multistate national litigation.

THE OPIOID SETTLEMENTS

The following are the companies that New Mexico settled with either through national settlements or through independent settlements. The settlement amounts below are rounded and not the exact amounts of settlement.

Distributors:

- Allergan (national settlement) \$18.8M (2022-2029)
- Janssen (national settlement) \$41M (2022-2024)
- Group of Distributors (national settlement) \$172.4M (2022 – 2038)

Manufacturers:

- KVK-Tech (independent settlement) \$1.75M (2023-2027)
- Amneal (independent settlement) \$725,000 (2023-2025)
- Hikma (independent settlement) \$500,000 (2023)
- Teva (national settlement) \$32M (2023-2035)
- Mellinckrodt (national settlement) \$2.6M (2023)
 - Purdue Pharma is in bankruptcy and is still in process of settlement
 - There are a few smaller manufacturers that are in process of settlement

Pharmacies:

- Walgreens (independent settlement) \$500M (2023-2037)
- Albertson's (independent settlement) \$20M (2022)
- CVS (independent settlement) \$19M (2022)
- Walmart (independent settlement) \$150M (2022)
- Kroger/Smith's (independent settlement) \$85M (2022)

FUNDS FROM THE SETTLEMENTS

Allocation – Cities and counties who signed on to receive opioid funds will receive 55% of the settlement funds while the state receives 45%. The portion that goes to the state is subject to appropriation by the legislature.

Use of Funds - Funds from the opioid settlements must be used for opioid abatement or remediation purposes. For example, treatment of opioid use disorders, expanding training for opioid overdoses, increasing medical assisted treatment, expanding recovery services and programs, as well as research and evaluation of programs.

In some of the national settlements, plaintiffs must disclose any amount used for non-remediation or abatement purposes. If funds are used for non-remediation, payments may be suspended until the amounts are redirected to opioid remediation. All plaintiffs, including local governments, are subject to audits under the State Audit Act.