

City of Baltimore Strikes \$45 Million Deal with CVS to Resolve Ongoing Opioid Litigation – Bringing Total Recoveries for Baltimore to \$90 Million

On August 9, 2024, Mayor Brandon M. Scott and the City of Baltimore announced a \$45 million settlement with CVS to resolve the City's claims against CVS in ongoing litigation against the opioid distributors and manufacturers that fueled the worst opioid epidemic in the nation. CVS will pay the entire \$45 million settlement amount this year.

The City's deal with CVS is the second settlement announced related to its opioid litigation, following a \$45 million settlement with Allergan earlier this summer. CVS has not yet reached a deal with the state of Maryland, so the City did not have the option to join a global settlement with CVS. This settlement with CVS secures for Baltimore far more money than the City expected under any global deal between Maryland and CVS.

The significant nature of the settlement with CVS provides further proof that Mayor Scott and the City made the right decision when they decided to move forward with opioid litigation individually, opting out of global settlements. The City has now recovered \$90 million in its ongoing litigation, which is approximately the same amount it would have recovered under all available global settlements. However, unlike the global settlements, which spread payments over decades, the City has already received the \$45 million settlement from Allergan and will receive the \$45 million settlement from CVS by year-end.

"These companies targeted Baltimore and decided profits were more important than the health and safety of the people of this City. We are fully committed to ensuring that these companies pay their fair share to repair the damage they've done to our neighborhoods and families," said Mayor Brandon Scott. "We have said from the start that we will not sell the people of Baltimore short and will do everything in our power to obtain the resources we need to meaningfully address this epidemic."

"We have built an overwhelming case against the opioid companies, and we will continue to move litigation forward to trial against any defendant that is unwilling to recognize their own role in driving this crisis and the significant resources this City needs to combat the consequences of their decisions," said Ebony Thompson, Baltimore City Solicitor.

Between 2006 and 2014, CVS distributed hydrocodone and other opioids to its own Baltimore pharmacies. CVS's share of the market was about half a percent, similar to Allergan's share. The defendants remaining in the City's lawsuit were responsible for over 80% of the opioids targeted at Baltimore pharmacies.

The City's litigation proceeds against Johnson & Johnson, McKesson, Cardinal Health, AmerisourceBergen (now Cencora), Teva Pharmaceuticals, Walgreens, and former Insys owner John Kapoor, which provides further opportunities for recoveries. Trial is set to begin September 16.

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Of the funds secured from CVS, the City has committed to using \$5 million for the Law Enforcement Assisted Diversion program, \$5 million for Healing City Baltimore, \$1 million for Roberta's House, and \$1 million for From Prison Cells to PhD.

In conjunction with this settlement announcement, the City announced that Sara Whaley, the Program Manager of the Bloomberg Overdose Prevention Initiative at Johns Hopkins and practice faculty member at the Johns Hopkins Bloomberg School of Public Health, is serving in an advisory role on the City's use of settlement funds. Sara is the lead author and organizer of "[The Principles for the Use of Funds from the Opioid Litigation](#)," considered the outline for national best practices for states and localities who receive these funds. Sara is considered a national expert on use of settlement funds and has advised states across the country on best practices for spending opioid settlement funds. She is a Baltimore resident.

"We continue to be proud to partner with Mayor Scott and the City of Baltimore to fight this deadly epidemic and bring justice to everyone affected by it," said Susman Godfrey partner, [Bill Carmody](#), who is leading the outside legal team on this matter.

He is joined by Susman Godfrey attorneys [Seth Ard](#), [Sy Polky](#), [Michael Kelso](#), [Adam Carlis](#), [Cory Buland](#), [Geng Chen](#), [Rocco Magni](#), [Krisina Zuniga](#), [Max Straus](#), [Betsy Aronson](#), [Katherine Drews](#), [Jeff Melsheimer](#), and [Tom Boardman](#). Sara Gross and Thomas Webb of the Baltimore City Department of Law also represent the City in this case.

The case is *Mayor & City Council of Baltimore v. Purdue Pharma L.P., et al.*, 24-C-18-000515 in the Circuit Court of Maryland for Baltimore City.