



rma

itt inks \$700M deal to clear states' probes into Suboxone marketing

› Blankenship | Oct 24, 2019 10:12am



Reckitt Benckiser will pay out \$700 million to settle six states' claims its former Indivior business misled doctors on the safety of the med. (Indivior)

After shelling out \$1.4 billion this summer to settle a federal probe into its addiction-treatment marketing, Reckitt Benckiser is now looking to wrap up allegations at the state level, too—this time to the tune of \$700 million.

Reckitt **agreed** to settle with New York's attorney general and five other states that claim its pharma division, spun off in 2014 and rebranded as Indivior, misled doctors on the safety of its Suboxone Film, leading to chronic overprescription of the med.

As Reckitt signs its second colossal deal, fellow drugmakers Teva and Johnson & Johnson are working through the fallout of a combined \$27 billion offer they put on the table to settle thousands of opioid lawsuits.



what's new in opioid litigation today.

t Benckiser's deal will bring its total settlements on the year to just over \$2 billion, which should help it put the Suboxone marketing investigations to rest, once and for all. As part of the agreement, New York's Medicaid program will receive more than \$71.9 million and more than \$39.9 million will be returned to state coffers, Attorney General Letitia James' office said in a release.

It misled the public about the real impacts of Suboxone and encouraged physicians to wrongly prescribe it, while cheating New York out of tens of millions of dollars in the process," James said. "No company is above the law, and we will continue to take on anyone who takes advantage of the opioid crisis to increase their bottom line."

The deal is now mostly in the clear from its end of the Indivior probes, but Indivior itself still faces a federal investigation into Suboxone sales.

RELATED: Indivior's former parent ponies up a whopping \$1.4B to settle Suboxone marketing probe

On the heels of Monday's news that Teva would offer \$23 billion in free drugs to settle thousands of opioid suits it faces, plaintiffs are scrambling on how to respond.

But is Teva's offer an honest appraisal of what it will actually pay? Not according to a Reuters analysis.

Teva has offered to donate \$23 billion in buprenorphine naloxone, an opioid addiction treatment, over the next 10 years. But Reuters said that value was based on list prices and didn't reflect the actual cost of manufacturing. All told, Teva would likely pay significantly less to cover its donation scheme—closer to \$1.5 billion, in fact.

RELATED: J&J, Teva offer a massive \$48B combined to wrap opioid suits, but not all plaintiffs are on board

With reports like that in the ether, it's no wonder some plaintiffs are reticent to sign on to the "framework deal" that includes the Teva and J&J offers, along with additional deals with three drug distributors.

Officials in at least four states have **pushed back** against the proposal, arguing that Teva's agreement is "overvalued to make the settlement look better," Hunter Shkolnik, a lawyer on a plaintiffs executive committee, told Reuters.

"Any global opioid settlement that doesn't reflect the unique and unprecedented damage imposed on West Virginia through the opioid epidemic should be rejected," West Virginia Attorney General Patrick Morrisey said Tuesday on Twitter.

Read More On

[opioid settlement](#) [Reckitt Benckiser Pharmaceuticals](#) [Indivior](#) [Suboxone](#) [Teva Pharmaceutical](#) [Johnson & Johnson](#)

Suggested Articles



Pharma

Roche-Spark sees hope as FTC staff gives thumbs-up: report

by [Angus Liu](#)

Oct 25, 2019 11:11am