State of Alabama Opioid Settlements
Amounts Received
Current as of April 23, 2024

I. McKinsey

A. Received Years 1 through 4 payments totaling $8,834,542.03. After attorneys’ fees, the State’s recovery so far is $6,890,942.77.

B. McKinsey will make an additional payment of $394,879.85 in April 2025. After attorneys’ fees, the State will receive $308,006.28 of that payment.

C. Ultimate total for the State will be \$7,198,949.05.

II. McKesson

A. Total abatement amount was $141 million, split evenly between the State and local entities (subdivisions, county health departments, and public hospitals).

B. Received payments for Years 1 and 2 totaling $14,100,000.

C. McKesson will pay the State $7,050,000 per year over the next eight years (including 2024), with $50,000 subtracted from the final year’s payment if Chelsea does not file suit against McKesson (McKesson was not obligated to pay because we did not have full participation, but they agreed to do so with the $50,000 holdback from the last payment).

D. Ultimate total for the State will be \$70,450,000.

III. Janssen (J&J)

A. Total abatement amount was $70,329,014.38, split evenly between the State and local entities.

B. Ultimate total for the State will be \$24,949,880.12.
IV. Walmart

A. Total abatement is $38,700,000, with most going to the subdivisions. The ultimate total paid to the State was $3,000,000.

Amounts to be Received in the Future

I. Cardinal Health & Cencora (formerly AmerisourceBergen)

A. Total abatement amount to Alabama is $220 million, to be paid over ten years. The settlement is being split evenly between the State and local entities.

B. The State must obtain full participation from all required subdivisions before the companies start payment. That process is underway.

II. Allergan

A. Alabama’s share (state and subdivisions) is $34,040,657.07 (~1.89%) to be paid over 7 years. The settlement is being split evenly between the State and local entities.

B. The State’s ultimate share after splitting with the subdivisions will be ~$17,020,328.54.

C. The State must obtain full participation from all required subdivisions to receive full payment.

D. The first payment should come before or in early Spring 2024.

III. Teva

A. Total abatement amount to Alabama is ~$57,138,933.98, to be paid over 13 years. The settlement is being split evenly between the State and local entities.

B. The State’s ultimate share after splitting with the subdivisions will be ~$28,569,466.99.
C. The State must obtain full participation from all required subdivisions to receive full payment.

D. There is also a product option which we could convert to cash. As it stands now, the cash value of the product is set at $240,000,000. Our share of the cash conversion would come to $4,655,647.13. We’d still have to pay attorneys’ fees from that number (and would presumably split it with the subdivisions).

E. The first payment should come in the spring or summer of 2024.

IV. CVS

A. Total abatement amount to Alabama is ~$75,851,591.91 (~1.77%), to be paid over 10 years. The settlement is being split evenly between the State and local entities. Abatement amount is $4,279,160,837, over 10 years.

B. The State’s ultimate share will be ~$37,790,795.96.

C. The State must obtain full participation from all required subdivisions to receive full payment.

D. The first payment should come in the spring or summer of 2024.

V. Walgreens

A. Total abatement amount to Alabama is ~$82,187,066.19 (~1.72%), to be paid over 10 years. The settlement is being split evenly between the State and local entities.

B. The State’s ultimate share after splitting with the subdivisions will be ~$41,093,533.10.

C. The State must obtain full participation from all required subdivisions to receive full payment.

D. The first payment should come in the spring or summer of 2024.
VI. Purdue Bankruptcy

A. The total estimated abatement amount available to the states through the bankruptcy case is $4,500,000,000, which depends on contributions from the Sackler family. The Sacklers’ participation is dependent on their receiving releases as part of the plan, the legality of which is currently before the U.S. Supreme Court. The Supreme Court has stayed the approval of the bankruptcy plan pending its decision, which is expected before the term ends in June.

VII. Mallinckrodt Bankruptcy

A. Mallinckrodt paid Alabama a total of $5,314,234.66 (two separate payments of $2,441,674.01 and $2,872,557.65) as part of a prior bankruptcy agreement, with 50% going to local entities.

B. As the recipient of the Mallinckrodt funds, the Attorney General must submit a report to the Trust identifying the abatement purposes on which Mallinckrodt funds have been spent. This report must identify spending by the State any other entity that receives Mallinckrodt funds from the Office of the Attorney General.

VIII. Endo Bankruptcy

A. In 2021, Alabama settled with Endo prior to trial for $25 million, with $10 million going to local entities. Endo declared bankruptcy before paying. The State has now joined a settlement to resolve its claims against Endo through the bankruptcy case. As part of that settlement, the entities purchasing Endo’s assets will pay public opioid claimants, including the State of Alabama, a lump sum payment to resolve all opioid claims.

B. The proposed plan was recently approved and payment may come as early as summer of 2024.