

Settlement seeks \$100M fund for meningitis victims

May 6 2014, by Bob Salsberg

A settlement that could result in a \$100 million fund for victims of a nationwide meningitis outbreak linked to a Massachusetts pharmacy has been reached.

The agreement between the owners and insurers of New England Compounding Center and a court-appointed bankruptcy trustee was filed Tuesday with a U.S. bankruptcy court.

The [settlement](#) must be approved by a judge. It calls for the pharmacy's owners to pay \$50 million into the fund, with insurers contributing another \$25 million. Lawyers say [tax refunds](#) and the sale of an affiliated company would push the total above \$100 million.

The outbreak was blamed on a tainted steroid. Federal officials say it sickened 750 people in 20 states, with 64 deaths. Michigan, Tennessee and Indiana were hit the hardest.

An attorney representing victims calls the settlement an important step toward fair compensation.

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Citation: Settlement seeks \$100M fund for meningitis victims (2014, May 6) retrieved 27 April 2024 from <https://medicalxpress.com/news/2014-05-settlement-100m-fund-meningitis-victims.html>

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