OPIOID SETTLEMENT AGREEMENTS WITH WALMART, CVS, WALGREENS, TEVA, AND ALLERGAN,

The Attorney General of the State of Idaho has joined nationwide settlements resolving opioid-related claims with three major pharmacies, Walmart, CVS, and Walgreens (collectively "the Pharmacies"); and two opioid manufacturers, Teva Pharmaceuticals Industries Ltd. ("Teva") and Allergan plc ("Allergan"). Because the State of Idaho is participating in these settlement agreements, certain local governments within the State are now also eligible to participate and receive benefits under the agreements. These settlement agreements would resolve legal claims against Walmart, CVS, Walgreens, Teva and Allergan by participating States and local governments stemming from actions that fueled the opioid addiction epidemic.

How Much Money is Available for the State and Local Governments?

The settlements with the Pharmacies provide for abatement funds totaling a maximum amount of \$62,298,881.92 for the State of Idaho and participating local governments. CVS will make payments over 10 years, Walgreens over 15 years, and Walmart over 6 years. The Teva/Allergan settlements provide for abatement funds totaling a maximum amount of \$28,105,109.85 for the State of Idaho. Teva will make payments over 13 years and Allergan over 7 years. The State and local governments must use the funding to support approved opioid remediation strategies set forth in Exhibit A to <a href="Idaho's Opioid Settlement Intrastate Allocation Agreement. A certain designated portion of the funding may also be used to compensate attorneys who have pursued the opioid litigation on behalf of the State and local governments.

The total amount of funding that Idaho and local governments may receive depends on how many eligible local governments participate in the settlement. The State and local governments can secure the maximum payment by fully resolving all of the pending and potential opioid-related claims by public entities within the State. In short, the more local governments that participate, the more funds available for everyone.

Which Local Governments are Eligible to Participate?

The same local governments eligible to participate in the Janssen and Distributor Settlements are eligible to participate in these settlements. Attached is a list of the local governments in Idaho who are eligible to participate.

In order to obtain the maximum amount of funding, releases of claims will also need to be obtained by certain school districts, hospital districts, and fire districts. Those districts will not directly receive settlement funds, but by participating they will increase the amount of opioid abatement funds going to the State and participating cities, counties, and health districts. Also attached is a list of special districts in Idaho who will need to participate in order for Idaho to receive the maximum amount of funds.

How Can Eligible Local Governments Participate?

Eligible local governments and special districts can participate by executing Settlement Participation Forms, releasing all opioid-related claims against the Pharmacies, Teva, and Allergan, and by agreeing to be subject to a Consent Order filed in Idaho state court resolving these claims. Executed Settlement Participation Forms may be emailed to opioidsettlement@ag.idaho.gov.

What is the Deadline for Local Governments to Participate?

The Settlements each have slightly different participation deadlines. For ease, the Attorney General is asking local governments to return participation forms for all five settlements by the earliest deadline, March 31, 2023. Local governments may decide to participate after the participation deadline, but it may result in a delay or reduction in payments in some circumstances.

How Will the Settlement Money Be Divided Between the State and Participating Local Governments?

<u>Idaho's Opioid Settlement Intrastate Allocation Agreement</u> will apply to these settlements. Under that Agreement, settlement funds are allocated as follows: 40% to the State, 40% to participating cities and counties, and 20% to participating health districts.

Does an Eligible Government Have to Participate in All Five Settlements?

No, an eligible government can choose to participate in some but not all of the five settlements. However, the Teva and Allergan settlements require participation in both to receive funds. Additionally, a subdivision will not be eligible to receive funds from the settlements it does not participate in, and not participating may reduce the amount that the State and participating subdivisions receive.

What If a Local Government Has Elected to Have Its Opioid Settlement Funds Reallocated to Its Health District?

A local government's election to reallocate its funds will apply to these settlement agreements. However, those cities and counties must still sign Subdivision Participation Forms in order for those settlement funds to be available for reallocation to their health districts.

How Can I Learn More About the Settlement Agreements?

Full copies of the settlement agreements, Settlement Participation Forms, and additional information are available at https://ag.idaho.gov/consumer-protection/opioid-settlement/.

If you have further questions, you may also contact the Attorney General's Office at:

Office of the Attorney General Consumer Protection Division Attention: Opioid Settlement P.O. Box 83720 Boise, ID 83720-0010 208-334-2424 opioidsettlement@ag.idaho.gov