

December 12, 2022

ATTORNEY GENERAL RAOUL ANNOUNCES \$10.7 BILLION SETTLEMENT WITH WALGREENS AND CVS OVER OPIOID EPIDEMIC ALLEGATIONS

Bipartisan Settlement Results from Negotiations Led by Raoul's Office

Chicago —Attorney General Kwame Raoul today announced he has reached a settlement with Walgreens and CVS to resolve allegations that the companies contributed to the opioid addiction crisis by failing to appropriately oversee the dispensing of opioids at stores.

The bipartisan settlement provides more than \$10 billion nationally and requires significant improvements to how Walgreens and CVS pharmacies dispense opioids. Raoul and 17 state attorneys general on the executive committee, attorneys representing local governments, Walgreens and CVS have agreed to this settlement, which has been sent to other states for review and approval. The sign-on period for states will be until the end of 2022, followed by a 90-day sign-on period for units of local government. The \$10.7 billion settlement will be divided among sign-on states, local governments and tribes, and will prioritize abatement and remediation of the opioid crises.

"The opioid epidemic has tragically affected too many Illinois families that have experienced addiction or even the death of a loved one. This \$10.7 billion settlement with Walgreens and CVS builds upon the important progress we've already achieved with previous settlements, but more importantly, it holds both companies accountable," Raoul said. "I am proud of the bipartisan work we are doing across state lines to hold retail pharmacies responsible. I will continue to ensure that resources Illinois receives through settlements are distributed equitably throughout the state to help fund services needed to mitigate the ongoing opioid crisis."

Raoul said the settlement also includes broad, court-ordered requirements, such as the implementation of a robust Controlled Substance Compliance Program. The program will require independent pharmacist review of prescriptions, additional oversight of controlled substance dispensing, mandatory training and new reporting requirements.

Once the settlement goes into effect, funds to Illinois will be allocated according to the [Illinois Opioid Allocation Agreement](#) that Raoul previously reached with state's attorneys.

The settlement with Walgreens and CVS is the latest of Attorney General Raoul's ongoing efforts to combat the opioid epidemic and hold accountable companies whose deceptive practices increased opioid prescriptions at the expense of public health. It comes after Raoul's office reached a \$3 billion national settlement with Walmart to resolve allegations the company contributed to the opioid addiction crisis by failing to appropriately oversee the dispensing of opioids. Raoul's office also recently announced an agreement in principle with opioid manufacturer Teva that would provide up to \$4.25 billion once finalized, and an agreement in principle with former opioid maker Allergan that, once finalized, would require the company to pay up to \$2.37 billion to participating states and local governments to assist in battling the opioid epidemic.

Last year, Raoul's office negotiated the Illinois Opioid Allocation Agreement. The agreement is intended to ensure the approximately \$760 million Illinois will receive through the historic national \$26 billion opioid settlement agreement with the nation's three major pharmaceutical distributors and Johnson & Johnson, and these additional opioid settlements, are allocated equitably, including to counties and eligible municipalities.

The majority of Illinois' money will go to the Illinois Remediation Fund to be used for abatement programs throughout the state.

Attorney General Raoul led bipartisan negotiations with the attorneys general of California, Connecticut, Colorado, Delaware, Indiana, Iowa, Kentucky, Louisiana, Massachusetts, Nebraska, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Tennessee and Texas.

Attorney General Raoul urges anyone who believes they or a loved one may be addicted to opioids to seek help by calling the [Illinois Helpline for Opioids and Other Substances](#) at 833-2FINDHELP, which operates 24 hours a day, seven days a week.



February 3, 2022

ATTORNEY GENERAL RAOUL: ILLINOIS QUALIFIES TO RECEIVE MAXIMUM AMOUNT OF FUNDS FROM \$26 BILLION OPIOID SETTLEMENTS

Over 90% of Eligible Units of Local Government Sign on to National Settlements, Allowing Illinois to Maximize Resources to Help Communities Abate Opioid Crisis

Chicago — Attorney General Kwame Raoul today announced that more than 90% of eligible units of local government in Illinois have signed on to the \$26 billion national opioid settlements, helping Illinois qualify to receive its maximum share of the historic settlement. The Attorney General's office has also reached an agreement with units of local government to ensure the equitable distribution of the approximately \$760 million Illinois could receive once the settlements are finalized.

In 2021, Attorney General Raoul announced a \$26 billion agreement with the nation's three major pharmaceutical distributors – Cardinal, McKesson and AmerisourceBergen – and Johnson & Johnson. In order to receive its entire portion of settlement proceeds, a state must either achieve 100% sign-on by local governments or take some other action to effect the release of all local governments' claims, such as enacting a law preventing local governments from undertaking separate legal claims. Beginning with state's attorneys from Illinois' largest units of local government (subdivisions) and later conducting outreach to state's attorneys and municipalities throughout Illinois, the Attorney General's office has been able to produce a significant percentage of government subdivisions signing on to the settlements. The approvals along with a law enacted in Illinois have resulted in Illinois now being eligible to receive its full settlement share. Raoul's office has also reached an Illinois Opioid Allocation Agreement with subdivisions to ensure the equitable distribution of settlement proceeds.

"We worked tirelessly with units of local government throughout the state to ensure that Illinois receives a maximum benefit from the \$26 billion national opioid settlements when they are finalized," Raoul said. "Settlement money must be distributed equitably throughout Illinois to provide funding for critical recovery services. The Illinois Opioid Allocation Agreement is a step toward ensuring communities receive the resources needed to help abate the effects of the opioid crisis in our state."

"I thank Attorney General Kwame Raoul for his steady leadership and the superb legal representation his office provided for the state of Illinois" DuPage County State's Attorney Bob Berlin said. "His efforts marshalled the combined resources of municipal, county and State units of government to join together thus ensuring the State receives its fair share of this historic settlement. From day one, his level-headed, steadfast approach while working on this crisis will not only hold accountable those who profited from a deadly epidemic that cost many their lives but will also bring millions of dollars' worth of relief to DuPage County residents who struggle with opioid addiction and their families."

"This agreement follows from the lawsuit against these opioid manufacturers initially brought by a number of Illinois State's Attorneys, and it is a credit to Attorney General Raoul that he worked cooperatively and engaged hundreds of local governmental units so that people throughout Illinois can benefit," Will County State's Attorney James Glasgow said. "The additional resources this landmark settlement will provide to address the opioid epidemic can't come soon enough. Overdose deaths are at a record level, and our State and this nation must do everything possible to address this crisis. Will County and all of Illinois will benefit from this agreement and we thank Attorney General Raoul for his leadership in this significant joint effort."

Under the terms of the settlements, states receive guaranteed base payments for signing on, but the base payment represents around half of the total money a state can receive. States can only receive what equates to the other half of the total through "incentive" payments when all, or a significant portion of the state's eligible subdivisions also sign on. States may also enact a law stating that all government subdivisions are considered to have joined – or are prevented from undertaking separate legal claims. To date, 93 out of Illinois' 102 counties have signed on to the national settlements. In addition, 102 out of 113 Illinois

municipalities that are eligible to receive a direct distribution from the settlements have signed on. In total, more than 290 Illinois subdivisions have joined the settlements.

The Illinois Opioid Allocation Agreement, negotiated by the Attorney General's office, will allocate the funds Illinois receives through the settlements, as well as any future settlements, to counties and municipalities throughout the state.

Illinois' settlement money will also go to an Illinois Remediation Fund, which will receive recommendations from an advisory board to ensure equitable spending on abatement programs. The advisory board will be established as a subcommittee of the state's Opioid Overdose Prevention and Recovery Steering Committee. At least half of the board's voting members will be representatives of participating subdivisions, and the other half will be appointed by the state. The advisory board's recommendations will prioritize the equitable allocation of resources by evaluating factors including population, opioid usage rates, overdose deaths and the amount of opioids shipped into a region.

In 2020, [drug-related overdose deaths](#) nationwide rose to a record 93,000, a nearly 30% increase over the prior year, with opioid overdoses making up the bulk of those deaths. According to the Illinois Department of Public Health (IDPH), while opioid-related fatalities in Illinois have been steadily increasing since 2013, the largest annual increase occurred in 2020. In fact, more than 2,900 deaths – an average of eight deaths each day – were attributed to opioid overdoses during 2020, which represents an increase of more than 32% over 2019. In addition, opioid overdoses have resulted in thousands of emergency room visits, hospital stays and immeasurable pain suffered by families and communities. During 2020 alone, first responders were called to more than 19,400 opioid overdoses.

Raoul urges anyone who believes they or a loved one may be addicted to opioids to seek help by calling the Illinois Helpline for Opioids and Other Substances at [833-2FINDHELP](tel:833-2FINDHELP), which operates 24 hours a day, seven days a week.

Consumer Protection Division Chief Susan Ellis; Executive Deputy Attorney General Adam Braun and Assistant Chief Deputy Attorney General Thomas Verticchio are handling Raoul's opioid litigation with Health Care Bureau Chief Judith Parker and Deputy Bureau Chief Andrea Law; Special Litigation Bureau Deputy Chief Darren Kinkead; as well as Assistant Attorney General Jennifer Crespo.

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