

February 25, 2020

ATTORNEY GENERAL RAOUL APPLAUDS \$1.6 BILLION GLOBAL SETTLEMENT WITH GENERIC OPIOID MANUFACTURER

Chicago — Attorney General Kwame Raoul today announced his support for a global settlement framework agreement between states and local jurisdictions and Mallinckrodt (MNK) and its subsidiaries for its role in the opioid epidemic. MNK is currently the largest generic opioid manufacturer in the United States.

Last year, Attorney General Raoul added Irish pharmaceutical manufacturer Mallinckrodt to an ongoing lawsuit against opioid manufacturers and distributors, alleging MNK carried out unfair and deceptive marketing campaigns that prioritized profits over public health. Under the agreement, MNK agrees to pay \$1.6 billion to a trust that will cover the costs of opioid addiction treatment and related efforts, with the potential for increased payment to the trust. MNK also agrees that its future generics opioid business will be subject to stringent injunctive relief that will, among other things, prevent marketing and ensure systems are in place to prevent the diversion of opioids.

“As I work to hold opioid manufacturers and distributors accountable for flooding Illinois with addictive opioids that they marketed as safe painkillers, I am committed to ensuring that accountability includes providing resources to help people recover from opioid addiction,” Raoul said. “The opioid epidemic has devastated lives, families and communities throughout Illinois, and I will continue to aggressively seek to ensure that the companies responsible for the devastation are also responsible for helping states recover. This recovery effort must start now – not years from now – and I am committed to collaborating with stakeholders around the state to ensure that resources are used to help the communities and people throughout Illinois who are in need.”

Raoul’s lawsuit alleged MNK engaged in an unfair and deceptive campaign to shift public perception of opioids, resulting in an increase in opioid prescriptions. According to the lawsuit, MNK pushed for the use of more opioids at higher doses and for longer periods of time under the guise of what it characterized as the widespread and problematic under-treatment of pain. MNK allegedly sought to convince health care providers and patients that opioids were a safe and effective treatment by minimizing the risk of addiction, touting deceptive concepts like “pseudo addiction,” and making false and unsubstantiated claims about the drugs’ benefits. The lawsuit also alleged that MNK failed in its responsibility to identify, report and stop suspicious orders. According to Raoul, MNK’s actions flooded Illinois with hundreds of millions of dosage units of opioids with little oversight, fueling the diversion of these drugs toward illegal and harmful uses.

Opioids are often prescribed to treat severe pain, as they reduce the intensity of pain signals reaching the brain; however, they can have serious side effects and are highly addictive. Opioids – such as morphine, hydrocodone, oxycodone and oxymorphone – are a class of narcotic drugs that include heroin, some prescription pain relievers and fentanyl.

According to the Centers for Disease Control (CDC), more than 130 Americans die each day from opioid overdoses. According to the Illinois Department of Public Health (IDPH), more than 2,000 Illinoisans were killed by opioid overdoses in 2018. IDPH’s data also shows that between 2011 and 2017, instances of babies born with neonatal abstinence syndrome (NAS), which can occur when a newborn is prenatally exposed to opiates, increased by 64 percent. Babies born with NAS experience a variety of medical complications, including withdrawal symptoms, and often require longer hospital stays after being born.

The lawsuit is part of Attorney General Raoul's ongoing efforts to combat the opioid epidemic and hold accountable companies whose deceptive practices have increased opioid prescriptions at the expense of public health. Raoul's office has filed a lawsuit against opioid manufacturer Purdue Pharma for carrying out an aggressive and misleading marketing campaign to increase prescriptions of opioid painkillers as communities throughout Illinois and across the country faced an opioid addiction epidemic. Last year, Raoul's office expanded that lawsuit to include several members of the Sackler family, which founded and owns Purdue Pharma, for their roles in directing and approving the company's misleading marketing efforts.

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.

Assistant Chief Deputy Attorney General Thomas Verticchio; Division Chief Susan Ellis; Deputy Bureau Chief Judith Parker; and Assistant Attorneys General Lauren Barksj, Jennifer Crespo, Darren Kinkead and Andrea Law are handling the case for Raoul's Consumer Protection Division.