

**Letitia James**

New York State Attorney General

Attorney General James Secures \$523 Million from Top Opioid Manufacturer Teva, Bringing Total Funds for New Yorkers to More Than \$2 Billion

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Teva Will Pay Up to \$4.2 Billion Nationwide to Settle Opioid Claims, Settlement Concludes New York Opioid Trial

AG James Secures More Than \$2 Billion Total from Opioid Manufacturers and Distributors to Fund Opioid Abatement, Treatment, and Prevention

NEW YORK – New York Attorney General Letitia James today marked a monumental milestone in her fight against the opioid crisis in New York state and announced that her office has **secured up to \$523 million** from Teva Pharmaceuticals, Ltd., its American subsidiary Teva Pharmaceuticals USA, and its affiliates (Teva) for their role in fueling the opioid crisis. The \$523 million settlement is the largest reached with an individual opioid defendant by Attorney General James and raises the total amount secured from opioid manufacturers and distributors to more than \$2 billion to combat the opioid crisis. The settlement resolves Attorney General James' claims against Teva, the final remaining defendant not currently in bankruptcy and concludes the Attorney General's litigation against opioid manufacturers and distributors.

“Teva knowingly and intentionally misled New Yorkers and the American people about the deadly dangers of opioids, and last year, a jury found them responsible for the devastation and destruction they have caused,” said **Attorney General James**. “You cannot put a price on lives lost, addiction suffered, and families torn apart, but with the more than \$2 billion we have now delivered to New Yorkers, we can continue to rebuild and recover. I made a promise to put an end to the havoc wreaked by opioid manufacturers in New York and across the nation and to hold them accountable for the consequences. This is a landmark day in our battle against the opioid crisis, and I am

proud to be able to deliver critical funding and resources to the communities Teva and other companies ravaged with their rampant misconduct.”

“We are holding Teva Pharmaceuticals accountable for its role in the opioid crisis and the irreparable harm it has done to New Yorkers, their families, and their communities,” said **Governor Kathy Hochul**. “This company misrepresented its products for decades, flooding the market with dangerous prescription drugs and endangering countless lives. New York has no tolerance for fraud — particularly on matters as serious as opioids — and I thank Attorney General James and the Department of Financial Services for bringing us to this resolution.”

“The false information that Teva and other opioids manufacturers propagated about the safety of their drugs inflicted tremendous damage on the lives of countless people, while also abusing the health insurance system,” said **Superintendent of Financial Services Adrienne A. Harris**. “No monetary penalty can undo the immeasurable harm the opioid crisis has dealt to families across the country, but DFS is proud to have played a role in bringing about this resolution, holding opioid manufacturers and distributors accountable for their actions.”

Attorney General James secured \$523 million for New York state from two separate settlement agreements with Teva. Teva will pay up to \$4.247 billion nationwide to settle opioid claims as part of the Teva Global Settlement. New York’s share of that amount is \$210,548,226.20. After achieving a [historic liability verdict following a seven-month jury trial against Teva in 2021](#), today’s Teva New York Agreement resolves the remedies phase for a total of \$313,343,793.95. Combined, New York will receive \$523,892,020.15 from Teva.

The settlement would additionally resolve lawsuits against Teva by Nassau and Suffolk counties if the county legislatures approve it. In the meantime, Attorney General James plans to make a motion removing Teva from her opioid litigation, concluding New York’s opioid trial.

The funds secured by Attorney General James will be paid out over a period of 18 years. The agreement also commits Teva to critical injunctive relief that includes:

- A ban on high-dose opioids (greater than 40mg) and prescription savings programs;
- Prohibitions on marketing opioids and funding third parties that promote opioids;
- Restrictions on political lobbying;

- Monitoring and reporting of off-label use of transmucosal immediate release fentanyl (TIRF) products; and
- Disclosure of Teva opioid product clinical data.

In addition, Attorney General James secured important injunctive relief from Teva's distributor Anda, Inc. This includes:

- Ensuring the independence of Anda sales personnel who sell controlled substances from incentive-based compensation and retaliation;
- Mandatory training of new Controlled Substance Monitoring Program (CSMP) employees on CSMP and injunctive relief obligations. Employees will also be required to have annual training and testing of CSMP knowledge;
- Periodic review of systems and procedures that evaluate customer data for diversion of controlled substances; and
- Unannounced customer site visits verifying compliance with anti-diversion obligations.

New York is a leading member of the national negotiations with Teva. Teva's payments to New York from the Global Settlement will be paid over 13 years. While the implementation of the Global Settlement is contingent on sufficient state support, the New York agreement and Teva's obligations to New York under the Global Settlement will remain in effect, even if the Global Settlement is not implemented.

Today's settlement also resolves administrative charges brought by the New York Department of Financial Services (DFS) against Teva for decades-long insurance fraud. In August 2020, DFS charged Teva with making fraudulent misrepresentations about the safety and efficacy of its opioid drugs, thereby causing significant numbers of unnecessary prescriptions to be written in New York, a large portion of which were then paid by commercial health insurers under DFS's jurisdiction. DFS alleged that each such fraudulent prescription violated New York Insurance Law § 403 and New York Financial Services Law § 408. While these administrative charges were pending, Teva and other opioid manufacturers filed suit against DFS in New York Supreme Court, challenging DFS's jurisdiction to conduct its investigation and bring these charges. That suit was rejected by the court in June of this year.

In 2019, Attorney General James [filed the nation's most extensive lawsuit against opioid distributors and manufacturers, including Teva, for their role in the opioid epidemic](#). In

addition to Teva and its affiliates, the manufacturers named in the complaint included Purdue Pharma and its affiliates, as well as members of the Sackler Family (owners of Purdue) and trusts they control; Janssen Pharmaceuticals and its affiliates (including its parent company Johnson & Johnson); Mallinckrodt LLC and its affiliates; and Endo Health Solutions and its affiliates. The distributors named in the complaint were McKesson Corporation, Cardinal Health Inc., Amerisource Bergen Drug Corporation, and Rochester Drug Cooperative Inc. Late last year, [Attorney General James won the trial against Teva Pharmaceuticals USA after a jury found the company and its affiliates liable for violating New Yorkers' rights.](#)

In June 2022, [Attorney General James secured up to \\$58.5 million from Mallinckrodt for fueling the opioid crisis in New York.](#) In December 2021, [Attorney General James reached a \\$200 million agreement with Allergan.](#) In September 2021, [Attorney General James secured \\$50 million from Endo for New York state and Nassau and Suffolk counties to combat the opioid crisis and removed the opioid manufacturer from New York's ongoing opioid trial.](#) In July 2021, [Attorney General James secured a settlement with McKesson, Cardinal Health, and Amerisource Bergen that will deliver \\$1 billion to New York state to combat the opioid epidemic.](#) In June 2021, [Attorney General James announced a settlement that will deliver \\$230 to New York and end Johnson & Johnson's sale of opioids nationwide.](#)

In 2021, Attorney General James championed legislation to create an opioid settlement fund to ensure these monetary settlements are invested in helping New Yorkers impacted by the opioid crisis. The bill, now codified as New York Mental Hygiene Law 25.18, passed unanimously through the state legislature, and requires the more than \$2 billion secured in opioid settlements by Attorney General James to be used for abatement, treatment, and prevention efforts in communities devastated by this epidemic.

Settlement discussions were led by Senior Advisor and Special Counsel M. Umair Khan and overseen by First Deputy Attorney General Jennifer Levy. The trial that led to this agreement was led by Senior Enforcement Counsel John Oleske and Special Counsel Monica Hanna, as well as Assistant Attorneys General Carol Hunt, Diane Johnston, Leo O'Toole, Jeremy Pfetsch, Noah Popp, Michael Reisman, and Lois Saldana; Project Attorneys Wil Handley, Stephanie Torre, and Eve Woodin; Paralegal Ketty Daustruche; Legal Assistant David Payne; Director of Research and Analytics Jonathan Werberg; Data Scientist Gautam Sisodia; Senior Data Analyst Akram Hasanov; Data Analyst Anushua Choudhury; Information Technology Specialists Hewson Chen and Paige Podolny; E-

Discovery Document Review Specialist Kristin Petrella; Civil Recoveries Section Chief Martin Mooney; former Counsel for Opioids and Impact Litigation David Nachman; and former Assistant Attorney General Conor Duffy.

View the [Settlement Exhibit Packet](#).