

AG Derek Schmidt: Kansas to receive at least \$40 million in settlement with Walgreens, at least \$37 million in settlement with CVS over opioid epidemic allegations

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Schmidt's ongoing efforts now total more than \$278 million to fight addiction, substance abuse in Kansas for years to come

TOPEKA – (December 12, 2022) – Kansas Attorney General Derek Schmidt today announced that his office has secured at least \$77 million for Kansas as part of settlements with Walgreens and CVS pharmacies to resolve allegations that the companies contributed to the opioid addiction crisis by failing to appropriately oversee the dispensing of opioids at its stores.

As details are finalized, the Kansas share is likely to increase, perhaps substantially.

Schmidt said the two settlements will provide more than \$10.7 billion nationally and will require significant improvements in how the pharmacies handle opioids. The proceeds from the settlement must be used to provide treatment and recovery services for people struggling with opioid use disorder, while pharmacies must provide for broad, court-ordered requirements to their pharmacy practices, including robust oversight to prevent fraudulent prescriptions and flag suspicious prescriptions.

The settlements now go to the participating states to review by the end of 2022, allowing for certain additional parties to join during the first quarter of 2023. With this settlement, Schmidt's office has now recovered more than \$278 million related to unlawful opioid manufacturing, marketing and distribution.

"We have worked tirelessly to hold these companies accountable for the addiction and human suffering caused by years of their unlawful business practices," Schmidt said. "These settlements have been complex, but they are the fruits of the efforts of many to provide justice for the harm of past actions. The money Kansas receives will help repair broken lives."

Schmidt said Kansas also is engaged in ongoing investigations and negotiations with other companies the state believes played a role in illegally fueling opioid addiction.

Under the Kansas Fights Addiction Act, proposed by Schmidt and enacted last year by the Legislature, money recovered by the attorney general pursuant to opioid litigation will be used to address substance abuse and help ensure addiction services are provided throughout the state. Funding will be available through a grant review board created by the statute. State agencies, local governments and not-for-profit entities may apply for funding for addiction treatment and abatement through the board. Additional information on the grant application and review process will be announced soon.

Under Schmidt's leadership, since 2011 the attorney general's office has recovered more than \$1.1 billion for Kansas consumers and taxpayers, far more than any prior administration. The opioid recoveries are in addition to that amount.