



CITY OF NOVI CITY COUNCIL
AUGUST 28, 2023

SUBJECT: Approval of participating in the National Opioid Litigation settlements with Walgreens, agreeing to the terms of the settlements and the release of claims against the company named in the litigation, agreeing that the funds will be used for opioid remediation and authorizing the City Manager to take such further action as is necessary to receive the settlement funds.

SUBMITTING DEPARTMENT: City Manager

BACKGROUND INFORMATION:

After several years of negotiation, nationwide settlements relating to the distribution and sale of opioids, have been reached against three national pharmacies, CVS, Walgreens, and Walmart and against two pharmaceutical companies, Teva Pharmaceutical Industries and AbbVie/Allergan. The settlements require the companies to pay up to \$16.5 billion dollars over 15 years.

The Michigan Attorney General's Office previously agreed to participate in each of these settlements, except for the settlement with Walgreens. Now Michigan has agreed to participate in the settlement agreement with Walgreens and has negotiated an agreement with the Litigating Subdivisions.

Any funds received from the settlements must be spent on opioid remediation, which is defined in the settlement agreements. However, if a majority of governments that sued the companies do not accept the settlements, the proposed deals will fail, and litigation will continue. The four proposed settlements require the participating subdivisions to agree to the settlement terms.

The Walgreens settlement, like the other settlements requires:

- i) An agreement to the terms of the settlements;
- ii) A release of claims;
- iii) An agreement that monies received can only be spent on opioid remediation;
- iv) A consent to the jurisdiction of the Court where the Settlement Judgment is filed.

RECOMMENDED ACTION: Approval of participating in the National Opioid Litigation settlements with Walgreens, agreeing to the terms of the settlements and the release of claims against the company named in the litigation, agreeing that the funds will be used for opioid remediation and authorizing the City Manager to take such further action as is necessary to receive the settlement funds.