

December 5, 2022

Seeking Justice For Victims Of The Opioid Epidemic, Supporting Local Municipalities Right to Recover Costs from the Opioid Epidemic, and Request to Review All McKinsey Contracts for Conflicts of Interest

Honorable, Governor Gavin Newsom and Members of the State Legislature,

Since 1999, more than half a million Americans have died from an opioid overdose. No family it seems has escaped the pain and suffering that opioids have wrought on our country.

The opioid epidemic was not a mistake. It was not an accident, or a natural disaster. It was not the result of a bad economy. It didn't just come out of nowhere. We know now that the opioid crisis was planned. It was branded. It was packaged and sold and marketed.

According to New York Attorney General Letitia James, "the taproot" of the opioid crisis in America was a decision by Purdue Pharma to aggressively market their deadly drug Oxycontin despite their full knowledge that their drug was highly addictive, medically questionable, and was killing and addicting scores of Americans. And thanks to the efforts of Massachusetts Attorney General Maura Healey, we now know that the company that wrote the strategy and profited from Purdue's deadly drug was a management consulting firm called McKinsey & Company.

Purdue Pharma is bankrupt. In 2020, the company pled guilty to three criminal counts and paid more than \$8.3 billion in criminal and civil forfeitures acknowledging they "knowingly and intentionally conspired and agreed with others to aid and abet" doctors dispensing medication "without a legitimate medical purpose."

McKinsey and Company has faced no such justice and admitted no such wrongdoing, despite ongoing and new revelations about just how complicit McKinsey is and was in America's opioid crisis.

For example, Southern California Congressmember Katie Porter exposed how McKinsey earned at least \$86 million for helping companies' market opioid painkillers while also being a consultant for the Food and Drug Administration. McKinsey was simultaneously working for companies producing dangerous opioids at the same time they were working for the agency that is responsible for regulating prescription drugs in America - a clear conflict of interest and possible violation of Federal conflicts of interest laws.

Furthermore, a recent New York Times investigation also found that McKinsey's involvement "played a far deeper and broader role in advising clients involved in the opioid crisis than was publicly disclosed." In their own company records, it included more than 15 years of information

that shows that they “became a trusted adviser to companies at the core of an epidemic that has claimed half a million American lives.”

There is still hope that McKinsey will be held accountable. And that hope resides in a court room right here in California, where a judge in San Francisco is about to decide whether or not the millions of families who had their lives ripped apart by the naked profiteering of McKinsey & Company will ever be allowed to have their day in court.

Since 2020, more than 150 civil lawsuits have been filed against McKinsey & Company on behalf of thousands of plaintiffs across the United States who were directly harmed by McKinsey’s decision to advise Purdue Pharma. Many of the plaintiffs are right here in the state of California, including San Mateo and Santa Cruz counties. See recent article here: <https://www.californiacitynews.org/2022/02/santa-cruz-and-san-mateo-counties-suing-mckinsey-its-involvement-%E2%80%9Cturbocharge%E2%80%9D-opioid-sales>

McKinsey’s response has been to ask a judge to dismiss all these lawsuits because of a settlement they entered into with attorneys general from 49 states, Washington D.C. and five US territories. That settlement, in which McKinsey admitted no wrongdoing, included a \$600 million settlement from McKinsey. It is reported that McKinsey’s profits are in the neighborhood of \$11 billion every year. \$600 million, spread across 55 different governments, paid over 10 years, equals a drop in the bucket to McKinsey.

However, should such an integral part of America's opioid epidemic get just this minor setback and continue its lucrative work advising opioid manufacturers, tobacco companies and receive millions of dollars from taxpayers through California state contracts?

We need to make a stand against corporate giants like McKinsey by reviewing and rejecting all contracts with local governments.

Our Requests:

- 1) We are asking the Governor and state legislators to review all contracts involving McKinsey and review to determine if there are other conflicts of interest.**
- 2) Before a new contract to McKinsey is awarded, demand that McKinsey reveal their clients and conflicts of interest.**
- 3) Publicly support the local governments rights to file lawsuits to receive justice for their communities and residents.**

Sincerely,

American River Flood Control Trustee Tamika L'Ecluse
Calexico Councilmember Gloria Romo
Calexico Vice Mayor Raul Ureña
Ceres Mayor Javier Lopez
Chula Vista Mayor Mary Salas
Consumnes Community Services District Director Jaclyn Moreno
Consumnes Community Services District Orlando Fuentes
Downey Councilmember Mario Trujillo
Heffernan Memorial Health District Councilmember Raul Ureña Raggio
Heffernan Memorial Healthcare District Norma Apodaca
Heffernan Memorial Healthcare District Rodolfo Valdez
Imperial County Supervisor Ray Castillo
Imperial County Supervisor Luis Plancarte
Imperial County Supervisor Ray Castillo
Indio Mayor Pro Tem Oscar Ortiz
Maywood Councilmember Eddie De La Riva
Modesto Councilmember Tony Madrigal
Modesto Councilmember Rosa Escutia-Braaton
Natomas Unified School District Board Member Erica Harden
Natomas Unified School District School Board Member Jag Bains
Sacramento Councilmember Jay Schenirer
Sacramento County Board of Education Board Member Mariana Corona Sabeniano
Sacramento County Board of Education Board Member Bina Lefkowitz
Sacramento Municipal Utility District Board Rosanna Herber
San Juan Unified School Board of Education Board Member Zima Creason
Twin Rivers Unified School District Trustee Linda Fowler
Twin Rivers Unified School District Trustee Basim Elkarra
Twin Rivers Unified School District Michael Baker
Yolo County Supervisor Don Saylor