



# Attorney General Doug Peterson

# News Release

FOR IMMEDIATE RELEASE  
July 26, 2022

Lincoln--Attorney General Peterson is encouraged by the progress in talks with Teva Pharmaceuticals and looks forward to reviewing the \$4.25 billion agreement framework announced today.

“While many specific details must be finalized, this settlement can provide critically needed additional resources to combat the opioid crisis, which has only grown more dire in recent months,” said Attorney General Peterson. “This agreement can build upon the momentum and existing structures that states and subdivisions have created through the previous opioid settlements to support our communities in doing this important work.”

Teva has agreed to a settlement in principle on key financial terms that would provide \$4.25 billion in cash, including payments under recent opioid settlement agreements with individual states. States and subdivisions that have not yet reached a settlement with the company will be eligible to participate. The deal also includes an option for each participating State to accept a share of \$1.2 billion of Teva’s generic naloxone product (as valued at Wholesale Acquisition Cost or WAC) or cash in lieu of the product. Naloxone is used to counteract overdoses.

Teva disclosed the agreement Tuesday ahead of its earnings announcement Wednesday.

States alleged that Teva:

- Promoted potent, rapid-onset fentanyl products for use by non-cancer patients;
- Deceptively marketed opioids by downplaying the risk of addiction and overstating their benefits, including encouraging the idea that signs of addiction are actually “pseudoaddiction” treated by prescribing more opioids; and
- Failed to comply with suspicious order monitoring requirements along with its distributor, Anda.

The parties have agreed on the following financial terms:

- Teva will pay a maximum of \$4.25 billion in cash over 13 years. This figure includes amounts Teva has already agreed to pay under settlements with individual States, funds for participating States and subdivisions, and the \$240 million of cash in lieu of product described below.
- As part of the financial term, Teva will provide up to \$1.2 billion in generic naloxone (valued at Wholesale Acquisition Cost or WAC) over a 10-year period or \$240 million of cash in lieu of product, at each State's election. Naloxone is used to counteract overdoses.
- The settlement will build on the existing framework that states and subdivisions have created through other recent opioid settlements.

A final settlement remains contingent on agreement on critical business practice changes and transparency requirements.

The negotiations are being led by the twelve lead states who are still engaged in further negotiations.

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