

McKinsey Attains Global Peace over Alleged Opioid Involvement with State Attorneys General – But at a \$650M Price Tag

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Over the last two months, McKinsey & Company — one of the world’s largest consulting firms — resolved matters with all 56 state attorneys general regarding investigations into its role in providing marketing and consulting services regarding opioids to producers and manufacturers, including Purdue Pharma, Johnson & Johnson, Endo, and Mallinckrodt. These consent judgments collectively add up to \$642,385,164 and constitute the first state opioid settlements that includes money to abate the opioid epidemic.

The Deal Sheet:

- On February 4, 2021, McKinsey announced a [consent judgment](#) with attorneys general from 47 states, the District of Columbia, and all five U.S. territories. The multistate’s executive committee consists of California, Colorado, Connecticut, Massachusetts, New York, North Carolina, Oklahoma, Oregon, Tennessee, and Vermont. The agreement includes:
 - \$558,919,331 over four years to “remediate the harms caused to the Settling States and their citizens by the opioid epidemic;”
 - \$15 million to the National Association of Attorneys General as reimbursement for costs;
 - McKinsey’s agreement to publicly disclose internal documents prepared in its work with opioid manufacturers;
 - McKinsey’s establishment of a company code of ethics that its partners must agree to yearly; and
 - McKinsey’s agreement to no longer advise on Schedule II and III narcotics.
- On the same day, West Virginia reached a separate [consent judgment](#), which includes the same injunctive relief and:
 - \$10 million to “remediate the harms caused to the Settling States and their citizens by the opioid epidemic and to recover the costs incurred by the State;”
 - payment within 60 days of the settlement (as opposed to the multistate’s four years); and
 - an express provision that upon proper notice, “McKinsey waives the ability to argue that the release in this Consent Judgment applies to political subdivisions” in West Virginia.
- On the same day, Washington also reached a separate [consent judgment](#). The judgment included the same injunctive relief and:
 - \$13,465,833 over four years “to remediate the harms caused to the State and its citizens by the opioid epidemic and to recover the costs incurred by the State in investigating and pursuing these claims;” and
 - an express provision that upon proper notice, “McKinsey waives the ability to argue that the release in this Consent Judgment applies to political subdivisions of” Washington.
- On March 22, 2021, Nevada also reached a separate [consent judgment](#), which includes the same injunctive

relief and:

- \$45 million with \$23 million paid in 45 days and \$22 million paid in 120 days; and
- McKinsey's agreement to authenticate documents and provide witnesses in Nevada's lawsuit against the opioid manufacturers and producers; but
- did not specifically require McKinsey to waive its ability to argue that the release applies to Nevada's political subdivisions.

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