NEWS RELEASE

Steve Marshall Alabama Attorney General



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Attorney General Steve Marshall Announces \$573 Million Multistate Settlement with McKinsey & Company for Role in Opioid Crisis

(MONTGOMERY) — Attorney General Steve Marshall has joined a coalition of attorneys general from 47 states, the District of Columbia and five U.S. territories in a \$573 million settlement with one of the world's largest consulting firms, McKinsey & Company, resolving investigations into the company's role in working for opioid companies, helping those companies promote their drugs, and profiting from the opioid crisis.

The settlement, after payment of costs, will be used to abate problems caused by opioids in the participating states. Alabama will receive \$9,229,421 from the multistate settlement, which will be used to remediate the harms caused to the State and its citizens by the opioid crisis. This is the first multistate opioid settlement to result in substantial payment to the states to address the crisis.

In addition to providing funds to address the crisis, the agreement calls for McKinsey to prepare tens of thousands of its internal documents detailing its work for Purdue Pharma and other opioid companies for public disclosure online. In addition, McKinsey agreed to adopt a strict document retention plan, continue its investigation into allegations that two of its partners tried to destroy documents in response to investigations of Purdue Pharma, implement a strict ethics code that all partners must agree to each year, and stop advising companies on potentially dangerous Schedule II and III narcotics.

"The opioid crisis has wrought tremendous suffering upon its victims throughout Alabama over the last 20 years," said Attorney General Marshall. "Opioid addiction, abuse, and overdose deaths have torn families apart, damaged relationships, and eroded the social fabric of communities. It has taken a huge toll on our state, with increased health care, child welfare, treatment and criminal justice costs, as well as lost economic opportunity and productivity. The careless greed of companies that exploited people's pain and exacerbated their suffering has caused incalculable harm. It is appropriate that they be held to account, through settlements such as this, to provide some measure of remediation for the terrible damage they have caused."

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Today's filings describe how McKinsey contributed to the opioid crisis by promoting marketing schemes and consulting services to opioid manufacturers, including OxyContin maker Purdue Pharma, for more than a decade. The complaint, filed with the settlement, details how McKinsey advised Purdue on how to maximize profits from its opioid products, including targeting high-volume opioid prescribers, using specific messaging to get physicians to prescribe more OxyContin to more patients, and circumventing pharmacy restrictions in order to deliver high-dose prescriptions.

This filing is the latest action Attorney General Marshall and his office have taken to combat the opioid epidemic and to hold accountable those who are responsible for creating and fueling the crisis. The Attorney General has also filed a lawsuit against Purdue Pharma, Endo Pharmaceuticals and McKesson Corporation over their roles in the opioid crisis. That case is currently pending in the Montgomery County Circuit Court.

The states' investigation was led by an executive committee made up of the attorneys general of California, Colorado, Connecticut, Massachusetts, New York, North Carolina, Oklahoma, Oregon, Tennessee and Vermont. The executive committee is joined by the attorneys general of Alabama, Alaska, Arizona, Arkansas, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, North Dakota, Ohio, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Utah, Virginia, Wisconsin, Wyoming, the District of Columbia, and the territories of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico and the U.S. Virgin Islands.

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