File	No.	230686

Committee Item No.		4	
Board Item No.	9		

COMMITTEE/BOARD OF SUPERVISORS

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Committee:	Government Audit and Oversight	Date:	July 20, 2023
Board of Sup	pervisors Meeting:	Date:	September 5, 2023
•	_		•
Cmte Boar	d		
	Motion		
F F	Resolution		
=	Ordinance		
	Legislative Digest		
	Budget and Legislative Analyst Rep	ort	
	Youth Commission Report		
=	Introduction Form		
=	Department/Agency Cover Letter an	d/or Rer	oort
	MOU - FY2022-2024 - Clean		
	MOU - FY2022-2024 - Redline		
	Grant Information Form		
=	Grant Budget		
	Subcontract Budget		
	Contract / DRAFT Mills Act Agreeme	ent	
	Form 126 – Ethics Commission		
	Award Letter		
F F	Application		
	Public Correspondence		
OTHER			
Prepared by:	Stephanie Cabrera Date	e: <u>July 1</u>	2, 2023
Prepared by:	Stephanie Cabrera Date	: July 2	25, 2023
Prepared by:): 	

1	[Settlement of Lawsuit - Walgreen Co City to Receive \$229,610,002 Over 15 Years]
2	
3	Ordinance authorizing settlement of the lawsuit filed by the City and County of San
4	Francisco and the People of the State of California against Walgreen Co. for
5	\$229,610,002 (the City to be paid \$200,000,002 over 15 years, the City's outside counsel
6	to be paid \$29,610,000); the lawsuit was filed on December 18, 2018, in the United
7	States District Court for the Northern District of California, Case No. 3:18-cv-7591-CRB-
8	JSC; entitled The City and County of San Francisco and the People of the State of
9	California v. Purdue Pharma L.P., Richard S. Sackler, Jonathan D. Sackler, Mortimer
10	D.A. Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa
11	Sackler, David A. Sackler, Trust for the Benefit of Members of the Raymond Sackler
12	Family, Rhodes Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries
13	Ltd., Teva Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions
14	Inc., Endo Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics,
15	Inc., Mallinckrodt Plc, Mallinckrodt LLC, Allergan Plc f/k/a Actavis Plc, Watson
16	Pharmaceuticals, Inc. n/k/a Actavis, Inc., Watson Laboratories, Inc., Actavis LLC,
17	Actavis Pharma, Inc. f/k/a Watson Pharma, Inc., AmerisourceBergen Corporation,
18	Cardinal Health, Inc., and McKesson Corporation; the lawsuit involves Walgreen Co.'s
19	improper and unlawful dispensing of prescription opioids at its pharmacies, which
20	contributed to the epidemic of opioid abuse and misuse and caused a public nuisance
21	in San Francisco.
22	Be it ordained by the People of the City and County of San Francisco:
23	
24	Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
25	authorizes the City Attorney to settle the action entitled The City and County of San Francisco

1 and the People of the State of California v. Purdue Pharma L.P., Richard S. Sackler, Jonathan D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, 2 3 Theresa Sackler, David A. Sackler, Trust for the Benefit of Members of the Raymond Sackler 4 Family, Rhodes Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries Ltd., 5 Teva Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions Inc., Endo 6 Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt 7 Plc, Mallinckrodt LLC, Allergan Plc f/k/a Actavis Plc, Watson Pharmaceuticals, Inc. n/k/a 8 Actavis, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. f/k/a Watson 9 Pharma, Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson 10 Corporation, the United States District Court for the Northern District of California, Case No. 11 3:18-cv-7591-CRB-JSC by the payment of \$229,610,002 (the City to be paid \$200,000,002 12 over 15 years, the City's outside counsel to be paid \$29,610,000) by Walgreen Co. The 13 lawsuit involves Walgreen Co.'s improper and unlawful dispensing of prescription opioids at its 14 pharmacies, which contributed to the epidemic of opioid abuse and misuse and caused a public nuisance in San Francisco. 15 Section 2. The above-named action was filed in the United States District Court for the 16 Northern District of California on December 18, 2018, and the following parties were named in 17 18 the lawsuit: The City and County of San Francisco and the People of the State of California, as plaintiffs; Purdue Pharma L.P.; Purdue Pharma Inc.; The Purdue Frederick Company, Inc.; 19 Rhodes Pharmaceuticals L.P.; Richard S. Sackler; Jonathan D. Sackler; Mortimer D.A. 20 21 Sackler, Kathe A. Sackler; Ilene Sackler Lefcourt; Beverly Sackler; Theresa Sackler; David A. Sackler; Trust for the Benefit of the Raymond Sackler Family; Allergan Plc f/k/a Actavis Plc; 22 23 Allergan Finance, LLC f/k/a Actavis, Inc. f/k/a Watson Pharmaceuticals, Inc.; Allergan Sales,

LLC; Allergan USA, Inc.; Watson Laboratories, Inc.; Warner Chilcott Company, LLC; Actavis

Pharma, Inc. f/k/a Watson Pharma, Inc.; Actavis South Atlantic LLC; Actavis Elizabeth LLC;

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1	Actavis Mid Atlantic LLC; Actavis Totowa LLC; Actavis LLC; Actavis Kadian LLC; Actavis			
2	Laboratories UT, Inc. f/k/a Watson Laboratories, IncSalt Lake City; Actavis Laboratories FL			
3	Inc. f/k/a Watson Laboratories, IncFlorida; Teva Pharmaceuticals USA, Inc.; Teva			
4	Pharmaceutical Industries Ltd.; Cephalon, Inc.; Johnson & Johnson; Janssen			
5	Pharmaceuticals, Inc.; Noramco, Inc.; Ortho-Mcneil-Janssen Pharmaceuticals, Inc.; Janssen			
6	Pharmaceutica, Inc.; Endo Health Solutions Inc.; Endo Pharmaceuticals, Inc.; Par			
7	Pharmaceuticals, Inc.; Par Pharmaceutical Companies, Inc. f/k/a Par Pharmaceutical			
8	Holdings, Inc.; Endo International Plc; Insys Therapeutics, Inc.; Mallinckrodt Plc; Mallinckrodt			
9	LLC; Specgx LLC; AmerisourceBergen Drug Corporation; Anda, Inc.; Cardinal Health, Inc.;			
10	McKesson Corporation; and Walgreen Co. as defendants.			
11				
12				
13	APPROVED AS TO FORM:			
14	DAVID CHIU, City Attorney			
15	By: /s/ Sara J. Eisenberg SARA J. EISENBERG			
16	Chief of Complex and Affirmative Litigation			
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