Governor, Attorney General’s Office Reach Largest Pharmaceutical Settlement in State History

CHARLESTON – Gov. Jim Justice and the Attorney General’s Office announced a $37 million settlement with McKesson Corporation pushing the total paid in West Virginia’s pursuit of 13 pharmaceutical wholesalers to in excess of $84 million.

The $37 million settlement represents what is believed to be the largest state settlement of its kind in the nation against any single pharmaceutical distributor.

Furthermore, the combined tally of $84 million stands as the largest pharmaceutical settlement in state history.

The McKesson settlement resolves allegations by the state related to the distribution of controlled substances to West Virginia licensed and U.S. Drug Enforcement Administration registered dispensers in the state. It does not resolve any allegations brought by counties, municipalities or other political subdivisions within West Virginia.

Attorney General Patrick Morrisey brought the lawsuit along with two departments in Gov. Justice’s administration: Health and Human Resources, and Military Affairs and
Public Safety. The plaintiffs intend to use their portions of settlement funds to further the collective fight against drug abuse in West Virginia.

McKesson denies the allegations of plaintiffs' complaint and any wrongdoing.

The settlements received approval from the Attorney General's Office, Gov. Justice and secretaries of the Department of Health and Human Resources and Department of Military Affairs and Public Safety. All parties agreed to the settlement to avoid the delay, expense, inconvenience and uncertainty of protracted litigation.

Previous settlements involved Cardinal Health ($20 million), AmerisourceBergen ($16 million), H.D. Smith ($3.5 million), Miami-Luken ($2.5 million), Anda Inc. ($1,865,250), The Harvard Drug Group ($1 million), Associated Pharmacies ($850,000), J.M. Smith Corporation ($400,000), KeySource Medical Inc. ($250,000), Quest Pharmaceuticals ($250,000), Top Rx ($200,000) and Masters Pharmaceutical LLC ($200,000).

Terms require McKesson to pay $14.5 million by within three business days of the case's dismissal with five additional payments of $4.5 million each year through May 6, 2024.

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