



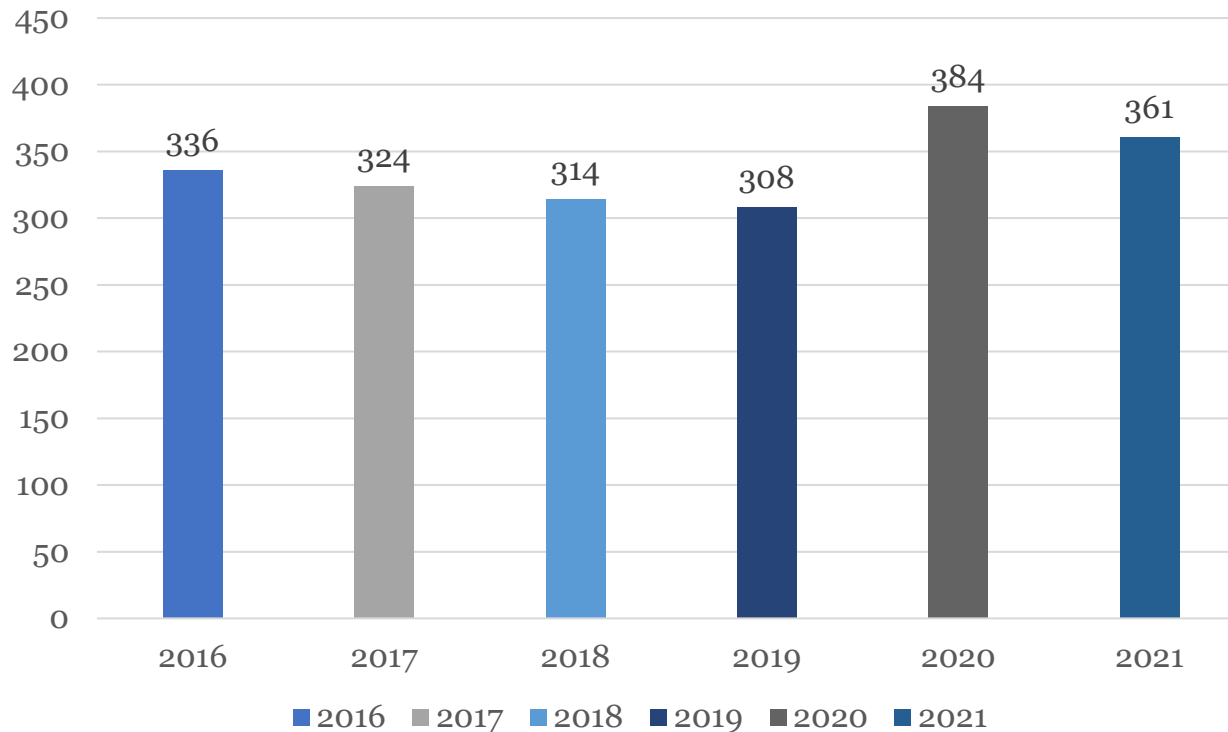
Rhode Island Opioids Litigation Update

January 25, 2022



Opioids in Rhode Island

Number of fatal overdoses in Rhode Island



Source: Rhode Island Department of Health



Timeline of Rhode Island's opioids litigation

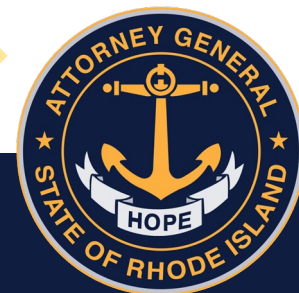
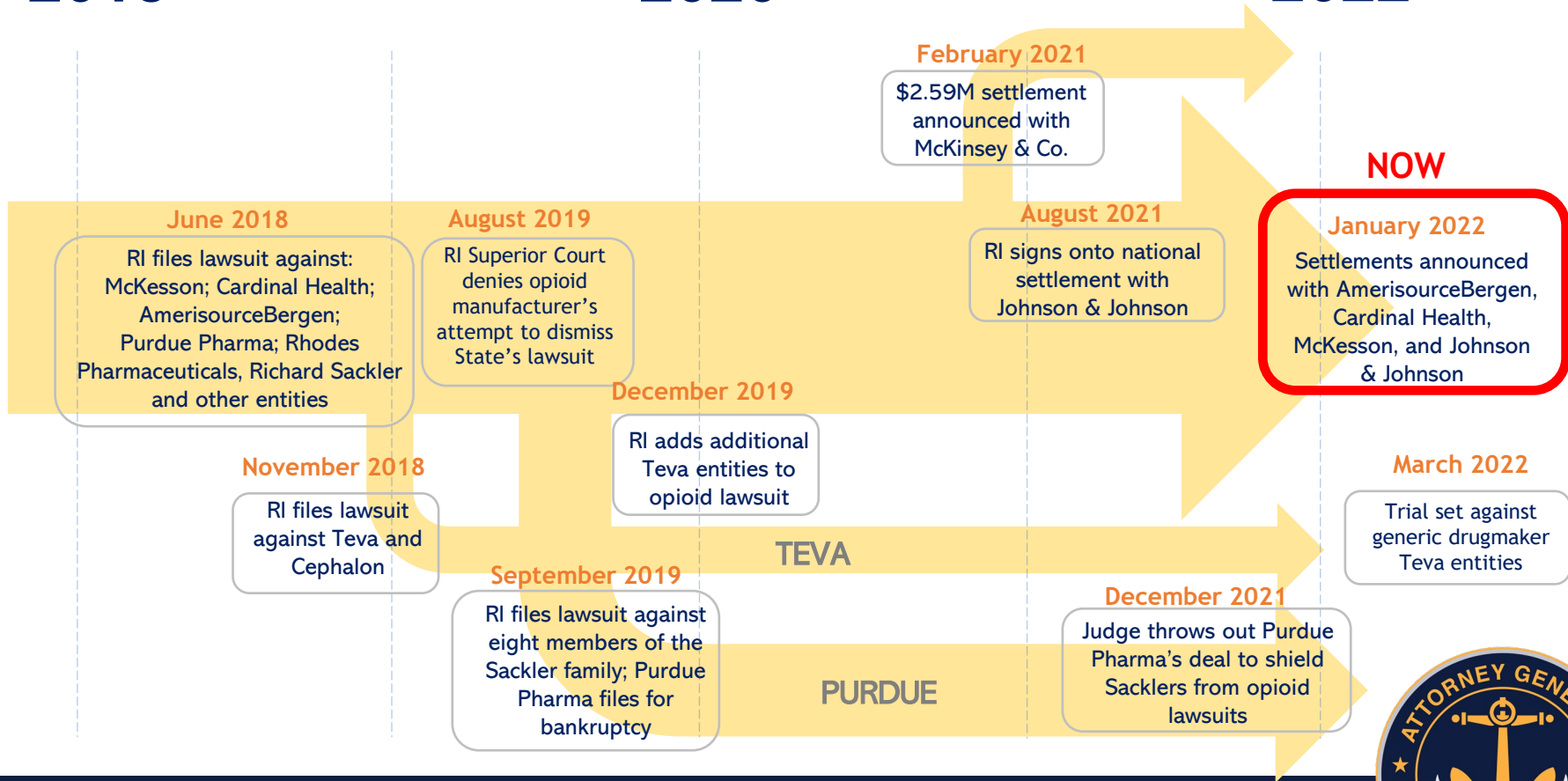
2018

2019

2020

2021

2022



Breakdown of Opioids Funds Recovered

\$2.59 M



Settlement
with McKinsey
& Co.

Consulting firm that helped Purdue Pharma market opioids, including a plan to “turbocharge” OxyContin sales at height of epidemic.

Rhode Island will receive \$2.59 million over 5 years.

\$1 million used in 2021 to address critical and immediate need for naloxone.



Breakdown of Opioids Funds Recovered

Up to
\$21.1M



Settlement
with Johnson &
Johnson

Johnson & Johnson manufactured, marketed, and sold opioids while deceptively downplaying the risks of addiction.

Rhode Island will receive up to \$21.1 million over 10 years through global settlement.

Payment to begin July 2022.



Breakdown of Opioids Funds Recovered

\$90.8 M



Settlement with
AmerisourceBergen,
Cardinal, and
McKesson

Nation's three major drug distributors directly contributed to the opioid epidemic through the over supply of opioids and by routinely filling and failing to report suspicious orders.

Rhode Island will receive at least \$90.8 million over 18 years through agreement.



Breakdown of Opioids Funds Recovered

PAYMENT YEAR	McKinsey & Co.	Johnson & Johnson	Distributors	Total
2021	\$2.1	-	-	\$2.1
2022	\$0.1	\$4.6	\$8.0	\$12.7
2023	\$0.1	\$2.6	\$4.1	\$6.8
2024	\$0.1	\$4.0	\$5.1	\$9.2
2025	\$0.1	\$4.4	\$5.1	\$9.6
2026	-	\$0.8	\$5.1	\$5.9
2027	-	\$0.8	\$5.1	\$5.9
2028	-	\$0.8	\$6.0	\$6.8
2029	-	\$1.0	\$6.0	\$7.0
2030	-	\$1.0	\$6.0	\$7.0
2031	-	\$1.0	\$5.0	\$6.1
2032	-	-	\$5.0	\$5.0
2033	-	-	\$5.0	\$5.0
2034	-	-	\$5.0	\$5.0
2035	-	-	\$5.0	\$5.0
2036	-	-	\$5.0	\$5.0
2037	-	-	\$5.0	\$5.0
2038	-	-	\$5.0	\$5.0
Total	\$2.6	\$21.1	\$90.8	\$114.5

**Numbers
are in
millions**

** Total amounts are estimates*



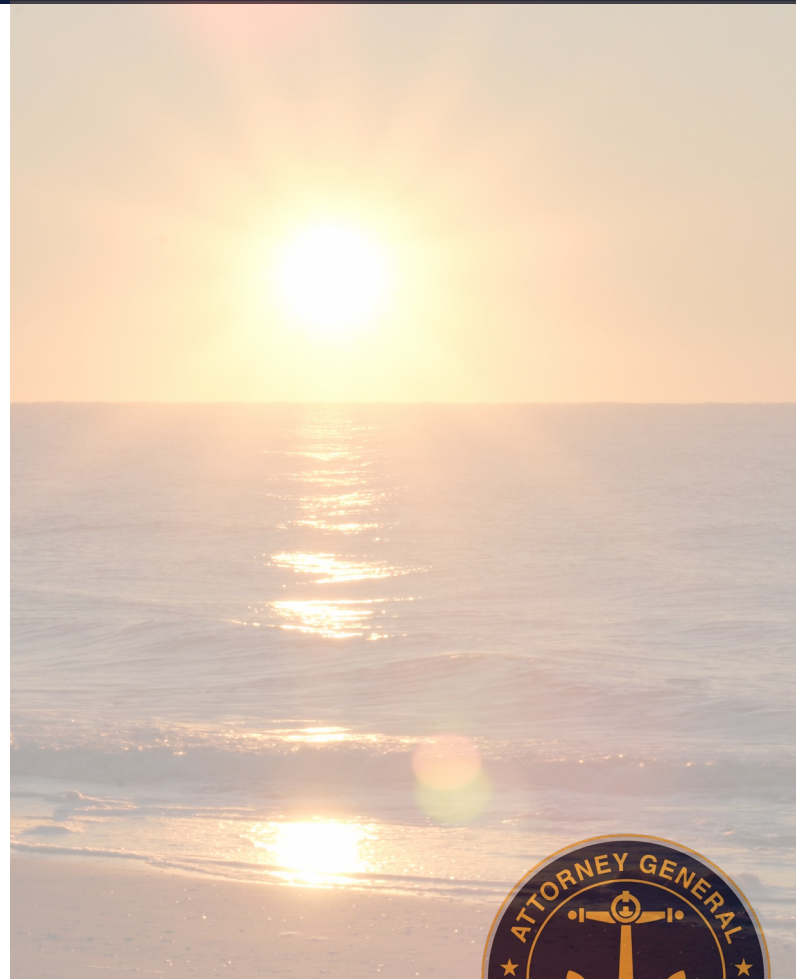
All monies recovered MUST be used for

Opioids Abatement



What is Opioids Abatement?

- **Treatment:** medication-assisted treatment, such as methadone or buprenorphine
- **Overdose rescue:** purchasing and deploying drugs like naloxone can save lives
- **Prevention:** monitoring and weighing access to opioids with the risk of diversion, addiction, and overdose
- **Recovery:** can include clinical treatment, medications, peer support, family support, self-care, and other methods



More than Money

Rhode Island's settlements include important agreements to end bad behavior and create transparency.

- **McKinsey & Co.** will implement new ethics rules, stop advising companies on potentially dangerous scheduled drugs, and turn over thousands of internal documents for public portal.
- **Distributors** will create red flag systems for suspicious orders, report these orders to the Attorney General and Department of Health, report customers they have blocked, and implement monitoring and oversight.



A Better Deal for Rhode Island

Global deal	Rhode Island's settlement
First payment in summer 2022	First payment within weeks Second payment summer 2022
Still pending, uncertain	Guaranteed
--	Secures millions in additional funds from the distributors to compensate the state for its substantial investment in the litigation of the case against them



Overview of Opioids Litigation

Rhode Island's lawsuit

STATE OF RHODE ISLAND
PROVIDENCE, SC. SUPERIOR COURT

STATE OF RHODE ISLAND, by and :
through, PETER F. NERONHA, :
ATTORNEY GENERAL, :
Plaintiff :

v. : C.A. No. PC-2018-4555

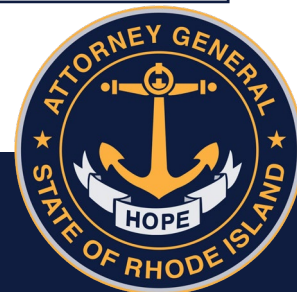
PURDUE PHARMA L.P.; PURDUE PHARMA :
INC.; THE PURDUE FREDERICK COMPANY, :
INC.; RHODES PHARMACEUTICALS L.P.; :
RHODES TECHNOLOGIES; RHODES :
TECHNOLOGIES INC.; RICHARD S. :
SACKLER; INSYS THERAPEUTICS, INC.; :
JOHN N. KAPOOR; TEVA :
PHARMACEUTICALS USA, INC.; :
CEPHALON, INC.; MALLINCKRODT PLC; :
MALLINCKRODT, LLC; SPECGX, LLC; :
CARDINAL HEALTH, INC.; MCKESSON :
CORPORATION d/b/a MCKESSON DRUG :
COMPANY; and AMERISOURCEBERGEN :
DRUG CORPORATION, :
Defendants :

Municipalities' lawsuit

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

IN RE: NATIONAL PRESCRIPTION) MDL No. 2804
OPIATE LITIGATION)
Case No. 17-md-2804)
THIS DOCUMENT RELATES TO:)
Judge Dan Aaron Polster)
ALL CASES)
OPINION AND ORDER)

In this Multidistrict Litigation ("MDL"), public entities from across the nation have sued manufacturers, distributors and retailers of prescription opiate drugs, alleging they are liable for



Agreement Between State and 39 Municipalities

80%

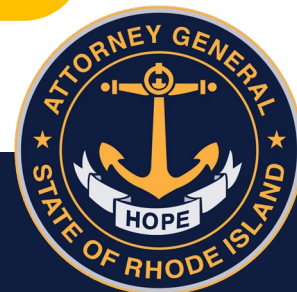
Will be overseen by EOHHS and allocated to abatement programs throughout RI. New Advisory Committee will make recommendations on spending.

20%

Will go directly to all cities and towns to be used solely for opioid abatement.

100%

**OPIOIDS
ABATEMENT**



New Advisory Committee

3

**Public
Health**

2

Community

6

State

6

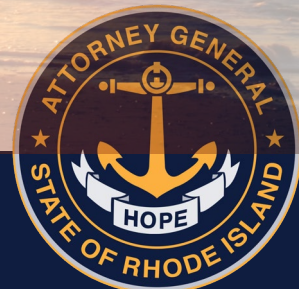
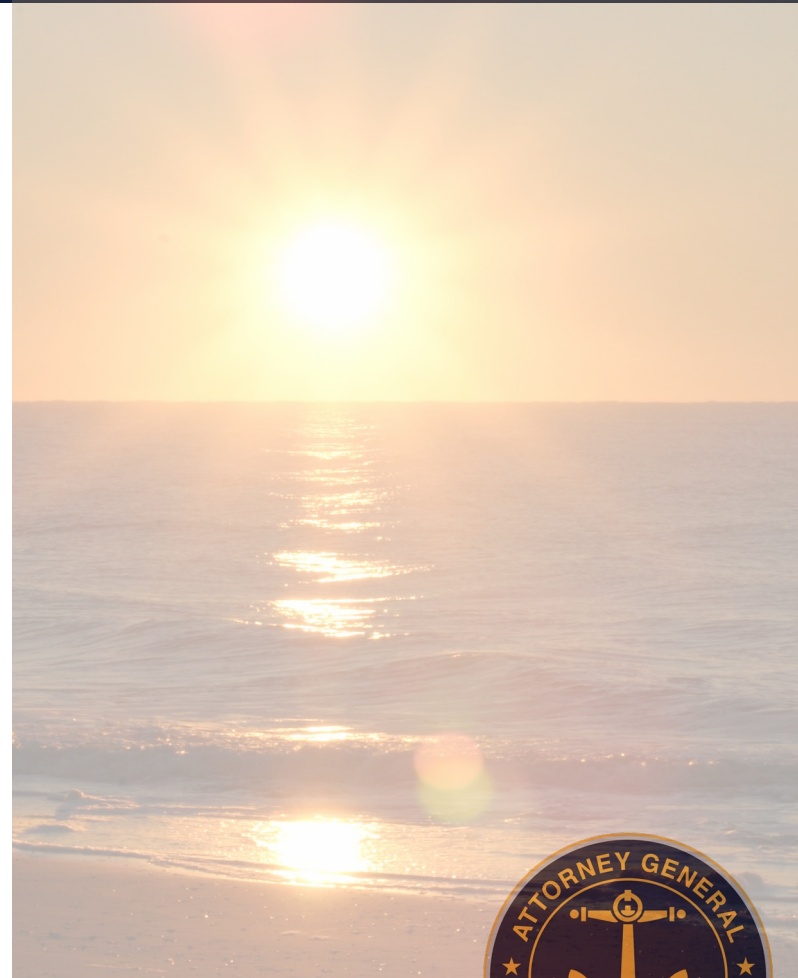
**Cities and
towns**

- New Advisory Committee will make recommendations to EOHHS
- A non-voting committee chair will be appointed by the Governor
- Will work closely with Governor's Task Force on Overdose Prevention and Intervention



What is Opioids Abatement?

- **Treatment**
- **Overdose rescue**
- **Prevention**
- **Recovery**



What's next?

- First payments from the Distributors will be made in the coming weeks.
- New Advisory Committee will be formed and meet for the first time.
- EOHHS and the Advisory Committee will share their plan for engaging Rhode Island's communities on priorities and needs for the use of these critical funds.
- Distributions are subject to the appropriations process, but we expect them to begin going out to where they are needed most by this summer.



Purdue Pharma and Teva Ltd.

The fight continues.

- We continue to press for real accountability on the part of the Sackler family. We won in the District Court and will continue to fight as Purdue and the Sacklers appeal.
- With our case against the Distributors resolved, and our case against Purdue and the Sacklers stayed, we are preparing for a March trial against the Teva companies.

