

# Purdue Pharma to pay \$270 million to settle historic Oklahoma opioid lawsuit



(CNN) — Purdue Pharma has agreed to pay \$270 million to settle a historic lawsuit brought by the Oklahoma attorney general, who accused the OxyContin maker of aggressively marketing the opioid painkiller and fueling a drug epidemic that left thousands dead in the state.



The settlement comes after Purdue fought the attorney general in court, seeking to delay the start of the trial, which is scheduled for May 28.

"It is a new day in Oklahoma, and for the nation, in our battle against addiction and the opioid epidemic," Attorney General Mike Hunter said Tuesday in Tulsa.

Hunter said that \$102.5 million of the settlement would be used to help establish a national addiction treatment and research center at Oklahoma State University, with additional payments of \$15 million each year for the next five years beginning in 2020. The company will also provide \$20 million of addiction treatment and opioid rescue medications to the center over the same five-year time frame.

A remaining \$12.5 million from the settlement will be used directly to help cities and counties with the opioid crisis.

The Sackler family, who founded and own Purdue Pharma, will also contribute [\\$75 million](#) over the next five years to the treatment and research center.



"Purdue is very pleased to have reached an agreement with Oklahoma that will help those who are battling addiction now and in the future," Dr. Craig Landau, president and CEO of Purdue Pharma, said in a [statement](#).

The lawsuit was brought by Hunter against some of the nation's leading makers of opioid pain medications, alleging that deceptive marketing over the past decade fueled the epidemic in the state. Hunter has said the defendants -- Purdue Pharma, Johnson & Johnson, Teva Pharmaceuticals, Allergan and others -- deceived the public into believing that opioids were safe for extended use. On Monday, the Oklahoma Supreme Court rejected the drugmakers' appeal to delay the trial for 100 days.

The drugmakers have denied the allegations and maintained that their marketing was appropriate.

The settlement was only with Purdue Pharma, and the other defendants are still scheduled to go to trial. "We're ready to go to trial on May 28," Hunter said. The state is involved in court-ordered mediation with them in the

meantime.

Thirty-six states have brought cases against Purdue and other opioid drugmakers. Oklahoma was the first state set for trial, and court observers have been watching the case closely for precedent.



The Oklahoma trial was set to be the first in the nation to go before a jury that could determine pharmaceutical companies' role in the nation's opioid epidemic and whether Big Pharma should pay for it.

Brad Beckworth, one of the lead attorneys on Hunter's team, said the model here is that "the money needs to go to fixing the problem."

"This is a major step in trying to turn this ship," he said. "The only way you can fix the problem is treat addiction, destigmatize addiction and educate doctors and the public."

He believes that the settlement will set a precedent. "I hope other states will use this as model to deal with the problem in their respective communities."

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Dr. Andrew Kolodny, co-director of the Opioid Policy Research Collaborative at Brandeis University, said, "You want to see that [the money] is used to abate the problem. I think they came up with a nice mechanism of doing that."

However, others were concerned that the settlement's sum simply would not be enough.

Cheryl Heaton, dean of the New York University College of Global Public Health, said in a [tweet](#), "Assuming the 100M newly created Institute will operate like a traditional foundation, only about 5M a year will be generated to address the epidemic. This and a one-time 20M payment for treatment

drugs cannot begin to scratch the surface of the unfolding tragedy and vast needs."

But Peter Pitts, president of the Center for Medicine in the Public Interest, countered that it could make a difference. "I don't think \$200 million is something to sneeze at. This is a serious amount of money that can fund a serious amount of research and important outreach."