Resolution #24-0375 2024 Resolution Book 2, Page 143 Winston-Salem City Council
APPROVED
June 17, 2024

RESOLUTION AFFIRMING THE CITY COUNCIL'S PRIOR AUTHORIZATION FOR THE CITY ATTORNEY AND OUTSIDE LEGAL COUNSEL TO FILE AN AMENDED OPIOID COMPLAINT TO INCLUDE THE PHARMACY BENEFIT MANAGERS AND A SEPARATE COMPLAINT TO ADDRESS THE OVERPRICING OF CERTAIN INSULIN MEDICATIONS WHICH IMPACTS THE CITY'S SELF-INSURED BENEFITS PROGRAM

**WHEREAS**, the opioid overdose epidemic has taken the lives of more than 37,000 North Carolinians since 2000; and

WHEREAS, the COVID-19 pandemic has compounded the opioid overdose crisis, increasing levels of drug misuse, addiction, and overdose death; and

WHEREAS, the Centers for Disease Control and Prevention estimates the total economic burden of prescription opioid misuse alone in the United States is \$78.5 billion a year, including the costs of healthcare, lost productivity, addiction treatment, and criminal justice involvement; and

WHEREAS, certain counties and municipalities, including the City of Winston-Salem, in North Carolina joined with thousands of local governments across the country to file lawsuits against opioid manufacturers, pharmaceutical distribution companies, and chain drug stores to hold those companies accountable for their misconduct; and

WHEREAS, after investigation, it was determined that certain pharmacy benefit managers (PBMs) contributed to the opioid crisis and that an amendment to the existing opioid litigation should be filed to include PBMs, which City Council authorized on May 3, 2024 in closed session and is hereby affirming said authorization; and

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WHEREAS, in addition to said opioid crisis, it has come to the City's attention that there was a pricing scheme in place that contributed to the increase costs of certain insulin medications, thereby, driving up costs to the City, which is a self-insured employer that provides certain employee benefits through its self-insured benefits program; and

WHEREAS, after discussion of the matter with the city attorney, it was determined that it would be appropriate to file a lawsuit to address the insulin pricing scheme and the impacts of such upon the City as a self-insured employer, which City Council authorized in closed session on May 20, 2024.

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and the City Council of the City of Winston-Salem do hereby affirm the authorization provided on May 3<sup>rd</sup> and May 20<sup>th</sup>, respectively, to file an amended opioid complaint to address the pharmacy benefit managers and a separate lawsuit to address the insulin pricing scheme and the attorneys for the City are hereby authorized to proceed accordingly.

Adopted this the 17th day of June 2024

Гуре Name: J. Allen Jo

NORTH

Title: Mayor, City of Winston-Salem

ATTEST:

Type Name: Jayme Waldeck

Title Clerk/Deputy Clerk