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

(MONTGOMERY) – Today, Attorney General Steve Marshall announced his first 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 the Office of Prosecution Services and officers from the Alabama District Attorneys Association, Attorney General Marshall awarded the prosecutors \$1.5 million to invest into the state’s specialty courts – including drug courts, veterans’ courts, and mental health courts.

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. Drug courts have long been identified as an effective means of treating offenders driven to crime by a substance use disorder, with the goal of ultimately closing the revolving door of incarceration.

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.

The Attorney General remarked, “Investing in Alabama’s drug courts is directly responsive to the needs of individuals struggling with opioid addiction, but also to the significant strain that the opioid epidemic has placed on our District Attorneys’ offices and court systems across the state. President Trump’s Commission on Combating Drug Addiction and the Opioid Crisis rightly recognized the role that drug courts can play in leading our state and country out of this epidemic and I am pleased to make a financial contribution to this end.”

District Attorney Michael Jackson, President of the District Attorneys Association, added, “I appreciate the Attorney General’s acknowledgement of the burden that the opioid crisis has placed on prosecutorial offices, which is so often overlooked. Drug courts and pretrial diversion programs are an extremely valuable tool – not only can this type of intervention save the lives of addicted offenders, but these programs also help decrease victimization within communities. We are grateful for our ongoing partnership with the Attorney General’s Office to make our state a safer place to live.”



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. Two other distributions from the McKinsey settlement funds will be announced this week.

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.