## OFFICE OF CORPORATION COUNSEL



Client-Driven. Community-Focused.

MARGARET C. DAUN Corporation Counsel

SCOTT F. BROWN

Deputy Corporation Counsel

ALAN M. POLAN
KATHRYN M. WEST
DALE R. NIKOLAY
TEDIA K. GAMIÑO
DAVID N. FARWELL
LISA M. PROCACCIO
NELSON W. PHILLIPS III
MELINDA S. LAWRENCE
JUDD H. TABACK
CHRISTOPHER L. MORGAN
JENNIFER O. HEMMER
WILLIAM G. DAVIDSON
Assistant Corporation Counsel

DATE: December 15, 2021

TO: Milwaukee County Board of Supervisors

Milwaukee County Executive Crowley

FROM: Margaret C. Daun, Corporation Counsel

Scott F. Brown, Deputy Corporation Counsel

SUBJECT: Settlement of Ohio MDL Opioid Lawsuit

The County Board authorized the Office of Corporation Counsel (OCC) to retain outside counsel under a contingency fee arrangement and to file suit against opioid manufacturers and distributors as the OCC deemed appropriate in <u>File 17-722</u>. The OCC subsequently did so and currently has claims pending on behalf of Milwaukee County in two federal multi-district litigations (MDLs):

- 1. Northern District of Ohio, captioned *In re: Opioid Litigation,* MDL 2804 (the "Ohio MDL"), against McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc.; and
- 2. Northern District of California, captioned *In re: McKinsey & Company, Inc., National Prescription Opiate Consultant Litigation*, MDL 2996 (the "California MDL"), against McKinsey & Company, Inc.

Under Wis. Stat. § 59.42, the OCC may settle these matters without further County Board action. That said, given the gravity and need for swift resolution of these matters to support the overall health and wellness of Milwaukee County, the OCC is asking you to approve the accompany authorizing resolution as quickly as possible, including special meetings if necessary.

Signatures are needed as soon as possible, and in no case by later than December 31, 2021. Alternately, Corporation Counsel Daun may sign the settlements forthwith and provide an informational report during the regular February 2022 cycle and/or for action (i.e., ratification).

Corporation Counsel Daun consistently debriefed and updated the Judiciary and Finance Committees over the past years and most recently, alerted both committees to the imminent Ohio MDL settlement and the County's recovery of \$71,000,000. As stated in the "Allocation MOU" (attached hereto) at page 16 of the pdf, Milwaukee County will receive approximately \$71,000,000

December 15, 2021 County Board County Executive Crowley Page 2 of 2

(over 18 years) of the approximately \$281,000,000 going to all litigating local governmental entities (i.e., 70% of the total Wisconsin recovery of approximately \$402,000,000).

This is the largest recovery by far for any local government in the state and represents over a year of careful negotiation with the Attorney General, the Governor, the state Joint Finance Committee, and all litigating local governments in Wisconsin, as well as the national class representatives, state attorneys general, and defendants. Without a doubt, this deal is the best possible deal for Milwaukee County and its residents. Lives will be saved. And so, the OCC, without hesitation, requests either consideration of the accompanying resolution as soon as possible and/or informal approval for Corporation Counsel Daun to execute the relevant documents, attached hereto (Distributor Settlement Execution Doc; Janssen Settlement Execution Doc; AG MOU; and Allocation MOU).

Please advise the OCC regarding your desired next step as soon as possible via Chairwoman Nicholson's office.

\*\*\*