

Purdue's Massive Opioid Settlement is Tangled in a Bankruptcy Court Fight

"Purdue Pharma's massive settlement over claims that it helped spark the opioid crisis is facing pushback in federal court, creating a potential stumbling block for the landmark deal," reports Bloomberg in the *Los Angeles Times' Business*.

"Purdue has agreed to plead guilty to three felonies and pay \$8.3 billion to settle federal investigations of how it marketed the painkiller OxyContin. But the deal violates bankruptcy rules because it locks in details of Purdue's future and forces the hand of other creditors, according to court papers filed by a group of U.S. states and bankruptcy professors."

"States and cities suing Purdue have been in talks with the bankrupt pharmaceutical giant for months over how to settle thousands of opioid lawsuits. The settlement with the U.S. Department of Justice unveiled last month dictates that Purdue will be repurposed as a public trust after it emerges from bankruptcy, which creditors haven't agreed to."

Read the article.