



Global Opioid Settlement



SUMMARY OF PROPOSED OPIOID SETTLEMENTS

BACKGROUND

Texas, along with a broad coalition of states and subdivisions, has reached final agreements with four companies to resolve legal claims against for their role in the opioid crisis. One agreement is with opioid manufacturer Johnson & Johnson. The other is three major pharmaceutical distributors: AmerisourceBergen, Cardinal Health, and McKesson.

FINANCIAL TERMS

The two agreements provide for \$26 billion in payments over 18 years, with \$23.9 billion available for opioid abatement and significant amounts front loaded. Funding will be distributed to states according to the allocation agreement reached among the Attorneys General. Subdivisions can only participate in the agreement if their state participates. Texas' combined share is almost \$1.5 billion: \$1.17 billion from the distributors and \$268 million from J&J. Distribution within Texas is handled through the Texas Term Sheet, an intrastate agreement between the state and litigating subdivisions. The funding must be used to support any of a wide variety of strategies to fight the opioid crisis. Separate provisions exist to compensate attorneys who have pursued opioid litigation on behalf of states and local governments. Once the state agrees to participate, then the more subdivisions that join, the more money everyone in Texas will receive. Future opioid litigation may result in suspension and reduction of payments. Even without full resolution of claims, states and subdivisions can still receive substantial payments by resolving a significant portion of current and future claims.

INJUNCTIVE TERMS

Both agreements both contain industry-changing injunctive terms. The distributors will be subject to more oversight and accountability, including an independent monitor, to prevent deliveries of opioids to pharmacies where diversion and misuse occur. They will be required to establish and fund an independent clearinghouse to track opioid distribution nationwide and flag suspicious orders. J&J will be prohibited from selling or promoting opioids.

HOW TO JOIN

To officially join the settlements, you need to:

1. sign the Subdivision Settlement Participation Forms (one for JNJ and one for the Distributors);
2. adopt the Texas Term Sheet and its intrastate allocation schedule;
3. return all three documents (the Subdivision Participation Form JNJ, the Subdivision Settlement Participation Form Distributors, and your resolution adopting the Texas Term Sheet) to opioids@oag.texas.gov (<mailto:opioids@oag.texas.gov>).

The deadline for states to sign on is August 21, 2021. Subdivisions in participating states then have through January 2, 2022, to join.

This page also serves as a log for Office of the Texas Attorney General documents related to the Global Opioid Settlement:

- [Opioid Settlement One Pager](https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Opioid%20Settlement%20One%20Pager.pdf)
(<https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Opioid%20Settlement%20One%20Pager.pdf>)
- [Final Distributor Settlement Agreement](https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Final%20Distributor%20Settlement%20Agreement.pdf)
(<https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Final%20Distributor%20Settlement%20Agreement.pdf>)
- [Final Janssen Settlement Term Sheet](https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Final%20Janssen%20Settlement%20Term%20Sheet.pdf)
(<https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Final%20Janssen%20Settlement%20Term%20Sheet.pdf>)
- [List of Opioid Remediation Uses](https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/List%20of%20Opioid%20Remediation%20Uses.pdf)
(<https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/List%20of%20Opioid%20Remediation%20Uses.pdf>)
- [Settlement Allocation Term Sheet](https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Settlement%20Allocation%20Term%20Sheet.pdf)
(<https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Settlement%20Allocation%20Term%20Sheet.pdf>)
- [Subdivision Participation Form JNJ](https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Subdivision%20Participation%20Form%20JNJ.pdf)
(<https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Subdivision%20Participation%20Form%20JNJ.pdf>)
- [Subdivision Settlement Participation Form Distributors](https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Subdivision%20Settlement%20Participation%20Form%20Distributors.pdf)
(<https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Subdivision%20Settlement%20Participation%20Form%20Distributors.pdf>)
- [Global Opioid Settlement PowerPoint Presentation](https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Global%20Opioid%20Settlement%20PowerPoint%20Presentation.pdf)
(<https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Global%20Opioid%20Settlement%20PowerPoint%20Presentation.pdf>)
- [Sample Resolution](https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Sample%20Resolution.pdf)
(<https://www.texasattorneygeneral.gov/sites/default/files/images/admin/2021/Global%20Opioid%20Settlement%20Files/Sample%20Resolution.pdf>)