

To: City and Town Officials

From: Mark R. Hayes, Director of Legal Services

Date: December 15, 2017

Subject: The Opioid Epidemic: Litigation and Solutions for Arkansas

Introduction

Virtually every one of us has been affected by the massive number of opioids that have poured into our state the past several years. I dare say that we all have personal, and very painful stories concerning this terrible epidemic. Our state has seen families ripped apart by overdoses and even deaths. Our hospitals and rehabilitation systems cannot keep pace with the flood of victims. Public safety officials are constantly engaged in training to meet the overwhelming need of taking emergency calls directly related to this national crisis. As a result, Arkansas's cities, towns and taxpayers have funded the enormous societal costs of the opioid addiction.

Arkansas and the Opioid Plague

- It is estimated that Arkansas ranks as the number two state in the nation in the per capita prescription of opioid medications.
- It is estimated that since 2011, Arkansas has suffered \$265 million dollars in societal losses due to these drugs.
- In 2016, approximately 1.7 million opioid prescriptions were issued for the 2.978 million people in our state.
- The above statistic equates to approximately 109 million pills or 38 pills for every man, woman and child in our state—regardless of age.
- In 2013, Arkansas had the highest rate of teenagers prescribed opioids of any state in our country.

National Litigation

- Approximately 66 lawsuits have been filed in federal court across the country, and that number is growing weekly.
- These suits are being brought by state and local governments and are seeking monetary and injunctive relief.
- In total, over \$75 billion is being sought against opioid manufacturers, distributors and the medical profession. This number will grow exponentially as other cases are filed.
- On December 5th, the United States Judicial Panel on Multidistrict Litigation entered an order centralizing all federally filed opioid cases in the Northern District of Ohio under the supervision of Judge Dan A. Polster.
- Judge Polster has experience in supervising Multi-District Litigation (MDL).

Arkansas Litigation: The Start of a Solution

- For the first time ever, the three risk management pools providing nearly all legal services to cities and counties in our state have joined together to begin the process of healing from this horrid and incredibly costly epidemic.
- The League's Municipal Legal Defense Program, the Association of Arkansas Counties Risk Management Pool and the Arkansas Public Entities Risk Management Association (APERMA) have joined forces to bring litigation on behalf of all local governments in Arkansas.
- The common goal of all three risk management pools is to represent ALL 75 counties and ALL 500 cities and towns in this litigation. We view the consolidated participation of ALL counties and ALL cities as paramount for the proposed strategy to have the maximum effect for Arkansas' citizens.
- The three pools have created a litigation team second to none in the country. The team is comprised of attorneys from law firms associated with all three of the pools: Rainwater, Holt and Sexton, Reddick Moss, Wyly-Rommel and our team leader, Cory Watson.
- Cory Watson is one of the premier MDL law firms in the country and was chosen by the Arkansas Municipal League's Municipal Legal Defense Program to serve as lead counsel.
- Damages that will be sought in the litigation include but are not limited to: public safety expenses for police, fire and emergency medical response and treatment, city and town employee's loss of work productivity, drug interdiction costs and related societal costs.

Current State of Affairs for Cities and Towns

- The firm of Cory Watson attended the MDL hearing on behalf of the pools. As a result, they will now have a leadership role in the federal litigation.
- Cities and Towns that are members of the Municipal Legal Defense Program (MLDP) may choose to be represented by this group of attorneys at no cost. For your convenience, agreements are available on the League's website, www.arml.org/mldp, and can be returned via email or U.S. mail.

Summary

The League is deeply concerned about the havoc this epidemic is wreaking on our cities and towns and the welfare of the citizens of our fine state. While litigation is never to be taken lightly, we believe this to be the best route for our members. Attached you will find information about this insidious and costly epidemic and the capable team of attorneys that we believe will help your city or town abate this awful nuisance.