

# J&J to stop selling opioids in US, reaches \$230 mn settlement with New York

26 June 2021, by Delphine Touitou



The opioids crisis is believed to have claimed more than 500,000 lives since 1999.

Johnson & Johnson, one of the pharmaceutical giants accused of fueling the deadly US opioid crisis, has reached a settlement with the state of New York for \$230 million and confirmed it will stop making or selling opioids in the United States.

The agreement announced Saturday allows Johnson & Johnson to resolve litigation over its role in the epidemic, which has killed more than half a million people since 1999, according to a statement from New York attorney general Letitia James.

For its part, in a separate statement J&J said the [settlement](#) allowed it to avoid a trial that was scheduled to begin Monday, and said the group had "made the business decision in 2020 to discontinue all of its [prescription pain medications](#) in the United States."

The settlement "is not an admission of liability or wrongdoing by the company," it said, noting that other nationwide legal proceedings are underway, including a trial in California.

The prosecutor's statement said the company would spread the payments over nine years.

J&J could also pay an additional \$30 million in the first year if the state enacts new legislation creating an opioid settlement fund.

"The opioid epidemic has wreaked havoc on countless communities across New York state and the rest of the nation, leaving millions still addicted to dangerous and deadly opioids," James said in the statement.

"Johnson & Johnson helped fuel this fire, but today they're committing to leaving the opioid business—not only in New York, but across the entire country," she added.

That includes both manufacturing and selling opioids, James' statement said. Johnson & Johnson stressed it had made the decision before the settlement was reached.

The \$230 million will be aimed at prevention, treatment and education efforts on the dangers of the substances in New York state.

Johnson & Johnson, Purdue Pharma and other pharmaceutical companies and distributors are accused of encouraging doctors to overprescribe opioids—initially reserved for patients with particularly serious cancers—even though they knew they were highly addictive.

Since 1999, this dependence has pushed many users of the drugs to higher and [higher doses](#) and to illicit substances such as heroin or fentanyl, an extremely powerful synthetic opiate with a high risk of fatal overdose.

About 500,000 people have died of drug overdoses in the United States since then.

## Cost of billions

The US Centers for Disease Control and Prevention, the country's main public health agency, estimates that about 90,000 people died from drug overdoses in 2020, the majority of which involved opioids.

The US Department of Health estimates that the crisis was responsible for four years of declining life expectancy in 2014, 2015, 2016 and 2017.

Then-president Donald Trump declared it a national public health emergency in October 2017.

The CDC estimated in 2019 that the economic burden of the crisis, including health care costs, lost productivity and costs to the criminal justice system, was about \$78.5 billion per year.

A study published by the American Society of Actuaries estimated the cost for the four years 2015-2018 at \$631 billion.

The crisis seemed to be easing before the pandemic, thanks in particular to tighter controls on prescriptions, but the CDC recently reported an acceleration of deaths from drug overdoses, including from opioids.

While legal proceedings have increased in the country, many companies are trying to reach settlements.

In February, the consulting firm McKinsey said it agreed to pay \$573 million to settle lawsuits filed by some 40 US states accusing it of contributing to the [opioid](#) crisis through its advice to [pharmaceutical companies](#), including Purdue Pharma, the manufacturer of Oxycontin.

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