

**Blue Cross and Blue Shield of Minnesota**

P.O. Box 64560  
St. Paul, MN 55164-0560  
(651) 662-8000 / (800) 382-2000



August 5, 2025

Via United States Postal Service

City of Pipestone  
119 2ND AVE SW  
PIPESTONE, MN 56164

**RE: PURDUE PHARMA BANKRUPTCY PLAN SETTLEMENT NOTICE**

Dear City of Pipestone:

You are receiving this notice because, in 2020, Blue Cross and Blue Shield of Minnesota ("Blue Cross") took steps within the Bankruptcy Court matter entitled *In re: Purdue Pharma L.P., et al.*, Case No. 19-bk-23649 (S.D.N.Y.) that preserved your ability to recover sums from Purdue Pharma L.P. ("Purdue") to address financial harm you might have suffered due to Purdue and the opioid crisis. Purdue was owned and operated by the Sackler Families. Specifically, Blue Cross, through counsel, submitted a consolidated claim on behalf of its plan subsidiaries and certain self-funded groups, by what was called the General Bar Date. Entities needed to make or be included in submissions by the General Bar Date to share in future recoveries that might become available under Purdue's Bankruptcy Plan.

On May 19, 2025, Purdue Pharma L.P. ("Purdue" or "Debtor") filed its current Chapter 11 Bankruptcy Plan of Reorganization (the "Plan") with the United States Bankruptcy Court for the Southern District of New York. The Plan will deliver more than \$7.4 billion to creditors, and third-party payer health plans ("TPPs") that were included in claims filed by the General Bar Date are now eligible to recover sums under the Plan. Collectively, and in the aggregate, approximately \$389 million under the Plan is expected to be potentially distributed to TPPs. Blue Cross is providing this notice in accordance with the terms of that Plan and related filings.

A key element of the Plan is a Settlement with the Sackler Families. Members of the Sackler Families and related entities will pay up to \$7.0 billion in cash to the bankruptcy estate over a period of years in exchange for a release of potential claims of the Debtors' Estates and of third parties against the Sackler Families and certain other entities (the "Third-Party Releases"). **Creditors, including Blue Cross and certain of its self-funded groups, will need to affirmatively opt in to the Third-Party Releases in order to be eligible to receive their full claim recovery under the Plan.**

In an effort to secure recovery for itself and certain self-funded groups included in the 2020 submission discussed above, **Blue Cross now intends to prepare and timely file a new proof of claim on those groups' (including your) behalf, as required by the new Plan. Blue Cross also intends to vote to approve the Plan and grant the Third-Party Releases on behalf of itself and certain self-funded groups, including you.** If a recovery on your behalf is eventually secured, the appropriate portion of it will be remitted to you.

**If you do not wish to participate in the Purdue Bankruptcy Plan and Settlement, you must notify Blue Cross by September 1, 2025, that you do not want Blue Cross to file a claim on your behalf. If Blue Cross**

[bluecrossmn.com](http://bluecrossmn.com)

receives your notice declining participation in the Settlement in a timely manner, it will not file a claim on your behalf and will take no other action to secure any recovery on your behalf.

If you wish to participate in the Purdue Bankruptcy Plan and Settlement, you do not need to do anything further. Blue Cross, through counsel, will timely file the required proof of claim on your behalf.

#### ADDITIONAL FACTS REGARDING THE 2025 PURDUE PHARMA BANKRUPTCY PLAN

In a Chapter 11 bankruptcy, creditors can vote to accept or reject the debtor's plan, and the debtor must file a Disclosure Statement that contains adequate information about its finances to allow creditors to make an informed decision. On June 20, 2025, the Court overseeing the Purdue bankruptcy approved Purdue's Disclosure Statement. The Court-approved Purdue Disclosure Statement is available here:

- <https://restructuring.ra.kroll.com/purduepharma/Home-DocketInfo?DockRelatedSearchValue=4050-7609>
- <https://restructuring.ra.kroll.com/purduepharma/Home-DownloadPDF?id1=MzY3MjIyOQ==&id2=-1>

**The Third-Party Release provisions in the Plan are described in detail in Section III.CC.3.ii of the Disclosure Statement.**

Purdue creditors that submitted claims, or on whose behalf claims were submitted, by the General Bar Date are now eligible to vote to accept or reject the Plan. Along with recording their vote for acceptance or rejection, Purdue creditors must also elect whether to grant certain releases, including the Third-Party Releases. **The voting deadline is September 30, 2025.**

The Plan also provides an approved TPP claims methodology that will allow Blue Cross and other TPPs to assign monetary values to the claims included in their General Bar Date filings. TPPs will submit these claim amounts via TPP Trust Claim Forms due **September 5, 2025**. Blue Cross will again submit a consolidated claim on behalf of itself and eligible self-funded groups that are found to have relevant spend pursuant to the TPP claims methodology.

**Blue Cross must submit all voting and release elections on behalf of itself and self-funded groups included in its consolidated claim in advance of the September 30, 2025 voting deadline.** Blue Cross will record these elections on a single Master Ballot.

If a TPP complies with the requirements of the TPP Trust Claim Form and also grants the Third-Party Releases, the TPP's claim will be evaluated pursuant to the streamlined and expedited liquidation process established by the Plan and related TPP Trust procedures.

Any TPP that does not grant the Third-Party Releases will immediately forfeit 75% of its potential recovery and be subject to objection by the Debtors and other parties for the remaining 25%. If or once an objection was filed, the TPP would then be required to establish the Debtors' liability as if the TPP had filed an ordinary lawsuit and will be subject to the applicable, higher proof thresholds. The TPP would bear the burden of doing

so on its own. Blue Cross will not be attempting to establish as much or make any recovery on behalf of any self-funded group / TPP who does not grant the Third-Party Releases.

Blue Cross is represented by Rawlings & Associates in connection with this matter, and additional information regarding the Purdue Pharma Bankruptcy Plan, Settlement, and this Notice can be found at the following website that Rawlings & Associates maintains:

- <https://www.purduetppfaqs.com>

### **CONCLUSION**

As stated above, Blue Cross intends to vote to approve the Plan, grant the Third-Party Releases, and seek related recovery, including by preparing a proof of claim, on behalf of itself and certain self-funded groups with eligible TPP Trust Claims.

**If you wish to participate in the Purdue Bankruptcy Plan and Sackler Settlement by having Blue Cross take these actions on your behalf, you do not need to do anything further.**

**If you do not wish to grant the Third-Party Releases and would like to preserve your right to recover through traditional litigation, you must contact Blue Cross and provide Blue Cross with notice of your decision not to participate in the Purdue Bankruptcy Settlement by September 1, 2025.**

Notice of any decision not to participate can be sent to Blue Cross via email to [kayla.pollock@bluecrossmn.com](mailto:kayla.pollock@bluecrossmn.com) or via mail to:

BCBSM, Inc. d/b/a/ Blue Cross and Blue Shield of Minnesota  
c/o Legal Department, Attn: Kayla Pollock  
3400 Yankee Drive, MS: P32  
Eagan, MN 55121