

New York sues billionaire family behind maker of OxyContin

28 March 2019, by Michael R. Sisak And Jennifer Peltz



In this Aug. 17, 2018 file photo, family and friends who have lost loved ones to OxyContin and opioid overdoses leave pill bottles in protest outside the headquarters of Purdue Pharma, which is owned by the Sackler family, in Stamford, Conn. New York is suing the billionaire family behind Oxycontin, alleging the drugmaker fueled the opioid crisis by putting hunger for profits over patient safety. (AP Photo/Jessica Hill, File)

New York is suing the billionaire family behind the company that created OxyContin, joining a growing list of state and local governments seeking to hold not only the firm but its owners accountable for the nation's opioid crisis.

The state, which averages nine opioid-related deaths per day, on Thursday expanded an existing lawsuit against pill maker Purdue Pharma to add members of its controlling Sackler family as defendants. Five other companies that produce opioid painkillers and four drug distributors, which buy medications in bulk and sell them to pharmacies, were also added as defendants.

"This is an extensive lawsuit that leaves no stone unturned," New York Attorney General Letitia James, a Democrat, said at a news conference.

While other states and localities have filed similar suits, New York is taking some novel approaches, such as seeking to bar the companies from marketing and distributing painkillers in New York unless they abide by strict safeguards.

The suit claims drug manufacturers collaborated to falsely deny the serious risks of opioid addiction, and it accuses drug distributors of saturating the state with opioids while overlooking red flags.

But at the heart of the case are Purdue and the Sacklers, whom James called "the masterminds behind this crisis."

The suit, like others filed elsewhere, alleges aggressive marketing of OxyContin beginning in the mid-1990s led to massive overprescribing and a scourge of dependency, addiction and death. Once the pills ran out, the lawsuit alleges, many patients craving the same effects turned to cheaper, more potent alternatives: heroin and fentanyl.

Representatives for Purdue and Sackler family members said the suit misleadingly blames them for a problem that's far bigger than OxyContin.

"The state is seeking to publicly vilify Purdue" and the Sacklers with ill-supported claims about a drug that currently accounts for under 2 percent of all opioid prescriptions, the Stamford, Connecticut-based company said in a statement.

The Sackler relatives named in the suit—all former Purdue board members who remain shareholders—said in a statement issued through a spokeswoman that they "have always acted properly."

They and the company said they would fight the new allegations, which come two days after Purdue and the Sacklers agreed to pay \$270 million to the state of Oklahoma to settle an opioid lawsuit there. In settling the case, Purdue denied any

wrongdoing.

It was the first settlement in a recent wave of nearly 2,000 lawsuits that the company says could push it into bankruptcy.

James, the New York attorney general, said Thursday that she was open to settlement talks but hadn't been approached. In addition to potentially banning the companies from selling the drugs, her lawsuit seeks penalties and damages that could add up to tens of millions of dollars and a dedicated fund to curb the opioid epidemic.

Since 2013, opioid-related deaths statewide have more than doubled, and there's been a 30-fold increase in fentanyl-related deaths in New York City, according to the lawsuit. It accuses the companies of deliberately betraying their duties under state drug laws "in order to profiteer from the plague they knew would be unleashed."



In this Aug. 17, 2018 file photo, family and friends who have lost loved ones to OxyContin and opioid overdoses protest outside Purdue Pharma headquarters in Stamford, Conn. New York is suing the billionaire family behind Oxycontin, alleging the drugmaker fueled the opioid crisis by putting hunger for profits over patient safety. (AP Photo/Jessica Hill, File)

New Yorker Justin Sangeorge says he experienced that plague firsthand after having a dental procedure, getting an opioid prescription and

becoming addicted.

"I couldn't believe how readily available pharmaceutical drugs were," said the social worker, who has gotten treatment, is now recovering and spoke at a news conference with James.

"We hold accountable drug dealers, drug traffickers, I know, but the pharmaceutical companies hide behind this legitimate enterprise, and as far as I'm concerned, are just as guilty as a drug trafficker or a drug cartel," Sangeorge said.

The suit accuses Purdue in particular of downplaying addiction risks and pushing doctors to increase dosages even as the dangers became known, the lawsuit said. Some of the company's marketing tactics included hiring a respected New York City doctor to tout the drug and sending representatives on more than a million sales visits to doctors' offices, the lawsuit said.

Richard Sackler, then senior vice president responsible for sales, proudly told the audience at an OxyContin launch party in 1996 that it would create a "blizzard of prescriptions that will bury the competition," the lawsuit said.

Purdue and the Sacklers have said they're committed to trying to stem opioid addiction, including through the Oklahoma settlement. It includes \$75 million from the Sacklers, though they weren't personally sued in that case.

Nearly \$200 million of the money will go toward establishing a National Center for Addiction Studies and Treatment at Oklahoma State University in Tulsa.

The Sacklers have given tens of millions of dollars to New York City cultural institutions. Several members of the family own multimillion-dollar Manhattan apartments. One has a \$5 million Long Island estate.

In the past few weeks, as the accusations against the family have mounted, the Tate museums in London and the Guggenheim Museum in New York have cut ties with the family, and other institutions have come under pressure to turn down donations

or remove the Sackler name.

The other defendants in New York's lawsuit are: Johnson & Johnson and Janssen Pharmaceuticals; U.K.-based Mallinckrodt plc, which has an opioid manufacturing plant in Hobart, New York; Dublin-based Endo and Allergan; Israeli pharmaceutical company Teva and the drug distributors McKesson, AmerisourceBergen, Cardinal Health and Rochester Drug Cooperative Inc.

Endo said in a statement that it denies the allegations in the lawsuit and intends to vigorously defend itself.

Cardinal Health said it has a "rigorous system" to track pharmacy orders and has stopped suspicious orders for hundreds of millions of painkiller pills over the last decade. In a statement, the Dublin, Ohio-based company said: "Our people operate in good faith, and our goal is to get it right."

McKesson had no specific response to the New York suit but said it has "strong programs" to try to prevent opioid abuse.

The other companies declined comment or did not immediately respond to requests for it.

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