

Litigation: Editor's Picks

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NEWS**Another Pharmacy Pays: Walmart's \$3.1B Agreement Adds to Opioid Coffers**

Walmart Inc. agreed to pay \$3.1 billion to resolve thousands of lawsuits by cities, counties, Native American tribes and states alleging its pharmacists failed to regulate opioid prescriptions, leading to a public health crisis in their communities.

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Pharmaceuticals

**Amanda Bronstad**

staff reporter

What You Need to Know

- Sixteen states, including New York, California, Connecticut, Delaware, Pennsylvania and Texas, negotiated the settlement.
- The deal must garner support from 43 states by the end of the year, which would allow local governments to join during the first quarter of 2023.
- CVS and Walgreens agreed to pay \$10 billion in opioid settlements earlier this month.

Walmart Inc. agreed to pay \$3.1 billion to resolve thousands of lawsuits by cities, counties, Native American tribes and states alleging its pharmacists failed to regulate opioid prescriptions, leading to a public health crisis in their communities.

Sixteen states, including New York, California, Connecticut, Delaware, Pennsylvania and Texas, negotiated the settlement, announced Tuesday.

"Pharmacies such as Walmart played an undeniable role in perpetuating opioids' destruction, and my fellow attorneys general and I are holding them accountable," said Letitia James, attorney general of New York, which will receive \$116 million from the Walmart deal. California stands to receive \$265 million, and Pennsylvania \$120 million.

Walmart is the latest corporation to settle opioid lawsuits on a nationwide basis. CVS Pharmacy Inc. and Walgreens Boots Alliance Inc. [agreed to pay \\$10 billion](#) in settlements earlier this month.

The Walmart deal includes monetary funds used primarily to provide treatment and recovery services, and improvements to Walmart's policies and procedures regarding opioid prescriptions at its pharmacies.

In a statement, Walmart said it "strongly disputes the allegations in these matters" and does not admit liability.

"Walmart believes the settlement framework is in the best interest of all parties and will provide significant aid to communities across the country in the fight against the opioid crisis, with aid reaching state and local governments faster than any other nationwide opioid settlement to date, subject to satisfying all settlement requirements," the company said in a statement.

Those requirements include garnering support from 43 states by the end of the year, which would allow local governments to join during the first quarter of 2023.

'Another Important Milestone'

Lawyers leading the opioid multidistrict litigation, and the negotiation team for more than 3,000 cities and counties, called the Walmart deal "another important milestone."

“With this significant step forward, Walmart joins CVS and Walgreens as the first pharmacy chains to reach global resolutions related to this crisis,” they said in a statement. “Furthermore, despite the fact that it dispensed fewer opioid pills and less morphine milligram equivalency than the other large chain pharmacies, Walmart has agreed to expedite its payment so that our nation’s communities can access the vast majority of these funds within one year of the agreement’s effective date.”

Walgreens and CVS, in their deals, agreed to payments over more than a decade.

“Our PEC opioid settlement team and AG group have been laser focused on signing this deal for months,” said Hunter Shkolnik, a partner at New York’s Napoli Shkolnik, a member of the negotiation team, about the Walmart settlement. “I am proud of the hard work on both sides, which brings much needed relief to our communities.”

Not all opioid lawsuits are included. Walmart, CVS and Walgreens must pay \$650 million to two Ohio counties after a jury found them liable last year. The U.S. Department of Justice also has a pending suit that Walmart is attempting to dismiss. And Walmart failed to convince the U.S. Court of Appeals for the Fifth Circuit to revive its own case against the DOJ.

The Walmart settlement caps a string of global opioid deals.

Manufacturers Teva Pharmaceutical Industries and Allergan paid billions to resolve opioid lawsuits. Endo, another manufacturer, filed for Chapter 11 bankruptcy protection this year, agreeing to pay \$450 million to resolve opioid lawsuits.

Johnson & Johnson’s Janssen Pharmaceuticals, which manufactures opioids, and the nation’s three largest distributors—AmerisourceBergen, Cardinal Health and McKesson—reached a \$26 billion global settlement last year to resolve lawsuits against them.

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