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Page 1 of 2

Attorney General Steve Marshall Announces Third Distribution of Funds from McKinsey Opioid Settlement

(MONTGOMERY) – Attorney General Steve Marshall announced Friday his third distribution of funds recovered by the State through its February 2021 settlement with McKinsey & Company for its role in the opioid crisis.

In a meeting with leadership from the Alabama Department of Child Abuse and Neglect Prevention (ADCANP), Attorney General Marshall awarded Director Sallye Longshore \$1.5 million to invest in reducing adverse childhood experiences driven by parental addiction to opioids.

According to the terms of the State’s settlement with McKinsey, funds recovered by the State are to be used “to remediate the harms caused to the State and its citizens by the opioid epidemic” and “to recover the costs incurred by the state in investigating and pursuing its claims” against McKinsey. Data suggests that a large percentage of children enter foster care in Alabama due to parental substance abuse and that child neglect accounts for over 60 percent of child removals from the home.

In reaching the settlement, the State alleged that McKinsey contributed to the opioid crisis by promoting marketing schemes and consulting services to opioid manufacturers, including OxyContin maker Purdue Pharma, for more than a decade. The complaint, filed with the settlement, details how McKinsey advised Purdue on how to maximize profits from its opioid products, including targeting high-volume opioid prescribers, using specific messaging to get physicians to prescribe more OxyContin to more patients, and circumventing pharmacy restrictions in order to deliver high-dose prescriptions.

Attorney General Marshall explained, “The Alabama Department of Child Abuse Neglect and Prevention is a small state agency with a critical mission—strengthening families. I firmly believe that strong families are the answer to nearly every societal ill that our state is wrestling with, not the least of which is the opioid crisis. Sallye and her team are passionate about what they do and I am very pleased to be able to support their work in some small way.”

ADCANP Director Sallye Longshore added, “Children are the invisible victims of the opioid epidemic. Not only does parental substance abuse often lead to the abuse and neglect of children, but abused and neglected children tend to grow up to be substance-dependent adults. Our goal at ADCANP is to break this cycle and we have developed the evidence-based programs to do just that. Attorney General Marshall believes in what we do and we are grateful for his financial investment in our mission to strengthen Alabama’s families.”

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Alabama will receive \$7.6 million this year, and a total of \$9 million, from McKinsey & Company. This is the first multistate opioid settlement to result in substantial payment to the states to address the crisis. On Monday, the Attorney General announced a \$1.5 million distribution to the state's district attorneys to invest in drug courts. On Tuesday, he awarded \$2.95 million to the Alabama Department of Forensic Sciences to help reduce backlogs resulting from Alabama's unprecedented volume of opioid-related cases.

The State is set to begin trial in its case against Endo Pharmaceuticals and McKesson Corporation on November 1, 2021. The State also has pending claims against opioid manufacturers Purdue Pharma, Mallinckrodt, and Insys in each of their respective bankruptcy cases.