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Oklahoma, Teva Pharmaceuticals reach $85 million settlement in opioid case

By Lenny Bernstein
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The state of Oklahoma settled Sunday with a second drug company over its role in the deadly opioid epidemic, reaching an $85 million agreement with Teva Pharmaceuticals just two days before a landmark trial is scheduled to begin.

The deal leaves Oklahoma to face off in court Tuesday against Johnson & Johnson, one of the nation's large pharmaceutical companies, in the first state trial over culpability for the drug crisis. Opioid overdoses have taken thousands of lives in the sparsely populated state and more than 400,000 nationwide between 1999 and 2017.

In March, the state settled out of court with Purdue Pharma, the third defendant in the 2017 lawsuit filed by state Attorney General Mike Hunter (R). Purdue, the manufacturer of prescription painkiller OxyContin, is widely seen as the central character in the crisis, and the company agreed to pay $270 million toward treatment of substance abusers and research on the epidemic.

Hunter and Teva announced the latest settlement Sunday morning. Details are being worked out, but the one-time payment will go to the Oklahoma state government. Some Oklahoma legislators had complained that they were bypassed in the Purdue settlement, which earmarked most of the money for a treatment and research center at Oklahoma State University.

"Nearly all Oklahomans have been negatively impacted by this deadly crisis and we look forward to Tuesday, where we will prove our case against Johnson & Johnson and its subsidiaries," Hunter said in a statement released by his office. There is a possibility that Oklahoma will reach a settlement with Johnson & Johnson that avoids a trial altogether.

Teva Pharmaceuticals, a company based in Israel that primarily develops and sells generic drugs, issued a statement saying the settlement does not establish any wrongdoing on its part. It said Teva "has not contributed to the abuse of opioids in Oklahoma in any way."

The company suggested it settled the case to put the matter behind it.

The state alleges that Johnson & Johnson has been a behind-the-scenes kingpin in the epidemic, through its role in providing the narcotic ingredients for much of the U.S. prescription opioid supply.

A spokesman for the conglomerate did not respond to a request for comment on whether the company still planned to go to trial Tuesday.

More than 40 other states have filed lawsuits against a variety of drug companies, seeking compensation for medical, law enforcement and treatment-related costs of the more than two-decade-old epidemic. Another 1,600 cities, counties, Native American tribes and other groups have also filed lawsuits that have been consolidated in an enormous case in federal court in Ohio.

Teva said that "while the company has long stated that the courtroom is not a place to address the crisis, Teva is pleased to put the Oklahoma case behind it and remains prepared to vigorously defend claims against the company," including the federal cases.

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Lenny Bernstein covers health and medicine. He started as an editor on The Washington Post's National desk in 2000 and has worked in Metro and Sports. Follow