

# Massachusetts A.G. Healey reaches \$10 billion agreement in opioid funds with CVS, Walgreens

“Attorney General Maura Healey today announced that agreements totaling \$10.7 billion have been reached with CVS and Walgreens resolving allegations that the companies contributed to the opioid crisis by failing to properly oversee the dispensing of opioids at their stores, bringing the national amount from investigations and litigation against the pharmaceutical industry for its role in the opioid crisis to more than \$50 billion. Massachusetts stands to receive nearly \$230 million from the CVS and Walgreens agreements.

Under the terms of today’s agreements, CVS has agreed to pay \$5 billion over 10 years and Walgreens has agreed to pay \$5.7 billion over 15 years. CVS and Walgreens will also be subject to court-ordered injunctive relief that requires the pharmacies to monitor, report, and share data about suspicious activity related to opioid prescriptions and to implement and maintain robust compliance departments and practices. These agreements follow a similar agreement with Walmart, which the AG announced last month.

The settlements are now being sent to the states for review and approval. The parties are optimistic that the settlement will gain broad support, allowing local governments to join the resolution during the first quarter of 2023. Subject to sufficient sign-on, payments are expected to begin during the second half of 2023. Nearly all of the settlement funds must be used to remediate the opioid crisis, including prevention, harm reduction, treatment, and recovery services.

This is the third major nationwide opioid settlement that the AG's Office has announced since mid-November.

On Nov. 23, AG Healey announced that proposed nationwide settlements totaling \$6.6 billion were reached with opioid makers Teva Pharmaceuticals and Allergan. Massachusetts and its municipalities stand to receive more than \$130 million from these two settlements to abate the opioid crisis.

On Nov. 15, a proposed \$3 billion settlement was reached with Walmart, resolving allegations that the company contributed to the opioid crisis by failing to properly oversee the dispensing of opioids at its stores. Massachusetts and its municipalities stand to receive more than \$61 million of those funds.

On July 21, 2021, AG Healey announced a \$26 billion resolution with opioid distributors and Johnson & Johnson, which will provide more than \$500 million to the Commonwealth and its cities and towns for prevention, harm reduction, treatment, and recovery across Massachusetts. Funds from these settlements began flowing into Massachusetts in June 2022.

The negotiations for the agreements with CVS and Walgreen have been led by the attorneys general of California, Colorado, Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Louisiana, Massachusetts, Nebraska, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Tennessee, and Texas." A.G. Maura Healey's Office.