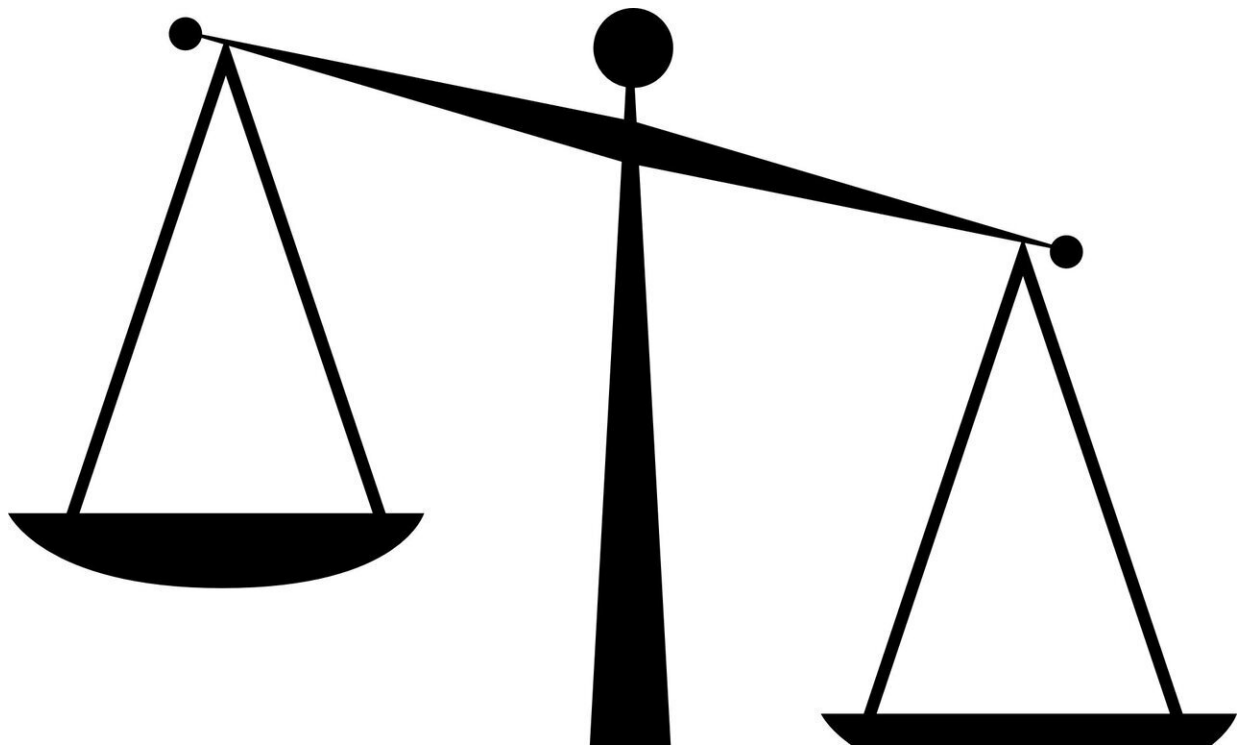


US high court accepts challenge to \$6bn Purdue opioid settlement

August 11 2023



Credit: CC0 Public Domain

The US Supreme Court threw Purdue Pharma's \$6 billion opioids settlement into question Thursday, accepting a challenge to the deal's immunizing the Sackler family, which controlled the drugmaker, from future litigation.

The [court](#) agreed to hear the Justice Department's challenge, which argued that the Sacklers, who earned tens of billions of dollars flooding the country with highly addictive opioids, could not legally gain sweeping protection in the [settlement](#).

The [high court](#) set a December 2023 date for hearing the case, meaning a much longer wait for states and communities seeking compensation for the ravages of the opioid addiction and overdose epidemic which began in the early 2000s.

The settlement last year set aside \$6 billion from the bankruptcy of Purdue, which made [prescription painkillers](#) like OxyContin.

The deal, which came after years of negotiations involving legal officials from the 50 states, gave the families of Raymond Sackler and Mortimer Sackler protection from all future civil claims, effectively protecting their other assets from opioid-related lawsuits.

In their complaint the Justice Department said the Sacklers withdrew \$11 billion out of Purdue over the 11 years before the company filed for bankruptcy in 2019.

The [bankruptcy filing](#) was a direct result of the massive country-wide litigation against it and other major drugmakers and pharmacy companies for knowingly fomenting the addiction crisis.

The March 2022 settlement said the Sacklers were "absolutely, unconditionally, irrevocably, fully, finally, forever and permanently" released from further legal liability.

But the Justice Department said the bankruptcy code which governed the settlement does not provide for such immunization, especially because there could be "an untold number of claimants" who did not agree to the

terms of the settlement.

If allowed, the Purdue settlement would "leave in place a roadmap" for companies to turn to bankruptcy to protect themselves from civil suits, the Justice Department said.

Purdue said in a statement that it was confident of the legality of the deal.

It criticized the Justice Department for delaying billions of dollars being "put to use for victim compensation, opioid crisis abatement for communities across the country, and overdose rescue medicines."

The opioid addiction crisis has caused more than 500,000 overdose deaths in the United States over two decades.

Purdue and other opioid makers and distributors were accused of encouraging free-wheeling prescription of their products through aggressive marketing tactics while hiding how addictive the drugs are.

Facing an avalanche of litigation, in 2021 Purdue pled guilty to three criminal charges over its marketing of OxyContin.

The Sacklers have consistently denied wrongdoing over the opioid epidemic.

© 2023 AFP

Citation: US high court accepts challenge to \$6bn Purdue opioid settlement (2023, August 11) retrieved 11 May 2024 from <https://medicalxpress.com/news/2023-08-high-court-6bn-purdue-opioid.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private

study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.