

Gallup joins national opioid settlement

Written by By Molly Ann Howell Sun Correspondent
Friday, 21 January 2022 06:04



According to a CDC report released back in July, drug overdose deaths were at a record high of 93,000 during 2020.

In an effort to address the opioid addiction and overdose crisis in the nation, a group of state attorneys general and several companies came up with a deal in July that would tie lawsuits concerning opioid addiction against wholesale distributors together.

During the Jan. 11 city council meeting, Gallup's City Attorney Curtis Hayes explained the situation to the council.

"Over the past seven years literally thousands of lawsuits have been filed in state local courts around the country by somewhere between 3,000 and 4,000 state local entities against three categories of businesses that were involved with the production and distribution of prescription opioids," Hayes said.

Hayes noted that all of this is being done in an effort to not try the same case over and over again.

There are currently two settlements, one with three of the wholesale distributors, which make up about 85 percent of the wholesale distribution for the country, and another against Johnson & Johnson and Janssen Pharmacies.

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Hayes told the council that the New Mexico Attorney General Hector Balderas decided the former settlement was fair for New Mexico and that the state would participate in it. It is now time for the City of Gallup to decide whether or not it will take part.

Forty-nine of the 50 states are involved in the settlement. Only West Virginia, Washington, D.C. and five U.S. territories are not part of the settlements.

Initially, Balderas hesitated.

“His concern was that the formula was just simply too based on population and that New Mexico was one of those states like West Virginia, where the harm that has been caused by opioids is higher than average,” Hayes said.

All the federal opioid lawsuits are being handled in Ohio by a group of lawyers called the National Prescription Opiate Litigation MDL Plaintiffs’ Executive Committee. This group is responsible for negotiating directly with the distributors and determining how much money each state will receive. Hayes said they will factor four elements into their decision: population of the state, the state’s opioid death rate, the amount of prescription opioids per person that was being shipped into a state, and the number of incidents of substance abuse disorders related to opioids.

According to Hayes, the settlement total comes out to \$21 billion. New Mexico will be getting about 0.85 percent of that amount, which is approximately \$87.28 million. But Hayes did note that the amount could go up to as much as \$158.3 million, although the attorneys general are still unsure how much each state will get at this time.

“The more subdivisions that sign on to this agreement, the more New Mexico can receive, because the theory is basically if we sign on to this agreement, we are not going to file a lawsuit later,” Hayes explained. “So the distributors have got that protection.”

The money will be paid out over 18 years, with some of it coming up front. Hayes stated that Gallup would be getting at least \$10,000 a year, and the amount could even reach \$30,000.

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“This is just a small percentage of the kind of settlement money that’s probably going to be coming down the pipe at some point,” Hayes told the council.

The money has to be used for programs that reduce opioid abuse, such as providing support for non-opioid pain treatment, funding media campaigns to prevent opioid misuse, and public education relating to drug disposal.

Local government entities have until Jan. 26 to sign on to the settlement.

The city council ultimately decided to join the agreement.

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