



NCCMP Conference

Mark Dearman |

SEPTEMBER 25, 2018

Robbins Geller
Rudman & Dowd LLP

ONE FIRM. GLOBAL REACH.

200 Lawyers in 10 offices, including dozens of former Federal and State Prosecutors
230 Legal Support Professionals, including Forensic Accountants, Economists and Investigators



ROBBINS GELLER HAS RECOVERED TENS OF BILLIONS FOR SHAREHOLDERS



\$7.2 bil.
Recovery



\$1.575 bil.
Recovery



\$925 mil.
Recovery



\$671 mil.
Recovery



\$657 mil.
Recovery



\$629 mil.
Recovery



\$627 mil.
Recovery



\$600 mil.
Recovery



\$500 mil.
Recovery



\$474 mil.
Recovery



\$400 mil.
Recovery



\$388 mil.
Recovery



\$272 mil.
Recovery

Consumer Class Action Recovery



\$17+ billion

Largest **Securities Class Action** Recovery



\$7.2 billion

Largest **Securities Class Action Recovery Following a Trial**



\$1.575 billion

Largest **Options Backdating** Recovery



UnitedHealth Group

\$925 million

Largest **Private Action** Recovery



\$657 million

Largest **RMBS Purchaser Class Action** Recovery



\$500 million

Largest **Merger & Acquisition Class Action** Recovery



\$200 million



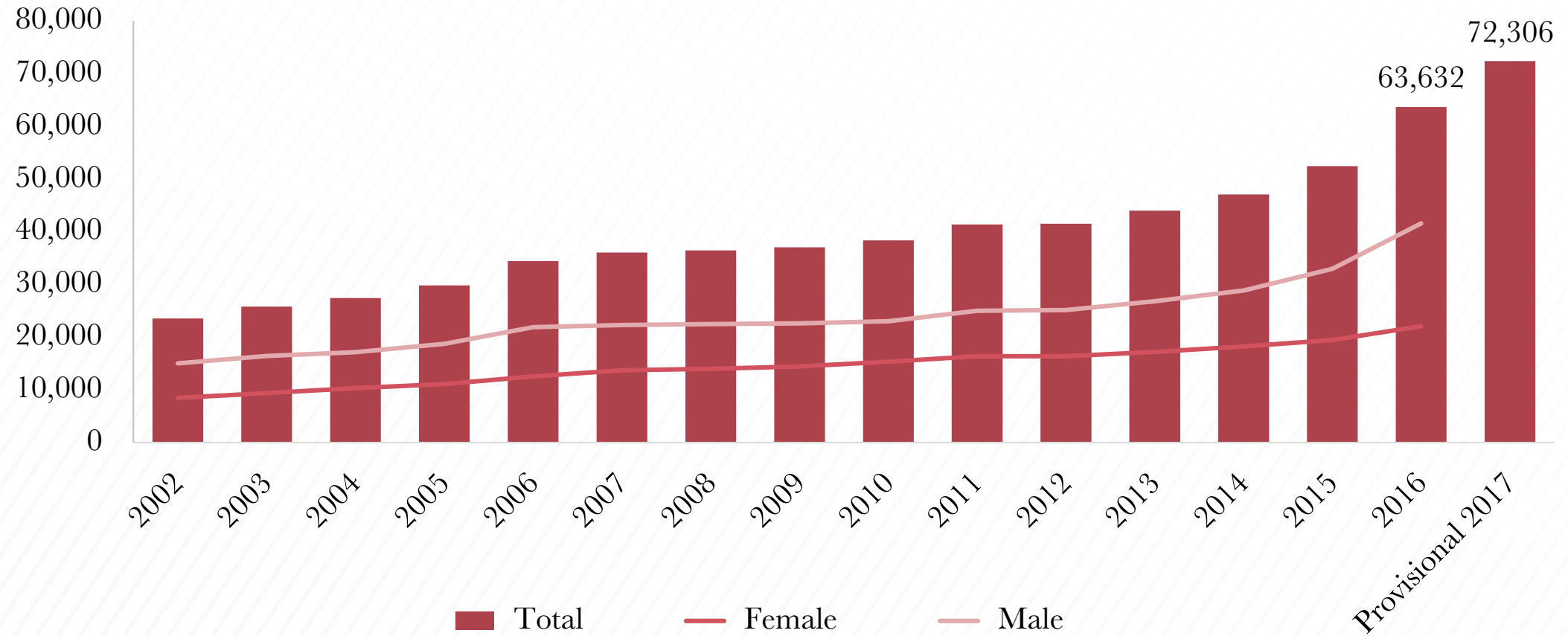
THE OPIOID EPIDEMIC: HOW WE GOT HERE

OPIOIDS: THE WORST DRUG CRISIS IN AMERICAN HISTORY

- Between 1999 and 2015, more than 560,000 people died due to drug overdoses.
- Of the 52,404 drug overdose deaths in 2015, more than 33,000 involved opioids.
- In 2014, more than half of the 28,000 opioid-related deaths for that year – roughly 40 per day – were linked to ***prescription*** opioids.
- Overdoses now kill more people than car accidents or gun crimes, *combined*.
- Overdose deaths from prescription opioids quadrupled between 1999 and 2010.
- So did sales.

NATIONAL OVERDOSE DEATHS

Number of Deaths Involving All Drugs



Source: National Center for Health Statistics, CDC Wonder

Robbins Geller
Rudman & Dowd LLP

OPIOID OVERDOSE ER VISITS CONTINUED TO RISE FROM 2016 TO 2017

30%

Opioid overdoses went up 30% from July 2016 through September 2017 in 52 areas in 45 states.

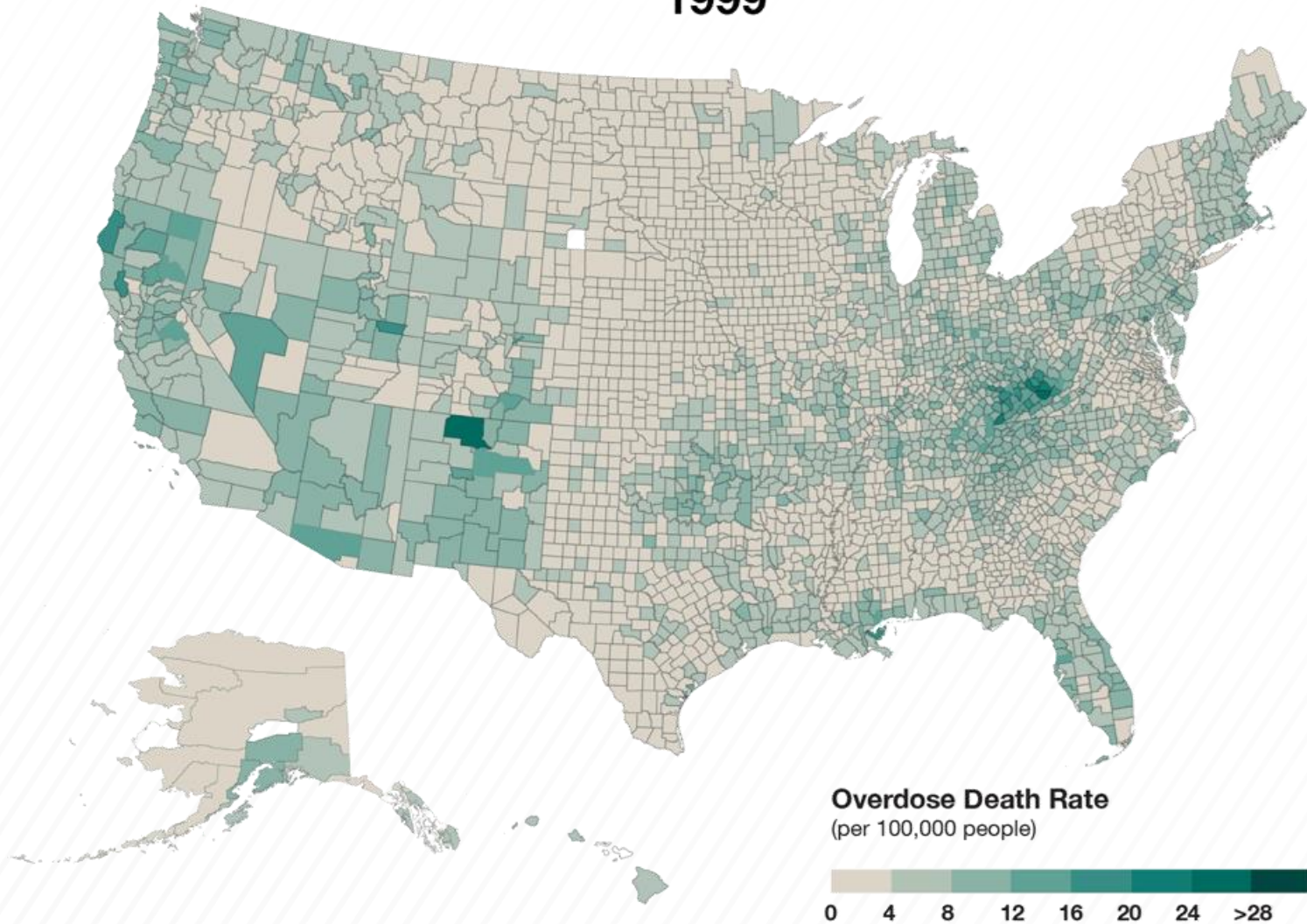
70%

The Midwestern region witnessed opioid overdoses increase 70% from July 2016 through September 2017.

54%

Opioid overdoses in large cities increased by 54% in 16 states.

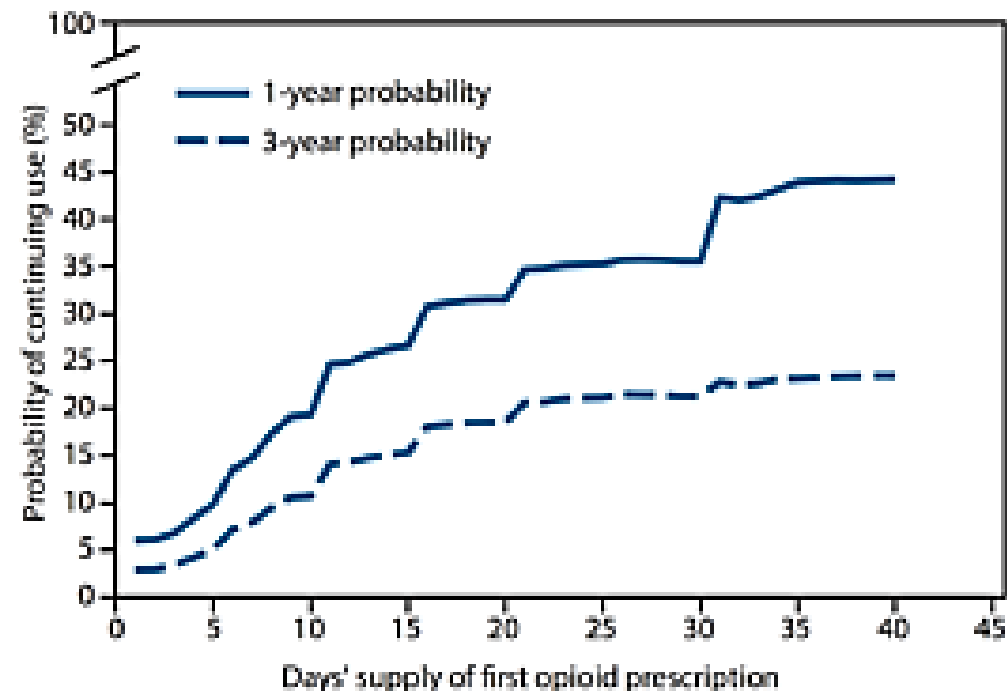
1999



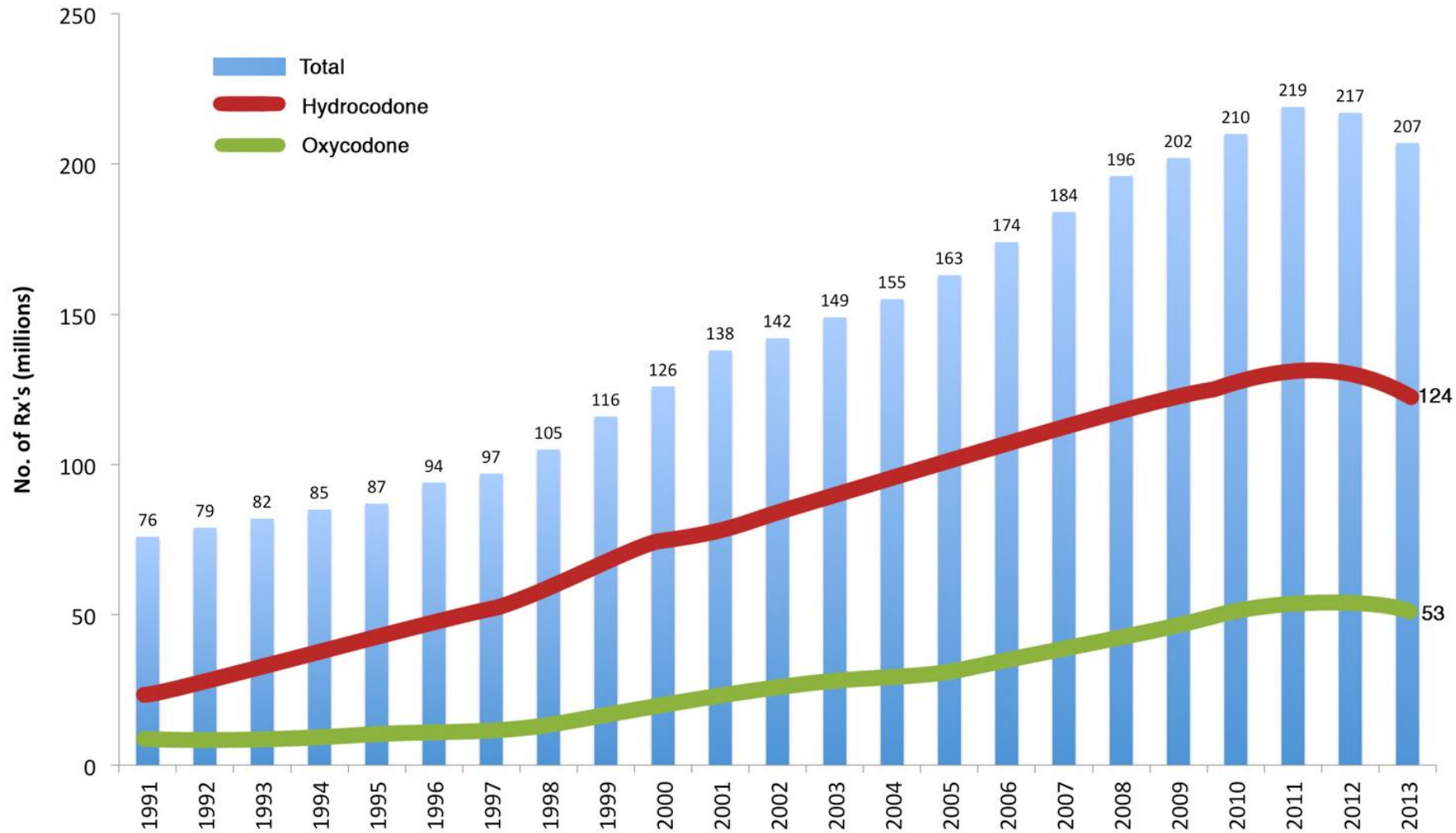
1 IN 7 OPIOID NAÏVE PATIENTS WHO REFILLS AN OPIOID RX WILL BECOME A PERSISTENT OPIOID USER

1 in 7 patients who receive a refill or second opioid prescription were on opioids 1 year later. Morbidity and Mortality Weekly Report (MMWR) March 17, 2017/66(10); 265-269.

FIGURE 1. One- and 3-year probabilities of continued opioid use among opioid-naïve patients, by number of days' supply* of the first opioid prescription — United States, 2006–2015



WE'RE STILL PRESCRIBING TOO MANY OPIOIDS



ANOTHER EPIDEMIC OF CORPORATE



THE METHOD

- Directly market the drugs as being non-addictive through sales representatives.
- Establish and fund pain foundations to disseminate the message.
- Publish and advocate prescribing guidelines and brochures stating the drugs are non-addictive.
- Pay doctors to present pro-opioid materials at speakers' bureaus across the country.
- Bribe and give kickbacks to doctors to overprescribe drugs as dangerous as Fentanyl.
- Promote the benefits of opioids through videos.

DRUG MANUFACTURER'S MARKETING SCHEME:

THE MESSAGE

- Campaign devoted to the “Catastrophic” “Crisis” of the “Under-Treatment of Pain.”
- Market opioids as being safe and effective for all kinds of pain, including chronic long-term pain. No dose is too high.
- Market cancer drugs to non-cancer physicians.
- Market opioids as non-addictive.
- Pseudo-Addiction.

The Message



The Truth





IMPACT

Surgeon General Urges Americans to Carry Drug That Stops Opioid Overdoses



The United States Surgeon General, Dr. Jerome M. Adams, issued a national advisory Thursday urging more Americans to keep on hand and learn how to use the drug naloxone, which can save the lives of people overdosing on opioids.

A kit containing naloxone, the opioid overdose antidote that the surgeon general is advising more Americans to keep nearby. Hiroko Masuike/The New York Times

The New York Times

ECONOMY

Economy Needs Workers, but Drug Tests Take a Toll

By NELSON D. SCHWARTZ JULY 24, 2017



YOUNGSTOWN, Ohio — Just a few miles from where President Trump will address his blue-state Tuesday night, exactly the kind of middle-class factory jobs he has vowed to bring back from or going begging.

It's not that local workers lack the skills for these positions, many of which do not even require diploma but pay \$15 to \$25 an hour and offer full benefits. Rather, the problem is that too many nearly half, in some cases — fail a drug test.

The fallout is not limited to the workers or their immediate families. Each quarter, Columbiana boiler, a local company, forgoes roughly \$200,000 worth of orders for its galvanized containers and kettles because of the manpower shortage, it says, with foreign rivals picking up the slack.

"Our main competitor in Germany can get things done more quickly because they have a better labor force," said Michael J. Sherwin, chief executive of the 123-year-old manufacturer. "We are always looking for people and have standard ads at all times, but at least 25 percent fail the drug tests."

The economic impact of drug use on the work force is being felt across the country, and perhaps more so than in this region, which is struggling to overcome decades of deindustrialization.

Indeed, the opioid epidemic and, to some extent, wider marijuana use are hitting businesses and the ways that are beginning to be acknowledged by policy makers and other experts.

A federal study estimated that prescription opioid abuse cost the economy \$78.5 billion in 2013, but

Opioid abuse is also hurting America's job market.

Use of opioids has become a key factor in why "prime age" workers, mostly men, are unable or unwilling to find work, according to a new report by Goldman Sachs.

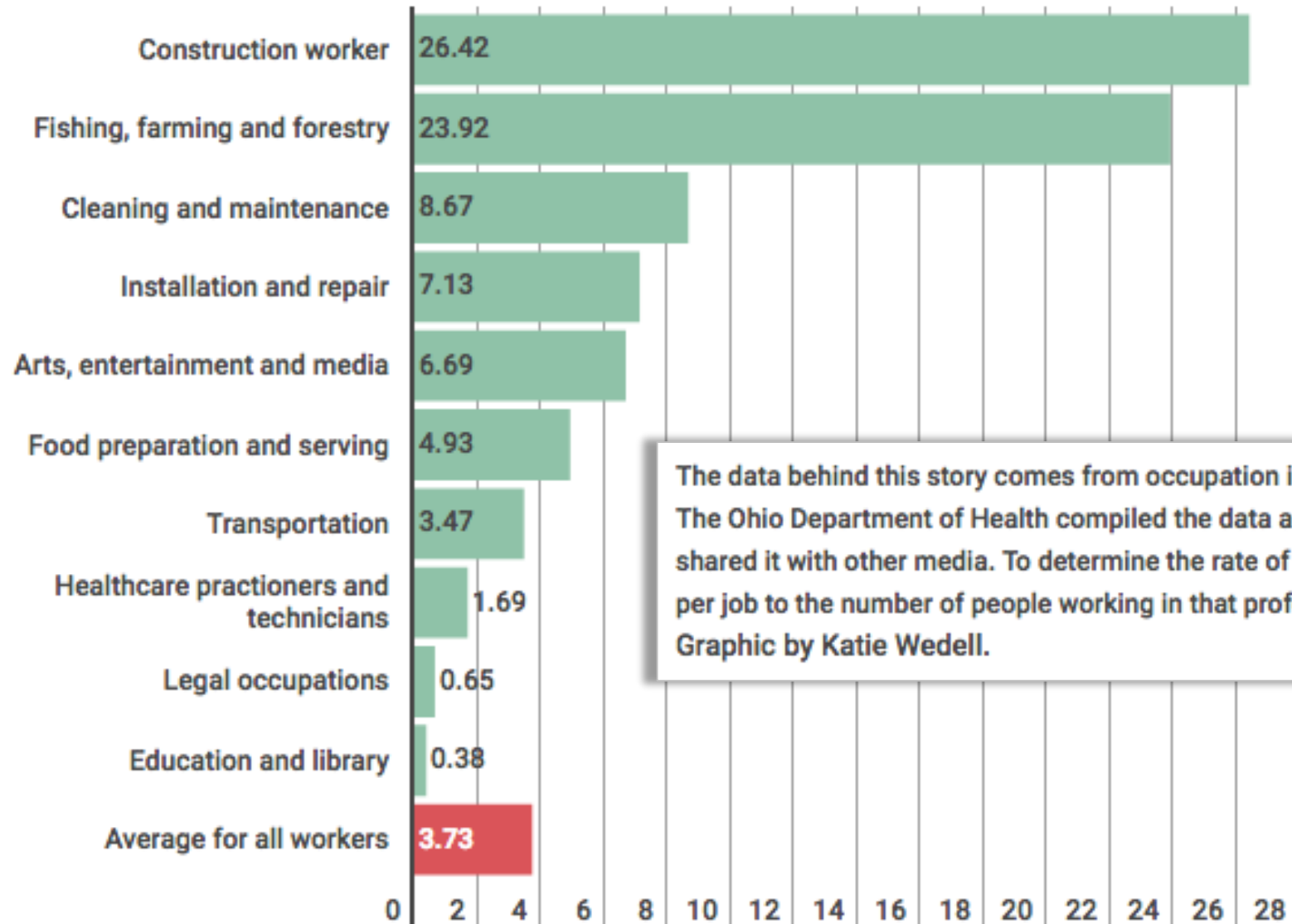
About 1.8 million workers were out of the labor force for "other" reasons at the beginning of this year, meaning they were not retired, in school, disabled or taking care of a loved one, according to Atlanta Federal Reserve data.

Of those people, nearly half -- roughly 881,000 workers -- said in a survey that they had taken an opioid the day before, according to a study published last year by former White House economist Alan Krueger.

THE OPIOID CRISIS IN THE BUILDING TRADES:

- The construction industry has ***twice the national average*** of employees with substance use disorders.
- Within union health and welfare plans, powerful painkillers are among the ***top five medications prescribed*** to members.
- The primary workforce in construction is male, and they're ***twice as likely*** to abuse prescription drugs than females.
- The average construction worker addicted to opioids has been on pain medications for ***at least six months***.
- The average age at which Ohio construction workers have died of opioid overdoses over the last seven years is ***40 years old***.

Number of overdose deaths per 10,000 workers for selected occupations



The data behind this story comes from occupation information families provided on death certificates. The Ohio Department of Health compiled the data and released it to the (Cleveland) Plain Dealer who shared it with other media. To determine the rate of overdose death, we compared the number of deaths per job to the number of people working in that profession according to the Bureau of Labor Statistics. Graphic by Katie Wedell.

Ohio construction workers seven times more likely to die of an opioid overdose in 2016

Updated Jan 19; Posted Nov 5, 2017

By Rachel Dissell, The Plain Dealer rdissell@plaind.com

CLEVELAND, Ohio – The carpenter framing a new home on your street. The ironworker erecting that massive office building downtown. The roofer hauling and laying shingle after shingle to repair a historic church. The road-crew worker filling potholes on the highway.

Construction workers in Ohio were seven times more likely to die of an opioid overdose last year than were workers in other professions, according to a Plain Dealer analysis that included records from more than 12,000 opioid drug overdose deaths in the state from 2010 through 2016.

Read how we analyzed this

As an industry, construction

Most Ohio opioid deaths are

deceptively marketed as safe. That may be even more true for construction workers, whose injuries and were often prescribed potent and long-acting opioids by state-supported workers' compensation doctors, or who got the pills, prevalent on work sites, from a co-worker as a way to work through the pain.

Ohio isn't the only place where

There isn't a single reason

Pain and pills

Construction work is physically

Tough, repetitive work wears down even the strongest bodies over time, often causing chronic lower back, shoulder and knee pain.

Until about 20 years ago, doctors

But then drug makers introduced

Taking a pill to get through

But, it turned out, addiction rates weren't around 1 percent. They were higher, as much as 10 percent

Outside Boston, public health workers researching opioid-related deaths found that ***building and construction workers accounted for 42 percent of overdoses*** in a swath of suburbs.

And, in 2010, ***more than 80 percent of construction workers whose injuries were treated with medication were given narcotics***, according to BWC data. Often got medications like Vicodin, Percocet and OxyContin, which are opioids or semi-synthetic opioids.

The [union-funded rehab] programs can have an unintended consequence, some construction workers said. Once a person fails a drug test or asks for help with addiction, they are off the job. They can get treatment, but they ***won't get paid*** for union construction work while they do.

Lessons for Ohio? Massachusetts public health officials take aim at trade worker opioid overdose deaths

Updated Nov 19, 2017; Posted Nov 19, 2017

By Rachel Dissell, The Plain Dealer rdissell@plaind.com

CLEVELAND, Ohio - Addiction recovery-themed hard hat stickers, carpenter's pencils and sports radio ads are a few of the tools public health workers in Massachusetts are using to reach those hardest hit by opioid overdose deaths there: trade workers.

Those initiatives might be of interest to officials in Ohio where construction trade workers also are at a higher risk to die from opioid overdoses.

The burgeoning effort
Coalition noticed a pat

Those who spent their
were dying of opioid o

After collecting data on
the opioid-related deat

Since then, a second g
made up 38 percent of
and service workers m
greater risk on average.

A recent Plain Dealer
opioid overdose last ye
trades workers in their

The construction indus
2016 were in the buildi

To reverse the deadly
putting the trade worke

"We were just trying to learn about this from every angle," Lauren Dustin, who works in Medford and coordinates the area Opioid Abuse Prevention Collaborative.

With support of a \$100,000 state grant, the group surveyed trade workers, union leaders, employee assistance program providers, local occupational safety and substance abuse experts in the area.

Common themes soon emerged when asking why trade workers might be vulnerable to opioid abuse and death, including:

- Workers felt they could not take time off to heal from injuries.
- Workers said they often didn't report injuries and used narcotic medications to work through pain.
- Workers felt they'd lose their jobs if they sought help for addiction.
- Many felt they'd be labeled a "rat" if they reported someone else on the job using drugs.
- One obstacle the group faced was coming up with an approach that would work in an industry that included union and non-union workers.

Common themes soon emerged when asking why trade workers might be vulnerable to opioid abuse and death, including:

- Workers felt they **could not take time off to heal** from injuries.
- Workers said they often didn't report injuries and used narcotic medications to **work through pain**.
- Workers **felt they'd lose their jobs** if they sought help for addiction.
- Many felt they'd be **labeled a "rat"** if they reported someone else on the job using drugs.

PUBLIC HEALTH



Cost Of U.S. Opioid Epidemic Since 2001 Is \$1 Trillion And Climbing

February 13, 2018 · 6:00 AM ET



GREG ALLEN



A young man uses heroin under a bridge in the Kensington section of Philadelphia, a neighborhood that has become a hub for heroin use. The economic costs of the epidemic are mounting, researchers say, as the U.S. loses more and more workers in their prime.

Spencer Platt/Getty Images

The opioid epidemic has cost the U.S. more than a trillion dollars since 2001, according to a new study, and may exceed another \$500 billion over the next three years.

OPIOID EPIDEMIC COSTS WV \$8.8 BILLION ANNUALLY, STUDY SAYS

Cost of the Opioid Epidemic by State						
State	Aggregate (\$1,000s)		Per Capita		As a Share of State GDP	
	Non-Fatal	Total	Non-Fatal	Total	Non-Fatal	Total
Alabama	\$ 1,001,228	\$ 4,456,106	\$ 206	\$ 917	0.50%	2.21%
Alaska	\$ 210,364	\$ 1,439,858	\$ 285	\$ 1,950	0.40%	2.77%

California **\$ 10,572,721** **\$ 35,740,467** **\$ 270** **\$ 913** **0.41%** **1.39%**

Colorado	\$ 1,500,988	\$ 8,423,041	\$ 275	\$ 1,544	0.47%	2.61%
Connecticut	\$ 930,815	\$ 9,549,569	\$ 259	\$ 2,659	0.37%	3.79%

D.C. **\$ 236,759** **\$ 2,402,523** **\$ 352** **\$ 3,626** **0.20%** **2.01%**

Hawaii	\$ 242,358	\$ 1,312,018	\$ 169	\$ 916	0.30%	1.60%
Idaho	\$ 426,266	\$ 1,840,184	\$ 258	\$ 1,112	0.63%	2.74%
Illinois	\$ 2,678,412	\$ 22,805,232	\$ 208	\$ 1,773	0.35%	2.96%
Indiana	\$ 1,468,847	\$ 8,931,877	\$ 222	\$ 1,349	0.44%	2.65%
Iowa	\$ 529,552	\$ 2,336,908	\$ 170	\$ 748	0.29%	1.30%
Kansas	\$ 522,593	\$ 2,440,604	\$ 179	\$ 838	0.35%	1.64%

Maryland **\$ 1,526,971** **\$ 20,215,282** **\$ 254** **\$ 3,366** **0.41%** **5.41%**

Massachusetts	\$ 1,761,630	\$ 13,872,148	\$ 259	\$ 2,042	0.36%	2.82%
Michigan	\$ 2,219,587	\$ 20,477,576	\$ 224	\$ 2,064	0.46%	4.27%
Minnesota	\$ 1,115,822	\$ 6,255,108	\$ 203	\$ 1,139	0.34%	1.88%
Mississippi	\$ 510,037	\$ 2,231,329	\$ 170	\$ 746	0.48%	2.10%
Missouri	\$ 1,300,794	\$ 11,222,812	\$ 214	\$ 1,845	0.45%	3.87%
Montana	\$ 172,211	\$ 577,944	\$ 167	\$ 560	0.38%	1.26%
Nebraska	\$ 352,513	\$ 881,196	\$ 186	\$ 465	0.31%	0.77%
Nevada	\$ 588,892	\$ 5,420,804	\$ 204	\$ 1,875	0.42%	3.82%

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New Hampshire	\$ 325,803	\$ 1,899,555	\$ 245	\$ 1,428	0.43%	2.50%
New Jersey	\$ 2,134,795	\$ 17,773,961	\$ 238	\$ 1,984	0.38%	3.17%
New Mexico	\$ 417,416	\$ 4,585,401	\$ 200	\$ 2,199	0.44%	4.79%
New York	\$ 4,623,197	\$ 34,303,187	\$ 234	\$ 1,733	0.33%	2.42%
North Carolina	\$ 2,034,721	\$ 18,448,468	\$ 203	\$ 1,837	0.41%	3.69%
North Dakota	\$ 170,355	\$ 797,397	\$ 225	\$ 1,053	0.32%	1.48%
Ohio	\$ 2,734,563	\$ 32,598,977	\$ 235	\$ 2,807	0.45%	5.32%
Oklahoma	\$ 727,182	\$ 5,632,864	\$ 186	\$ 1,440	0.38%	2.92%
Oregon	\$ 1,167,585	\$ 5,692,123	\$ 290	\$ 1,413	0.50%	2.46%
Pennsylvania	\$ 2,886,526	\$ 23,025,641	\$ 225	\$ 1,799	0.40%	3.21%
Rhode Island	\$ 267,250	\$ 2,529,519	\$ 253	\$ 2,395	0.48%	4.53%
South Carolina	\$ 954,223	\$ 7,704,146	\$ 195	\$ 1,574	0.47%	3.78%
South Dakota	\$ 139,421	\$ 704,989	\$ 162	\$ 821	0.30%	1.54%
Tennessee	\$ 1,426,181	\$ 14,483,410	\$ 216	\$ 2,194	0.44%	4.50%
Texas	\$ 5,556,065	\$ 20,875,563	\$ 202	\$ 760	0.34%	1.27%
Utah	\$ 849,050	\$ 6,504,723	\$ 283	\$ 2,171	0.56%	4.29%
Vermont	\$ 162,601	\$ 1,232,261	\$ 260	\$ 1,968	0.53%	4.05%

West Virginia **\$ 354,768** **\$ 8,838,278** **\$ 192** **\$ 4,793** **0.48%** **12.03%**

Wyoming	\$ 132,243	\$ 624,041	\$ 226	\$ 1,065	0.34%	1.60%
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Source: Alex Brill, "New State-Level Estimates of the Economic Burden of the Opioid Epidemic," AEI, January 16, 2018.



SOLUTIONS

MANDATE DECREASED PRESCRIBING

GUIDELINE FOR PRESCRIBING OPIOIDS FOR CHRONIC PAIN

IMPROVING PRACTICE THROUGH RECOMMENDATIONS

CDC's *Guideline for Prescribing Opioids for Chronic Pain* is intended to improve communication between providers and patients about the risks and benefits of opioid therapy for chronic pain, improve the safety and effectiveness of pain treatment, and reduce the risks associated with long-term opioid therapy, including opioid use disorder and overdose.

The Guideline is not intended for patients who are in active cancer treatment, palliative care, or end-of-life care.

DETERMINING WHEN TO INITIATE OR CONTINUE OPIOIDS FOR CHRONIC PAIN

1 Nonpharmacologic therapy and nonopioid pharmacologic therapy are preferred for chronic pain. Clinicians should consider opioid therapy only if expected benefits for both pain and function are anticipated to outweigh risks to the patient. If opioids are used, they should be combined with nonpharmacologic therapy and nonopioid pharmacologic therapy, as appropriate.

2 Before starting opioid therapy for chronic pain, clinicians should establish treatment goals with all patients, including realistic goals for pain and function, and should consider how opioid therapy will be discontinued if benefits do not outweigh risks. Clinicians should continue opioid therapy only if there is clinically meaningful improvement in pain and function that outweighs risks to patient safety.

3 Before starting and periodically during opioid therapy, clinicians should discuss with patients known risks and realistic benefits of opioid therapy and patient and clinician responsibilities for managing therapy.

CLINICAL REMINDERS

- Opioids are not first-line or routine therapy for chronic pain
- Establish and measure goals for pain and function
- Discuss benefits and risks and availability of nonopioid therapies with patient



U.S. Department of
Health and Human Services
Centers for Disease
Control and Prevention

LEARN MORE | www.cdc.gov/drugoverdose/prescribing/guideline.html

OPIOID SELECTION, DOSAGE, DURATION, FOLLOW-UP, AND DISCONTINUATION

CLINICAL REMINDERS

- Use immediate-release opioids when starting
- Start low and go slow
- When opioids are needed for acute pain, prescribe no more than needed
- Do not prescribe ER/LA opioids for acute pain
- Follow-up and re-evaluate risk of harm; reduce dose or taper and discontinue if needed



- 4** When starting opioid therapy for chronic pain, clinicians should prescribe immediate-release opioids instead of extended-release/long-acting (ER/LA) opioids.
- 5** When opioids are started, clinicians should prescribe the lowest effective dosage. Clinicians should use caution when prescribing opioids at any dosage, should carefully reassess evidence of individual benefits and risks when considering increasing dosage to ≥ 50 morphine milligram equivalents (MME)/day, and should avoid increasing dosage to ≥ 90 MME/day or carefully justify a decision to titrate dosage to ≥ 90 MME/day.
- 6** Long-term opioid use often begins with treatment of acute pain. When opioids are used for acute pain, clinicians should prescribe the lowest effective dose of immediate-release opioids and should prescribe no greater quantity than needed for the expected duration of pain severe enough to require opioids. Three days or less will often be sufficient; more than seven days will rarely be needed.
- 7** Clinicians should evaluate benefits and harms with patients within 1 to 4 weeks of starting opioid therapy for chronic pain or of dose escalation. Clinicians should evaluate benefits and harms of continued therapy with patients every 3 months or more frequently. If benefits do not outweigh harms of continued opioid therapy, clinicians should optimize other therapies and work with patients to taper opioids to lower dosages or to taper and discontinue opioids.

ASSESSING RISK AND ADDRESSING HARMS OF OPIOID USE

- 8** Before starting and periodically during continuation of opioid therapy, clinicians should evaluate risk factors for opioid-related harms. Clinicians should incorporate into the management plan strategies to mitigate risk, including considering offering naloxone when factors that increase risk for opioid overdose, such as history of overdose, history of substance use disorder, higher opioid dosages (≥ 50 MME/day), or concurrent benzodiazepine use, are present.
- 9** Clinicians should review the patient's history of controlled substance prescriptions using state prescription drug monitoring program (PDMP) data to determine whether the patient is receiving opioid dosages or dangerous combinations that put him or her at high risk for overdose. Clinicians should review PDMP data when starting opioid therapy for chronic pain and periodically during opioid therapy for chronic pain, ranging from every prescription to every 3 months.
- 10** When prescribing opioids for chronic pain, clinicians should use urine drug testing before starting opioid therapy and consider urine drug testing at least annually to assess for prescribed medications as well as other controlled prescription drugs and illicit drugs.
- 11** Clinicians should avoid prescribing opioid pain medication and benzodiazepines concurrently whenever possible.
- 12** Clinicians should offer or arrange evidence-based treatment (usually medication-assisted treatment with buprenorphine or methadone in combination with behavioral therapies) for patients with opioid use disorder.

CLINICAL REMINDERS

- Evaluate risk factors for opioid-related harms
- Check PDMP for high dosages and prescriptions from other providers
- Use urine drug testing to identify prescribed substances and undisclosed use
- Avoid concurrent benzodiazepine and opioid prescribing
- Arrange treatment for opioid use disorder if needed



U.S. Department of
Health and Human Services
Centers for Disease
Control and Prevention

LEARN MORE | www.cdc.gov/drugoverdose/prescribing/guideline.html



Change The Perverse Incentives Inside Healthcare Driving Overprescribing



HOLDING BIG PHARMA ACCOUNTABLE FOR THE OPIOID EPIDEMIC IT CREATED

CONFIDENTIAL: FILED UNDER SEAL

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

IN RE NATIONAL PRESCRIPTION OPIATE) MDL No. 2804
LITIGATION) Case No. 17-md-2804
This document relates to:) Judge Dan Aaron Polster
Case No. 1:18-op-45432-DAP) AMENDED COMPLAINT
CLEVELAND BAKERS AND TEAMSTERS)
HEALTH AND WELFARE FUND and PIPE)
FITTERS LOCAL UNION NO. 120)
INSURANCE FUND,)
Plaintiffs,)

vs.

PURDUE PHARMA, L.P.; PURDUE
PHARMA, INC.; THE PURDUE
FREDERICK COMPANY; ENDO HEALTH
SOLUTIONS INC.; PAR
PHARMACEUTICAL, INC.; PAR
PHARMACEUTICAL COMPANIES, INC.
F/K/A PAR PHARMACEUTICAL
HOLDINGS, INC.; JANSSEN
PHARMACEUTICALS, INC.; ORTHO-
MCNEIL-JANSSEN PHARMACEUTICALS,
INC. N/K/A JANSSEN
PHARMACEUTICALS, INC.; JANSSEN
PHARMACEUTICALS, INC.

[Caption continued on following page.]

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Case: 1:18-op-45623-DAP Doc #: 1 Filed: 05/30/18 1 of 147. PageID #: 1

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

CENTRAL STATES, SOUTHEAST AND) No.
SOUTHWEST AREAS HEALTH &)
WELFARE FUND, Individually and on Behalf) Judge _____
of All Others Similarly Situated,)

Plaintiff,)

vs.)

PURDUE PHARMA L.P., CEPHALON, INC.)
TEVA PHARMACEUTICAL INDUSTRIES)
LTD., TEVA PHARMACEUTICALS USA,)
INC., ENDO INTERNATIONAL PLC, ENDO)
HEALTH SOLUTIONS INC., ENDO)
PHARMACEUTICALS INC., JANSSEN)
PHARMACEUTICALS, INC., INSYS)
THERAPEUTICS, INC., MALLINCKRODT)
PLC, MALLINCKRODT LLC,)
AMERISOURCEBERGEN CORPORATION,)
CARDINAL HEALTH, INC. and)
MCKESSON CORPORATION,)

Defendants.)

DEMAND FOR JURY TRIAL

COMPLAINT FOR VIOLATIONS OF RACKETEER INFLUENCED AND CORRUPT
ORGANIZATIONS ACT

Case 2:18-cv-01949-BSB Document 1 Filed 06/21/18 Page 1 of 165

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UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

15 National Roofers Union & Employers Joint) No.
16 Health & Welfare Fund, Individually and)
17 on Behalf of All Others Similarly Situated,)
18 vs.)
19 Plaintiff,)

20 Purdue Pharma L.P.; Cephalon, Inc.; Teva
21 Pharmaceutical Industries Ltd.; Teva
22 Pharmaceuticals USA, Inc.; Endo
23 International plc; Endo Health Solutions
24 Inc.; Endo Pharmaceuticals Inc.; Janssen
25 Pharmaceuticals, Inc.; Insys Therapeutics,
26 Inc.; Mallinckrodt plc; Mallinckrodt LLC;
27 AmerisourceBergen Corporation; Cardinal
28 Health, Inc.; and McKesson Corporation,
Defendants.

DEMAND FOR JURY TRIAL

COMPLAINT FOR VIOLATIONS OF
RACKETEER INFLUENCED AND
CORRUPT ORGANIZATIONS ACT

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

IN RE: NATIONAL PRESCRIPTION)	MDL No. 2804
OPIATE LITIGATION)	
)	Case No. 17-md-02804
)	
THIS DOCUMENT RELATES TO:)	Judge Dan Aaron Polster
)	
ALL CASES)	

**Plaintiffs' Renewed Motion
to Approve Co-Leads, Co-Liaisons, and Executive Committee**

Products Liability Litigation, MDL No. 1940 (N.D. Ill. filed Jan. 25, 2008). Mr. Geller is counsel of record in docketed cases in MDL 2804 representing governmental entities including the largest Counties in Michigan and the City of Phoenix, Arizona, among other municipalities. Mr. Geller is one of the most experienced lawyers in the country in MDL, consumer fraud, and complex class action litigation including having successfully resolved numerous cases brought against pharmaceutical manufacturers and distributors.

Plaintiffs
coordinating
attending
Plaintiffs

Plaintiffs believe that the PEC is the best way to manage the PEC with the flexibility to build a leadership infrastructure to respond to the demands of this litigation.

order providing the following (Doc. #22):

OPIOID CASES: PLAINTIFF GROUPS:

- States (Through Their Attorneys General)
- Counties
- Cities
- TPPs (including self-funded multiemployer health and welfare funds)
- Hospitals
- Individuals
- Babies
- Native American Tribes

Hundreds to thousands of cases have been filed in both state and federal court. Some of these have been filed as class actions. But the vast majority of opioids cases to date have been brought on behalf of individual plaintiffs and not as class actions.

OPIOIDS ARE MANUFACTURED BY:



OPIOIDS ARE DISTRIBUTED BY:



CAN THIS JUDGE SOLVE THE OPIOID CRISIS?

The New York Times

Can This Judge Solve the Opioid Crisis?



By Jan Hoffman

March 5, 2018



CLEVELAND — Here are a few choice mutterings from the scrum of lawyers outside Courtroom 18B, about the federal judge who summoned them to a closed-door conference on hundreds of opioid lawsuits:

“Grandstander.”

“Pollyanna.”

“Over his head.”

And the chorus: “This is *not* how we do things!”

[Judge Dan Aaron Polster](#) of the Northern District of Ohio has perhaps the most daunting legal challenge in the country: resolving more than 400 federal lawsuits brought by cities, counties and Native American tribes against central figures in the national opioid tragedy, including makers of the prescription painkillers, companies that distribute them, and pharmacy chains that sell them. And he has made it clear that he will not be doing business as usual.



Alarmed by the opioid epidemic, Judge Dan Polster wants to quickly settle some 400 lawsuits against drug makers and distributors. Lawyers are skeptical he can pull it off.

Credit Maddie McGarvey for The New York Times



MDL IN THE NORTHERN DISTRICT OF OHIO

More than 1100 cases have been filed in federal court and transferred to the N.D. Ohio for coordinated proceedings.

Litigation Track: Bellwether cases

Track One/Trial Track Bellwethers:

- Cuyahoga County, OH; Cleveland, OH; and Summit County, OH

Track Two/Briefing Track Bellwethers:

- Counties and cities cases: Monroe County, MI; Broward County, FL; Capbell County, WV; and Chicago, IL
- TPP cases: Cleveland Bakers & Teamsters Health & Welfare Fund and Pipe Fitters Local Union No. 120 Insurance Fund
- Hospital cases: Boca Raton Regional Hospital
- Indian Tribe cases: The Muscogee (Creek) Nation; The Blackfeet Tribe of The Blackfeet Indian Reservation

Discovery is ongoing and extensive in the track one cases. All bellwether cases have been fully briefed on motions to dismiss and are pending rulings

Settlement Track

THIRD-PARTY PAYOR BELLWETHER:

Cleveland Bakers & Teamsters Health & Welfare Fund And Pipe Fitters Local Union No. 120 Insurance Fund v. Purdue Pharma L.P., Et Al.

Primary issue raised in MTD briefing:

- Injury and Causation.

Defendants argue no direct injury because payment for medications and treatment is derivative of primary injuries caused to prescription opioid users. Cite to tobacco cases wherein Third-Party Payors, were unable to recover for costs of paying for treatment for their insureds' smoking-related illnesses.

THIRD-PARTY PAYOR BELLWETHER:

Cleveland Bakers & Teamsters Health & Welfare Fund And Pipe Fitters Local Union No. 120 Insurance Fund v. Purdue Pharma L.P., Et Al.

We argued that this case is different because:

- 1) the TPPs paid directly for the drugs themselves, as opposed to cigarettes for which they did not pay in the tobacco cases;
- 2) the drugs were placed, kept, and preferred on the TPPs formularies as a result of direct misrepresentations defendants made to TPPs and their agents, which were designed to induce exactly that reliance and result (i.e., garner preferred/placement on the TPPs' formularies);
- 3) doctors' prescribing habits changed as a result of the deceptive marketing, causing TPPs to reimburse far more prescriptions than they would have; and
- 4) failure to track and disclose suspicious orders prevented TPPs from knowing or suspecting that the drugs were being diverted/overprescribed.

These arguments have supported similar claims in other circuits. *See, e.g., Neurontin, Avandia, Desiano.* But the Sixth Circuit has not yet ruled on the issue.

DRUG MANUFACTURERS AND WHOLESALERS FUELED THE EPIDEMIC

Manufacturers Engaged In Deceptive Marketing.

- Violation of state consumer protection laws
- Prohibits representing goods have characteristics, uses, or benefits which they do not have.
- Nuisance
- RICO- Racketeer Influenced and Corrupt Organization Act
- Negligence

Wholesalers Failed To Report Suspicious Sales As Required By Federal And State Law.

- Comprehensive Drug Abuse Prevention and Control Act of 1970, 21 U.S.C. §801, et seq.
- Requires reporting of “suspicious orders” for controlled substances.
- Authorizes \$10,000 penalty for each violation.
- Nuisance
- RICO
- Negligence

PROPOSED SOLUTIONS:

**Ban on the promotion
of opioids**

Ban on lobbying

Ban on grants to third parties for promotion of opioids

**Ban on incentives for sales
reps for high sales of opioids**

Ban on high dose opioids


MUST: report and halt suspicious orders

MUST: heighten awareness of dangers of opioids

POTENTIAL DAMAGES

- Restitution
 - Increased law enforcement and judicial expenditures;
 - Increased prison and public works expenditures;
 - Increased substance abuse treatment and diversion plan expenditures;
 - Increased emergency and medical care services;
 - Lost economic opportunity.
- Disgorgement of unjust enrichment
- Punitive damages
- Injunctive relief

SETTLEMENTS AND GUILTY PLEAS

Year	Company	Settlement Amount	Allegations
2007		\$634.5 million	federal false marketing charges

Los Angeles Times

OxyContin goes global — “We’re only just getting started”

By HARRIET RYAN, LISA GIRION AND SCOTT GLOVER
DEC. 18, 2016

Purdue, a private company owned by the Sackler family, has generated revenue of more than **\$31 billion** from OxyContin, the nation’s bestselling painkiller.

The scheme was so financially successful, Purdue is now taking it abroad, stating:

“We’re only just getting started.”

Put the painkiller that set off the U.S. opioid crisis into medicine cabinets around the world.

A network of international companies owned by the family is moving rapidly into Latin America, Asia, the Middle East, Africa and other regions, and pushing for broad use of painkillers in places ill-prepared to deal with the ravages of opioid abuse and addiction.





THANK YOU



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