



IN THE DISTRICT COURT OF CLEVELAND COUNTY
STATE OF OKLAHOMA

STATE OF OKLAHOMA, ex rel.,
MIKE HUNTER,
ATTORNEY GENERAL OF OKLAHOMA,

Plaintiff,

vs.

- (1) PURDUE PHARMA L.P.;
- (2) PURDUE PHARMA, INC.;
- (3) THE PURDUE FREDERICK COMPANY,
- (4) TEVA PHARMACEUTICALS USA, INC.;
- (5) CEPHALON, INC.;
- (6) JOHNSON & JOHNSON;
- (7) JANSSEN PHARMACEUTICALS, INC,
- (8) ORTHO-MCNEIL-JANSSEN
PHARMACEUTICALS, INC., n/k/a
JANSSEN PHARMACEUTICALS;
- (9) JANSSEN PHARMACEUTICA, INC.,
n/k/a JANSSEN PHARMACEUTICALS, INC.;
- (10) ALLERGAN, PLC, f/k/a ACTAVIS PLC,
f/k/a ACTAVIS, INC., f/k/a WATSON
PHARMACEUTICALS, INC.;
- (11) WATSON LABORATORIES, INC.;
- (12) ACTAVIS LLC; and
- (13) ACTAVIS PHARMA, INC.,
f/k/a WATSON PHARMA, INC.,

Defendants.

For Judge Balkman's
Consideration

PART B

Case No. CJ-2017-816
Honorable Thad Balkman

William C. Hetherington
Special Discovery Master

STATE OF OKLAHOMA }
CLEVELAND COUNTY } S.S.

FILED

MAR 14 2019

In the office of the
Court Clerk MARILYN WILLIAMS

TEVA DEFENDANTS' EMERGENCY OBJECTION TO THE SPECIAL DISCOVERY
MASTER'S ORDER ON CORPORATE REPRESENTATIVE DEPOSITION TOPIC 17

Defendants Teva Pharmaceuticals USA, Inc. and Cephalon, Inc., Watson Laboratories, Inc., Actavis, LLC, and Actavis Pharma, Inc. f/k/a Watson Pharma, Inc. (collectively, the "Teva Defendants") respectfully object to the Special Discovery Master's Order ("Order") denying the Teva Defendants the ability to proceed with a corporate representative deposition of the State of Oklahoma ("State") regarding the State's criminal and administrative proceedings against healthcare providers related to prescription opioids ("Topic 17"). The Order was circulated via email on March 11, 2019, and is attached as Ex. A. For the reasons that follow, the Court should

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Costs to the State of Oklahoma of Abating the Opioid Crisis

Prepared by: Christopher J. Ruhm, Ph.D.

December 21, 2018



Qualifications

I received a B.A. degree in Economics from the University of California at Davis in 1978 and an M.A. and Ph.D. in Economics from the University of California at Berkeley in 1981 and 1984. From 1984-1991, I was an Assistant Professor at Boston University. From 1991-2010, I held positions as Associate Professor, Professor and Jefferson-Pilot Excellence Professor of Economics at the University of North Carolina at Greensboro. Since 2011, I have been a Professor of Public Policy and Economics at the University of Virginia. During 1996-1997, I served on President Clinton's Council of Economic Advisers as a Senior Staff Economist with primary responsibilities in the areas of health policy and aging.

I have published 140 books, articles, book chapters or policy publications. The majority of my work has focused on the areas of health and labor economics. Most of my health research examines factors influencing or determining health outcomes, and much of my recent work addresses opioid and other drug problems. My work has appeared in leading economic and health journals including the *Quarterly Journal of Economics*, *American Economic Review*, *Journal of Health Economics* and *American Journal of Preventive Medicine*. I have served as Associate Editor or Editorial Board member for the *Journal of Health Economics*, *Journal of Population Economics*, *Southern Economic Journal*, *European Economic Review*, *American Journal of Health Economics*, *Economics Letters* and *Journal of Labor Research*. I am a Research Associate in the Health Economics, Health Care and Children's programs at the National Bureau of Economic Research and a Research Fellow at the Institute for Labor Economics. I serve on the Board of Directors of the American Society of Health Economists and am on the Steering Committee of the Southeastern Health Economics Study Group. I have just completed a two-year term as President of the Southern Economic Association, where I was previously Vice President and member of the Board of Trustees. In 2017 and 2018, I chaired the International Health Economics Association Kenneth J. Arrow Award Committee, which selects the best article in the field of health economics published during the previous year.

My research has received more than 17,000 Google Scholar citations, and I have received grant funding from a variety of foundations, parts of the National Institutes of Health, and other government agencies. I have been ranked as one of the top 50 health economics authors and one of the top 1000 Economists in the world in bibliometric analyses. I received a University-wide Research Excellence Award from the University of North Carolina at Greensboro and two Faculty Excellence awards at the University of Virginia.

I am being compensated at the rate of \$750 per hour for research and analysis, and \$950 per hour for deposition and trial testimony. My compensation in this matter is not contingent or based on the content of my opinion in this or any other matter or the outcome of this or any other matter. A list of my testimony in the last four years is attached in Appendix D.

Background

Oklahoma, like most of the country, is suffering from an opioid crisis. The 2017 *President's Commission On Combatting Opioid Addiction and the Opioid Crisis* documents the magnitude of this crisis including the following.¹

- in 2016, 91.8 million (34.1%) or more than one-third of U.S. civilian, noninstitutionalized adults used prescription opioids; 11.5 million (4.3%) misused them and in 2015, 1.6 million (0.7%) of them had an opioid use disorder (OUD).
- 3.4 million people aged 12 or older in 2016 were current misusers of pain relievers (1.2% of this age group).
- At least 630,000 individuals had a heroin use disorder (HUD) in 2016.
- Among people needing substance use treatment, just 8.2%, 7.2% and 12.1% of 12-17, 18-25 and ≥26 year-olds received treatment at a specialty facility in the past year.
- Nonmedical use of prescription opioids is a key risk for conversion to heroin use.
- Opioid misuse and OUD have large negative health, financial and social consequences.

All three of the Defendant corporate families in this case admit Oklahoma is in the midst of an opioid crisis.

- Purdue:

Q: We've got a crisis. You agree?

A: We have a crisis. That's right.²

Purdue: <https://www.purduepharma.com/> ("Read about our ongoing efforts to help address the opioid crisis here")

- I&J:

Q: Is there a prescription opioid crisis in Oklahoma?

MR. LIFLAND: Object to the form of the question.

A: There's a prescription opioid problem nationally, and I assume that Oklahoma is part of the same problem.

Q: Is there an opioid addiction crisis in Oklahoma?

A: Same response. I assume that there is an opioid addiction issue problem nationally and I take it that the problem exists in Oklahoma as well.³

- Teva:

Q: Do you agree there's an opioid epidemic in Oklahoma?

MR. BARTLE: Objection. Beyond the scope. You can answer in your personal capacity if you know.

A: I agree that there's an opioid epidemic across the country including Oklahoma.⁴

¹ Christie, Chris, et al. "The president's commission on combating drug addiction and the opioid crisis." *Washington, DC, US Government Printing Office*, (Nov. 1, 2017).

² Deposition of Lisa Miller, Aug. 29, 2018 (hereinafter "Lisa Miller"), at 107:13-15.

³ Deposition of Bruce Moskovitz, Aug. 28, 2018 (hereinafter "Bruce Moskovitz"), at 302:20—303:7.

⁴ Deposition of John Hassler, Aug. 29, 2018 (hereinafter "John Hassler"), at 49:4-9.

While this crisis has certainly wreaked havoc across the country, Oklahoma's situation does differ from those of many other states in a variety of ways, the most important probably being that deaths and opioid use problems are much more concentrated among prescription opioid analgesics, and are less likely to involve heroin than in other states. For example, an analysis of CDC-Wonder Multiple Cause of Death data indicates that heroin was mentioned on 6.5% of 2016 death certificates involving drug overdoses in Oklahoma and prescription opioids on 48.2% of them, whereas the comparable figures for the entire US were 24.3% and 51.0%.⁵

The statistics for Oklahoma are staggering. According to the Final Report of the Oklahoma Commission on Opioid Abuse, drug overdose deaths have increased by 91 percent over the last 15 years.⁶ Nearly 1,000 Oklahomans die every year from a drug overdose. And over 1,300 newborns tested positive for substance exposure in Oklahoma just in the last three years. As the report described: "If Oklahoma is not ground zero, it is close."

For the purposes of this report, abatement refers to efforts to mitigate or reverse the consequences of the opioid crisis in Oklahoma by preventing new cases of addiction, treating opioid use disorder, and addressing problems related to opioid use. The scope of my work below is limited to providing an objective and independent analysis of the cost to the state of Oklahoma of measures proposed to abate the opioid crisis.

As the Defendants in this case have recognized, this crisis is expansive.⁷ The crisis affects a great number of Oklahomans.⁸ The crisis will be expensive to fix.⁹ And, if something isn't done to abate the crisis, the crisis can still get worse.¹⁰ Accordingly, this abatement plan attempts to match that expanse with a comprehensive, multi-faceted approach to the crisis.

My opinions are stated with a reasonable degree of certainty and are based on the information that has been provided me to date. I reserve the right to supplement my opinions or modify my analysis if additional information becomes available. Unless otherwise noted, all estimates of abatement costs are rounded to the nearest whole dollar and are presented in 2019-year dollars. The net present value of abatement costs is **\$8,728,500,581 for the 20-year period 2019-2038, \$10,498,300,630 for the 25-year period 2019-2043, and \$12,142,704,310 for the 30-year period 2019-2048.** This almost certainly understates the total costs to abate the opioid crisis in Oklahoma because some components of these costs have not been calculated and many costs are likely to extend beyond the 30-year period considered. In addition, the State has previously undertaken a variety of abatement activities, the expense of which has not been

⁵ Source: *CDC Wonder: Multiple Cause of Death*, <https://wonder.cdc.gov/mcd-icd10.html>. Prescription opioids include natural/semisynthetic opioid, methadone and synthetic opioids. These statistics understate the actual involvement of specific drug categories because they do not account for incomplete reporting (Ruhm, Christopher J. "Corrected US Opioid-Involved Drug Poisoning Deaths and Mortality Rates, 1999-2015" *Addiction* 113(7), July 2018, 1339-1344.) Corrections for this under-reporting are incorporated in other analyses used in this case.

⁶ Final Report, The Oklahoma Commission on Opioid Abuse (Jan. 23, 2018) ("Final Report of the Oklahoma Commission on Opioid Abuse"), <http://www.oag.ok.gov/Websites/oag/images/Oklahoma%20Commission%20on%20Opioid%20Abuse%20Final%20Report.pdf>.

⁷ Lisa Miller at 108:1-16; 403:14-22.

⁸ Bruce Moskovitz at 303:13 - 304:15; 304:24 - 305:10; John Hassler at 127:2 - 129:13.

⁹ Bruce Moskovitz at 287:17-25.

¹⁰ Lisa Miller at 442:21 - 443:13.

included in this report. The calculations and assumptions resulting in these estimates are described below. This report does not offer an opinion on the necessity or propriety of any of the items included in the abatement plan.

Development of Abatement Plan

The abatement plan costs estimated in this report are largely based on recommendations of the State. The abatement costs are calculated for a 20-year period beginning in 2019 and ending in 2038, a 25-year period beginning in 2019 and ending in 2043, and a 30-year period beginning in 2019 and ending in 2048. It should be noted that many expenses associated with abating Oklahoma's opioid crisis are likely to extend beyond the 30-year period. For example, since opioid use disorder (OUD) is often a lifelong condition, individuals receiving medically assisted treatment (MAT) services may need to continue to obtain treatment well after the 2048 end date of this analysis. For this reason, and because some abatement costs have not yet been modeled and added, the estimates provided here are almost certainly conservative, in that the actual costs will be higher than these amounts. It is my understanding that additional abatement areas may be added before trial due to the fact that discovery is still ongoing. Costs were modeled on the best information available at the time of this report and may change.¹¹ To the extent abatement areas and/or costs change, I reserve the right to modify my opinions as necessary to reflect any such costs.

The Plan proposed for Oklahoma is consistent with a variety of other proposals and recommendations for abating the consequences of the opioid crisis. For instance, the recent President's Commission Report includes the following recommendations.¹²

- Student assessment and screening tools to identify at-risk students.
- Multi-platform media campaigns addressing the hazards of substance use, the danger of opioids and stigma.
- Development of a national curriculum and standard of care for opioid prescribers, including special targeting for primary care physicians.
- Development and dissemination of a model training program to all levels of medical education.
- Enhanced support for prescription drug monitoring programs.
- Encouragement of hospitals/clinics and retail pharmacies to become authorized collectors of drugs.
- Strengthened data collection and surveillance activities.
- Incorporation of measures that address addiction screenings and treatment referrals.
- Broad establishment of drug courts.
- Use of medication-assisted treatment with pre-trial detainees and upon release.
- Expanded use of recovery coaches.

¹¹ Service and cost information was obtained from at least the following: Oklahoma Department of Mental Health and Substance Abuse Services ("ODMHSAS"), Oklahoma State University ("OSU"), University of Oklahoma ("OU"), Oklahoma Bureau of Narcotics and Dangerous Drugs ("OBNDD"), Oklahoma State Department of Health ("OSDH"), Oklahoma Healthcare Authority ("OHCA"), and Saxum.

¹² Christie, Chris, et al. "The President's Commission on Combating Drug Addiction and the Opioid Crisis." *Washington, DC, US Government Printing Office, Nov 1 (2017).*

- Increases in the number of addiction-trained physicians, nurses and other medical professionals, particularly in localities with above average opioid use/abuse.
- Identification and provision of successful college recovery programs.

A 2018 Surgeon General's Report emphasizes the following activities as important for containing and reversing the opioid crisis.¹³

- Primary prevention and screening.
- Access to medication-assisted treatment combined with behavioral therapies.
- Harm reduction strategies including overdose prevention education, expanded access to naloxone and supervised withdrawal management.
- Staff training and development.
- Recovery support services including ongoing support during and after treatment.

The 2016 Oklahoma state plan for reducing prescription drug abuse highlights the following interventions.¹⁴

- Increased public education through media campaigns of various types.
- Provider/prescriber education through dissemination of guidelines, provider-oriented programs, pain management courses and other interventions for medical students and practice facilitation services.
- Increased availability of medication disposal sites for both the public and providers/prescribers.
- Enhanced surveillance and monitoring through the Oklahoma Prescription Monitoring Program (PMP), establishment of an emergency department discharge database and public surveillance of neonatal abstinence syndrome (NAS).
- Expanded availability of naloxone, enactment of "Good Samaritan" legislation, increased screening by primary care and emergency departments and ongoing training/consultation services for health professionals.

And the 2018 Final Report of the Oklahoma Commission on Opioid Abuse recommended the following.¹⁵

- Enact legislation to mandate the use of electronic prescriptions ("e-prescribing").
- Enact a Good Samaritan Law to grant limited immunity to individuals who call to report a drug overdose.
- Enact legislation that imposes maximum quantity limits on first, second, and subsequent opioid prescriptions and includes formal patient notice and informed consent requirements.

¹³ U.S. Department of Health and Human Services (HHS), Office of the Surgeon General, *Facing Addiction in America: The Surgeon General's Spotlight on Opioids*. Washington, DC: HHS, September 2018. https://addiction.surgeongeneral.gov/sites/default/files/Spotlight-on-Opioids_09192018.pdf.

¹⁴ "Reducing Prescription Drug Abuse in Oklahoma, 2016: A Review of Progress and Updated State Plan", https://www.ok.gov/health2/documents/UP_Rx_Abuse_Prevention_State_Plan_2016.pdf.

¹⁵ Final Report of the Oklahoma Commission on Opioid Abuse.

- Enact legislation that requires opioid manufacturers, wholesalers, and distributors to register with the OBND.
- Enact legislation to create a Drug Overdose Fatality Review Board or Task Force to study causes of opioid overdoses and identify ways to prevent death and refer appropriate cases for criminal prosecution.
- Encourage use of the ODM application by law enforcement, first responders, and health officials to track overdose events in real time so that resources can be directed to “hot-spot” areas and criminal investigations can be conducted, if necessary.
- Support expanded and improved utilization of the PMP by providers and proactive programming by OBN administrators which would provide alerts to prescribers and pharmacists regarding dangerous prescription combinations, high daily dosages of opioids, and doctor-shopping.
- Create a statewide emergency department (“ER”) discharge database to study overdose events and aftercare results.
- Encourage the mandatory offering of Naloxone by prescribers and pharmacists to individuals receiving their first opioid prescription or those receiving an opioid prescription in addition to a benzodiazepine.
- Provide all first responders with Naloxone and training on how to recognize signs of an overdose and how to use the drug.
- Encourage nursing homes and long-term care facilities to develop best practices with regard to medication safety, storage, and disposal and to promote best practices with regard to accurately documenting patient medications.
- Pursue rule changes with the appropriate medical boards to require at least one hour of continuing education for all prescribers every reporting period on proper prescribing and the risks of opioids and recognizing addiction and diversion.
- Pursue rule changes with the appropriate board to require at least one hour of continuing education every reporting period for pharmacists on how to recognize signs of addiction and diversion.
- Propose and provide specific training for law enforcement personnel and investigators through the Oklahoma Council on Law Enforcement Education and Training (“CLEET”) on handling opioid diversion investigations.
- Continue and expand the first responder overdose program through the Department of Mental Health and Substance Abuse Services, which is providing Naloxone to first responders.
- Expand the 19 community-based Naloxone programs in the State to include homeless shelters.
- Make more inpatient treatment beds and outpatient treatment options immediately available.
- Support the expansion of OSU’s Project ECHO in order to increase the number of doctors trained in addiction medicine and increase their availability to patients in rural areas of Oklahoma.
- Promote and encourage the use of SBIRT tools by primary care and other providers to increase the identification of addiction and make appropriate referrals for treatment.
- Promote training for middle school and high school student athletes and coaches on the risk of addiction to opioid pain medications after sports injuries and encourage the use of early intervention screening tools.

In addition, the Defendants in this case formerly used sales representatives to detail and target doctors and pharmacies to get them to prescribe (doctors) and stock (pharmacies) opioids. Many publications, including the White House Commission Report, recognize that these (and other) aggressive marketing tactics are a cause of the opioid crisis in America. These aggressive marketing tactics occurred in Oklahoma. Each of the Defendants has stopped detailing doctors in the State of Oklahoma. For example, Purdue has engaged in an extensive marketing campaign via newspaper and online advertising in which Purdue states that one of the primary things Purdue has done to try to help abate the crisis is to fire all of its United States sales staff and stop detailing medical care professionals. The State's Plan includes the cost to provide counter detailing in the State of Oklahoma to correctly train and educate medical care professionals, pharmacists/pharmacies, and the public about opioid use.

The Plan

Table 1 provides a listing of the Plan's programs and services. The first column displays the category and subcategories of programs or services. The second category shows the overall cost of services in the major category for 2019, the first year over which abatement costs are calculated. Details regarding the subcategories and total costs for each subcategory are provided in a set of exhibits in Appendix B. In addition to the component description, the exhibits set forth the net present value of total costs (rounded to the nearest million dollars) for each subcategory for each of the 20-year, 25-year and 30-year plans. Adjustments from 2018 dollars, where needed, are obtained using percentage changes for the relevant price index over the most recent 12-month period shown in Appendix Table A.1. The second column of Table 1 provides estimates of the first-year cost for 2019. The table also shows some entries for subcategories where 2019 cost have not yet been calculated. Costs for these components may be amended if it becomes possible to attribute a cost to these components.

Annual Costs By Category

Table 2 shows the annual abatement cost, between 2019 and 2048, for each of the major categories detailed in Table 1. All entries are rounded to the nearest 2019-year dollars. Total costs for the year are shown in the final column of the table

Table 1: Abatement Plan Major Categories

Brief Description	2019 Cost
<p>Opioid Use Disorder Prevention, Treatment & Recovery Services (TREAT) <u>Medication Assisted Treatment – Medical (MATM)</u> <u>Medication Assisted Treatment – Supplementary Services (MATS)</u> <u>Helpline (HELP)</u> <u>Public Medication Disposal (DISPOSE)</u> <u>Technical Assistance (TECH)</u> <u>Specialty Courts (COURT)</u> <u>Transportation Services (TRANS)</u> <u>Universal Screening (SCREEN)</u> <u>Pharmacy Disposal (PHARM)</u> <u>Pain Services (PAIN)</u> <u>K12 Prevention (K12)</u> <u>K12 Supplementary Prevention (K12SUP)</u> <u>Community Coalitions (COALIT)</u> <u>Higher-Ed Discretionary Prevention Funds (HED)</u> <u>Public Education (PUB)</u></p>	<p>\$474,345,484</p>
<p>Overdose Prevention & Response (PREV) <u>Naloxone Distribution/Education (NALOX)</u> <u>Grief Support Services (GRIEF)</u> <u>University Behavioral Health (UNIVB)</u> <u>Alert System (ALERT)</u></p>	<p>\$5,500,151</p>
<p>Medical Education (EDUC) <u>Continuing Medical Education (CME)</u> <u>Practice Dissemination Program (PRAC)</u> <u>Addiction Medicine Course (COURSE)</u> <u>Medical Case Management/Consultation (CASE)</u> <u>Residency Training Programs (RESID)</u> <u>Academic Medicine (ACAD)</u> <u>Counter-Detailing (DETAIL)</u></p>	<p>\$66,184,773</p>
<p>Neonatal Abstinence Syndrome / Child Services (NAS) <u>NAS Evaluation/Assessment (NASA)</u> <u>Prenatal Screening (PRENAT)</u> <u>Neonatal NAS Treatment (NAST)</u> <u>Other Child Services (CHILD)</u></p>	<p>\$51,710,081</p>
<p>Data Surveillance, Reporting, Research (SURV) <u>Opioid Overdose Review Board (REVIEW)</u> <u>PMP System (PMP)</u> <u>Program Outcome Monitoring/Evaluation (MONTR)</u> <u>Health Information Exchange (HIE)</u> <u>Epidemiological Staffing (EPI)</u> <u>Data Collection (DATA)</u> <u>NAS Reporting (NASR)</u></p>	<p>\$29,253,728</p>
<p>Criminal Justice, Compliance, Monitoring (CRIM) <u>Opioid Law Enforcement (LAW)</u></p>	<p>\$4,024,480</p>
<p>Total</p>	<p>\$631,018,697</p>

Table 2: Abatement Costs By Major Cost Category and Year

Year	TREAT	PREV	EDUC	NAS	SURV	CRIM	TOTAL
2019	474,345,484	5,500,151	66,184,773	51,710,081	29,253,728	4,024,480	631,018,697
2020	374,371,879	5,515,055	27,779,685	51,027,001	42,470,618	4,024,480	505,188,718
2021	367,181,609	5,530,128	27,759,597	51,246,921	42,470,618	4,024,480	498,213,353
2022	368,203,767	5,545,371	27,739,509	51,467,798	34,281,618	4,024,480	491,262,543
2023	369,230,371	5,560,787	27,719,421	51,689,636	34,281,618	4,024,480	492,506,312
2024	401,954,499	5,576,378	66,084,332	52,814,485	34,284,689	4,024,480	564,738,864
2025	364,605,054	5,123,600	27,679,244	52,136,210	34,281,618	4,024,480	487,850,206
2026	365,645,114	4,671,001	27,659,156	52,360,955	34,281,618	4,024,480	488,642,323
2027	366,689,698	4,218,582	27,639,068	52,586,677	34,281,618	4,024,480	489,440,123
2028	367,738,825	3,766,346	27,618,980	52,813,382	34,281,618	4,024,480	490,243,631
2029	403,871,088	3,314,295	65,999,962	53,943,120	34,284,689	4,024,480	565,437,633
2030	366,544,363	2,862,430	27,610,945	53,269,754	34,281,618	4,024,480	488,593,590
2031	367,607,241	2,410,755	27,606,927	53,499,430	34,281,618	4,024,480	489,430,451
2032	368,674,743	1,959,271	27,602,909	53,730,105	34,281,618	4,024,480	490,273,126
2033	369,746,889	1,898,434	27,598,892	53,961,783	34,281,618	4,024,480	491,512,096
2034	409,208,699	1,915,884	65,979,874	55,096,517	34,284,689	4,024,480	570,510,143
2035	371,905,192	1,933,532	27,590,857	54,428,168	34,281,618	4,024,480	494,163,847
2036	372,991,390	1,951,380	27,586,839	54,662,883	34,281,618	4,024,480	495,498,591
2037	374,082,313	1,969,430	27,582,821	54,898,619	34,281,618	4,024,480	496,839,282
2038	375,177,982	1,987,685	27,578,804	55,135,381	34,281,618	4,024,480	498,185,949
2039	414,663,417	2,006,146	65,959,786	56,275,219	34,284,689	4,024,480	577,213,737
2040	377,383,638	2,024,817	27,570,768	55,611,998	34,281,618	4,024,480	500,897,320
2041	378,493,668	2,043,699	27,566,751	55,851,863	34,281,618	4,024,480	502,262,078
2042	379,608,526	2,062,795	27,562,733	56,092,771	34,281,618	4,024,480	503,632,923
2043	380,728,233	2,082,107	27,558,716	56,334,727	34,281,618	4,024,480	505,009,881
2044	420,237,812	2,101,638	65,939,698	57,479,783	34,284,689	4,024,480	584,068,100
2045	382,982,282	2,121,391	27,550,680	56,821,801	34,281,618	4,024,480	507,782,252
2046	384,116,665	2,141,367	27,546,663	57,066,929	34,281,618	4,024,480	509,177,722
2047	385,255,983	2,161,570	27,542,645	57,313,122	34,281,618	4,024,480	510,579,418
2048	386,400,257	2,182,001	27,542,645	57,560,387	34,281,618	4,024,480	511,991,389

Note: Table shows annual abatement costs for the specified category in 2019-year dollars.

Discounting to Present Value:

If abatement costs are received in the form of a lump-sum payment, the funds could be invested, in which case they would earn a yield. The net present value (NPV) of a future expense is the amount of money that, if invested, would yield the future payment at a specified date. Future abatement costs should therefore be “discounted” to present value using an appropriate rate of return. Although it is difficult to project the appropriate rate of return with accuracy for any single year, it is possible to estimate an *average* discount rate over a longer period of time. This analysis assumes that any lump sum will be invested in 10-year U.S. Treasury Securities. Over the 1998-2018 period, these yielded an average of 3.68 percent per year (Appendix Table A.1).¹⁶ Over the same period, the average inflation rate, as measured by the change in the Gross Domestic Product Implicit Price Deflator, was 1.93 percent per year.¹⁷ Therefore, the real (inflation-adjusted) discount rate used in this analysis is 1.75 percent (3.68 – 1.93) per year. The lump-sum payment could be invested in different ways. One possibility would be to invest it in shorter-term Treasury securities (or a blend of longer and short-term government bonds). A second would be to pay down some existing Oklahoma debt obligations. Appendix C provides an analysis of these alternatives and shows that each of them would imply a lower discount rate and, subsequently, a lower estimate of the net present value of abatement costs.

Net Present Value of Abatement Costs

Table 3 details the overall abatement costs for the state of Oklahoma covering the period 2019-2048. All costs are expressed in 2019-year dollars. The second column of the table shows the undiscounted total abatement expenses for the specified year. The third column displays the discount factor, assuming a real discount rate of 1.75 percent per year. The fourth column indicates the net present value (NPV) of annual abatement costs, obtained by multiplying the undiscounted costs in column (2) by the discount factor in the third column. The final column of the table presents the cumulative net present value of abatement expenses, through the specified year. The last column indicates that the net present value of abatement costs is **\$8,728,500,581 for the 20-year period 2019-2038, \$10,498,300,630 for the 25-year period 2019-2043, and \$12,142,704,310 for the 30-year period 2019-2048.**

¹⁶ Source: 1998-2017: *Economic Report of the President, 2018*, Table B-25. 2018 yields calculated as monthly average from 12/17-11/18 using data from the Federal Reserve Economic Data (*FRED*), <https://fred.stlouisfed.org> (series GS10)

¹⁷ Source: Federal Reserve Economic Data (*FRED*) series GDPDEF.

Table 3: Net Present Value of Abatement Expenditure

YEAR	Total Abatement Cost	Discount Factor	Net Present Value (NPV) of Abatement Cost	Cumulative NPV of Abatement Cost
2019	631,018,697	1.000	631,018,697	631,018,697
2020	505,188,718	0.983	496,499,968	1,127,518,665
2021	498,213,353	0.966	481,223,167	1,608,741,833
2022	491,262,543	0.949	466,348,300	2,075,090,133
2023	492,506,312	0.933	459,487,953	2,534,578,086
2024	564,738,864	0.917	517,816,144	3,052,394,230
2025	487,850,206	0.901	439,622,575	3,492,016,805
2026	488,642,323	0.886	432,763,032	3,924,779,837
2027	489,440,123	0.870	426,014,347	4,350,794,184
2028	490,243,631	0.855	419,374,673	4,770,168,857
2029	565,437,633	0.841	475,379,589	5,245,548,447
2030	488,593,590	0.826	403,709,685	5,649,258,131
2031	489,430,451	0.812	397,445,855	6,046,703,986
2032	490,273,126	0.798	391,282,708	6,437,986,694
2033	491,512,096	0.784	385,524,835	6,823,511,529
2034	570,510,143	0.771	439,791,774	7,263,303,303
2035	494,163,847	0.758	374,386,589	7,637,689,891
2036	495,498,591	0.745	368,941,339	8,006,631,230
2037	496,839,282	0.732	363,577,001	8,370,208,231
2038	498,185,949	0.719	358,292,349	8,728,500,581
2039	577,213,737	0.707	407,988,856	9,136,489,436
2040	500,897,320	0.695	347,957,284	9,484,446,720
2041	502,262,078	0.683	342,904,509	9,827,351,229
2042	503,632,923	0.671	337,926,695	10,165,277,923
2043	505,009,881	0.659	333,022,707	10,498,300,630
2044	584,068,100	0.648	378,532,383	10,876,833,013
2045	507,782,252	0.637	323,431,751	11,200,264,765
2046	509,177,722	0.626	318,742,600	11,519,007,364
2047	510,579,418	0.615	314,122,904	11,833,130,268
2048	511,991,389	0.605	309,574,042	12,142,704,310

Note: All costs are in 2019 dollars. Total (undiscounted) abatement costs are obtained from the final column of Table 2. The real discount rate is assumed to 1.75 percent per year.

Appendix A: Additional Supporting Tables

Table A.1: Changes in Price Indices and Treasury Yields (Constant Maturities)

Year	Price Changes			U.S. Treasury Security Yields	
	GDP-Deflator	PCI-Health	PCI- Pharmaceutical/ Medical Products	3-Year	10-Year
1998	75.433	67.636	63.242	5.14%	5.26%
1999	76.462	69.115	65.972	5.49%	5.65%
2000	78.309	71.260	68.454	6.22%	6.03%
2001	80.004	73.543	71.692	4.09%	5.02%
2002	81.194	75.492	74.835	3.10%	4.61%
2003	82.712	78.414	76.964	2.10%	4.01%
2004	85.056	81.199	79.157	2.78%	4.27%
2005	87.783	83.689	81.491	3.93%	4.29%
2006	90.481	86.431	84.717	4.77%	4.80%
2007	92.776	89.355	85.937	4.35%	4.63%
2008	94.690	91.854	87.892	2.24%	3.66%
2009	94.938	94.308	90.693	1.43%	3.26%
2010	96.222	96.710	93.902	1.11%	3.22%
2011	98.553	98.514	97.006	0.75%	2.78%
2012	100.225	100.309	100.000	0.38%	1.80%
2013	101.918	101.423	100.484	0.54%	2.35%
2014	104.029	102.769	103.343	0.90%	2.54%
2015	105.117	103.344	107.163	1.02%	2.14%
2016	106.172	104.575	111.304	1.00%	1.84%
2017	108.097	105.930	114.652	1.58%	2.33%
2018	110.645	108.036		2.57%	2.87%
Ave. Δ: 1998–2018	1.934%	2.369%	3.147%	2.64%	3.68%
Adj. to 2019\$	2.36%	1.99%	3.01%		

Sources. Price Changes: Federal Reserve Economic Data (*FRED*), <https://fred.stlouisfed.org>
 Series: Gross Domestic Product: Implicit Price Deflator, Index 2012=100, Quarterly, Seasonally Adjusted (GDPDEF); Personal consumption expenditures: Services: Health care (chain-type price index), Index 2012=100 (DHLCRG3Q086SBEAF); Personal consumption expenditures: Nondurable goods: Pharmaceutical and other medical products (chain-type price index), Index 2012=100 (DPHMRG3A086NBEA). U.S. Constant Maturity Treasury Yields - 1998-2017: *Economic Report of the President, 2018*, Table B-25. 2018 yields calculated as monthly average from 12/17-11/18 using data from *FRED* (GS3 & GS10).

Price Indices refer to July 1 of specified year; except PCI-Pharmaceutical which refers to January 1.

20-year Ave. Δ: Average annual Δ in prices from 1998-2018, except 1997-2017 for PCI-Pharmaceutical.

Adj. to 2019\$ shows change needed to convert 2018\$ to 2019\$, based on most recent available one-year change in price index (e.g. 2018 vs. 2017 for GDP-deflator).

Appendix B: Detailed Exhibits Showing Abatement Cost By Subcategory

Exhibit T.1

Service: Medication Assisted Treatment – Medical (MATM).

Full Description: All Oklahoma residents will be eligible to receive assessment and comprehensive treatment/recovery services based on the American Society for Addiction Medicine (ASAM) level of care needed, including early intervention, outpatient, ambulatory detoxification, intensive outpatient, partial hospitalization, residential, medically managed detoxification, and medication. Supportive services such as case management, peer recovery support and healthcare services provided as appropriate. All behavioral health organizations, primary care and pain specialists are MAT capable or connected to MAT providers. MAT waiver training will be offered year-round and care management support services will be offered.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	4,129.0
25-year period (2019-2043):	5,004.0
30-year period (2019-2048):	5,823.9

Program costs expected to increase at medical care inflation rate.

Exhibit T.2

Service: Medication Assisted Treatment – Supplementary Services (MATS).

Full Description: Supplementary services related to medication assisted treatment including: halfway house, recovery housing, housing first, and IPS (employment services). Includes supportive services related to: case management, peer recovery support and healthcare services. Technical assistance and training in evidence-based practices for opiate assessment and treatment. Additional halfway house and residential facilities to be established in high need areas.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	588.4
25-year period (2019-2043):	695.2
30-year period (2019-2048):	793.0

Program costs expected to increase at general inflation rate.

Exhibit T.3

Service: Helpline (HELP).

Full Description: Statewide, 24/7 live helpline (telephonic and text services) for Oklahomans seeking prevention, treatment and crisis resources and support, including service referral, service navigation, follow-up services, and brief education.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	69.8
25-year period (2019-2043):	83.8
30-year period (2019-2048):	96.6

Program costs expected to increase at general inflation rate.

Exhibit T.4

Service: Public Medication Disposal (DISPOSE).

Full Description: Expand and maintain Safe Trips for Scripts drug disposal program.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	2.4
25-year period (2019-2043):	2.9
30-year period (2019-2048):	3.3

Program costs expected to increase at general inflation rate.

Exhibit T.5

Service: Technical Assistance (TECH).

Full Description: Provide technical assistance and training in evidence-based practices for opioid assessment and treatment.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	64.7
25-year period (2019-2043):	77.7
30-year period (2019-2048):	89.5

Program costs expected to increase at general inflation rate.

Exhibit T.6

Service: Specialty Courts (COURT).

Full Description: Expand specialty courts, including family drug courts.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	278.3
25-year period (2019-2043):	334.1
30-year period (2019-2048):	385.2

Program costs expected to increase at general inflation rate.

Exhibit T.7

Service: Transportation Services (TRANS).

Full Description: Develop program covering treatment/recovery transportation services for consumers.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	104.5
25-year period (2019-2043):	125.4
30-year period (2019-2048):	144.6

Program costs expected to increase at general inflation rate.

Exhibit T.8

Service: Universal Screening (SCREEN).

Full Description: Enable all primary care, emergency departments, and specialty practices to enroll in the SBIRT OK practice dissemination program for academic detailing, continuing education, EMR consultation, and embedded practice facilitation services. In addition, face-to-face group training on SBIRT will be offered throughout the State.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	353.5
25-year period (2019-2043):	424.4
30-year period (2019-2048):	489.3

Program costs expected to increase at general inflation rate.

Exhibit T.9

Service: Pharmacy Disposal (PHARM).

Full Description: Pharmacy-based medication take-back programs.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	32.5
25-year period (2019-2043):	39.0
30-year period (2019-2048):	45.0

Program costs expected to increase at general inflation rate.

Exhibit T.10

Service: Pain Services (PAIN).

Full Description: Pain prevention and non-opioid pain management therapies provided to Oklahomans, such as Cognitive Behavioral Therapy for pain, physical therapy and manipulative therapies, exercise programs, meditation, and certain interventional pain therapies.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	93.8
25-year period (2019-2043):	112.6
30-year period (2019-2048):	129.9

Program costs expected to increase at general inflation rate.

Exhibit T.11

Service: K12 Prevention (K12).

Full Description: All K -12 schools to receive training, materials/support from ODMHSAS to implement defined age-appropriate, evidence-based prevention programs, such as Botvin Lifeskills Training, Pax Good Behavior Game, and Penn Resiliency.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	356.3
25-year period (2019-2043):	426.7
30-year period (2019-2048):	491.3

Program costs expected to increase at general inflation rate.

Exhibit T.12

Service: K12 Supplementary Prevention (K12SUP).

Full Description: Discretionary prevention funds to all K-12 schools to plan and implement supplementary/additional evidence-based prevention services.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	61.1
25-year period (2019-2043):	73.3
30-year period (2019-2048):	84.5

Program costs expected to increase at general inflation rate

Exhibit T.13

Service: **Community Coalitions (COALIT)**.

Full Description: Resources for every Oklahoma county to develop or support at least one community-based prevention coalition; major population centers will be provided resources for more than one community coalition. Coalitions will have expert training and support from the ODMHSAS to implement the Communities That Care Model for needs assessment, prevention plan development, implementation of local evidence-based prevention services, and evaluation.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	148.4
25-year period (2019-2043):	178.1
30-year period (2019-2048):	205.4

Program costs expected to increase at general inflation rate.

Exhibit T.14

Service: Higher-Ed Discretionary Prevention Funds (HED).

Full Description: All higher education institutions/colleges in Oklahoma will receive substance use prevention funds to plan and implement evidence-based prevention services, with awards based on need.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	17.4
25-year period (2019-2043):	20.9
30-year period (2019-2048):	24.1

Program costs expected to increase at general inflation rate.

Exhibit T.15

Service: Public Education (PUB).

Full Description: Develop/disseminate sustained, universal marketing campaign related to: access to prevention/treatment services, stigma reduction, opioid education, and skills for preventing/managing pain. Develop/disseminate public education campaign to reach specific high risk/high potential populations, including healthcare, pain patients, young people, caring adults, and those at risk for overdose and addiction. Develop/disseminate campaign to inform public of Good Samaritan protections for people calling for help/staying with person who has overdosed. Print material for distribution by outreach teams, and other stakeholders and internet ads will be developed. Campaigns to utilize social/digital media, television, print, direct mail, outdoor advertising, and news media.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	189.1
25-year period (2019-2043):	210.7
30-year period (2019-2048):	230.4

Program costs expected to increase at general inflation rate.

Exhibit P.1

Service: Naloxone Distribution/Education (NALOX).

Full Description: Targeted naloxone distribution and overdose education to those at high risk of experiencing or witnessing overdose. Populations of focus will minimally include those receiving services at behavioral health provider agencies, those in custody and releasing from county jails/state prisons/juvenile detention centers, at-risk patients in emergency departments/hospitals/pain and primary care offices.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	24.8
25-year period (2019-2043):	30.6
30-year period (2019-2048):	36.2

Program costs expected to increase at a blend between general and medical inflation rates.

Exhibit P.2

Service: Grief Support Services (GRIEF).

Full Description: Contract with regional providers each year to coordinate grief support groups for those impacted by overdose death.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	6.1
25-year period (2019-2043):	7.3
30-year period (2019-2048):	8.5

Program costs expected to increase at general inflation rate.

Exhibit P.3

University Behavioral Health (UNIVB).

Full Description: Clinical integration of behavioral health professionals and screening into practice at health & mental health clinics on each campus; sober living opportunities for individuals in recovery for campuses with $\geq 20,000$ students.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	33.9
25-year period (2019-2043):	33.9
30-year period (2019-2048):	33.9

Program costs expected to increase at general inflation rate.

Exhibit M.1

Continuing Medical Education (CME).

Full Description: Continuing education courses delivered in geographically diverse regions of Oklahoma. Topics should include pain prevention, pain management, opioid management, non-pharmacological/non-opioid therapies, addiction/mental health, overdose, and the critical appraisal of medical evidence.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	2.0
25-year period (2019-2043):	2.1
30-year period (2019-2048):	2.1

Program costs expected to increase at general inflation rate.

Exhibit M.2

Practice dissemination program (PRAC).

Full Description: Hospitals, primary care practices, other specialty healthcare practices offered in-practice training/practice dissemination support services, including academic detailing, elbow-to-elbow practice facilitators, monitoring/feedback of performance improvement related to implementing evidence-based guidelines for pain and opioid management.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	353.5
25-year period (2019-2043):	424.4
30-year period (2019-2048):	489.3

Program costs expected to increase at general inflation rate.

Exhibit M.3

Addiction Medicine Course (COURSE).

Full Description: Addiction medicine course addressing concerns related to drug use, recovery programs, legal aspects of controlled substances and physician addiction. Offered to a variety of health professionals such as medical students, dentists, physician assistants, nurses and physicians.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	9.3
25-year period (2019-2043):	11.2
30-year period (2019-2048):	12.9

Program costs expected to increase at general inflation rate.

Exhibit M.4

Medical Case Management/Consultation (CASE).

Full Description: Project ECHO. Nationwide initiative providing consultation/education through regular video conference composed of brief educational sessions on high yield clinical topics followed by case consultation and real-world recommendation including medications with doses and frequencies provided in written format.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	3.2
25-year period (2019-2043):	3.8
30-year period (2019-2048):	4.4

Program costs expected to increase at general inflation rate.

Exhibit M.5

Residency Training Programs (RESID).

Full Description: Training courses for all second-year medical residents.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	1.8
25-year period (2019-2043):	2.1
30-year period (2019-2048):	2.4

Program costs expected to increase at general inflation rate.

Exhibit M.6

Academic Medicine (ACAD).

Full Description: Establishment of academic addiction medicine departments attending to addiction disorders, providing education and utilizing a comprehensive approach to behavioral health via research, education and treatment. Offer individualized, evidence-based substance use disorder treatment including medication-assisted treatment and therapeutic services.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	167.4
25-year period (2019-2043):	200.9
30-year period (2019-2048):	231.6

Program costs expected to increase at general inflation rate.

Exhibit M.7

Counter-Detailing (DETAIL).

Full Description: Comprehensive direct-to-medical professional detailing program, deploying detailers to all Oklahoma healthcare professionals, pharmacies and pharmacists, with targeted detailing visits. Such a counter-detailing program must include training and compensating qualified personnel, mileage, visual aids, and patient/staff education material, as well as access to and analysis of medical care professional and pharmacy prescription data.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	69.8
25-year period (2019-2043):	83.8
30-year period (2019-2048):	96.6

Program costs expected to increase at general inflation rate.

Exhibit N.1

NAS evaluation/assessment (NASA).

Full Description: NAS treatment evaluation standards developed and disseminated, including continuing education courses, NAS testing and training costs for hospitals.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	2.9
25-year period (2019-2043):	3.5
30-year period (2019-2048):	4.0

Program costs expected to increase at general inflation rate.

Exhibit N.2

Prenatal Screening (PRENAT).

Full Description: Enable all OBGYN and pediatric practices and hospitals to enroll in the SBIRT OK practice dissemination program for academic detailing, continuing education, EMR consultation, and embedded practice facilitation. Additional, face-to-face group training on SBIRT will be offered throughout the state.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	8.3
25-year period (2019-2043):	10.0
30-year period (2019-2048):	11.5

Program costs expected to increase at general inflation rate.

Exhibit N.3

Neonatal Treatment (NAST).

Full Description: Medical treatment for infants born with neonatal abstinence syndrome or suffering from opioid withdrawal.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	892.2
25-year period (2019-2043):	1,081.3
30-year period (2019-2048):	1,258.5

Program costs expected to increase at general inflation rate.

Exhibit D.1

Service: Opioid Overdose Review Board (REVIEW).

Full Description: Staff professionals needed to coordinate the Oklahoma Opioid Overdose Fatality Review Board, prepare cases for review, produce reports, and act on recommendations.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	2.7
25-year period (2019-2043):	3.3
30-year period (2019-2048):	3.8

Program costs expected to increase at general inflation rate.

Exhibit D.2

Service: PMP System (PMP).

Full Description: Fund the Oklahoma PMP Aware program and the necessary administrative staff including a PMP Administrator, PMP support providers, and PMP system educators. Develop needed system enhancements including reports, alerts, and other requested features. Employ data professionals at the OBNDD, ODMHSAS, and OSDH to prepare PMP data for analysis, analyze PMP data, develop special reports and analyses, and link data sets such as health outcome data and claims data.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	22.0
25-year period (2019-2043):	26.4
30-year period (2019-2048):	30.4

Program costs expected to increase at general inflation rate.

Exhibit D.3

Service: Program Outcome Monitoring/Evaluation (MONTR).

Full Description: Employ/contract for process and outcome evaluation related to implementation of state abatement plan and related activities.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	11.1
25-year period (2019-2043):	13.3
30-year period (2019-2048):	15.4

Program costs expected to increase at general inflation rate.

Exhibit D.4

Service: Health Information Exchange (HIE).

Full Description: Purchase technology and hire staff to support connectivity among the state agencies' HIE and private HIEs. Increase HIE use and adoption by healthcare providers through public education through a contract with a marketing firm, and incentivize non-meaningful use providers.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	534.3
25-year period (2019-2043):	639.1
30-year period (2019-2048):	735.3

Program costs expected to increase at general inflation rate.

Exhibit D.5

Service: Epidemiological Staffing (EPI).

Full Description: Develop public health surveillance and descriptive studies with fatal/nonfatal injury, addiction, risk/protective factor, health record/claim, and other data. Support development of web-based data query/reporting systems.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	16.3
25-year period (2019-2043):	19.6
30-year period (2019-2048):	22.6

Program costs expected to increase at general inflation rate.

Exhibit D.6

Service: **Data Collection (DATA)**.

Full Description: Support costs of added indicators in existing surveys and develop new sources of data collection for key measures related to monitoring trends and measuring change.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	5.4
25-year period (2019-2043):	6.5
30-year period (2019-2048):	7.5

Program costs expected to increase at general inflation rate.

Exhibit D.7

NAS Reporting (NASR).

Full Description: Fund the development of neonatal abstinence syndrome as a required reportable condition, including OSDH and hospital-level management and infrastructure costs.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	3.5
25-year period (2019-2043):	4.2
30-year period (2019-2048):	4.9

Program costs expected to increase at general inflation rate.

Exhibit C.1

Service: Opioid Law Enforcement (LAW).

Full Description: Funding for investigatory and regulatory actions related to the opioid crisis.

Total NPV of Costs (\$ millions)

20-year period (2019-2038):	68.6
25-year period (2019-2043):	82.3
30-year period (2019-2048):	94.9

Program costs expected to increase at general inflation rate.

Appendix C: Alternative Methods of Discounting to Net Present Value

Abatement costs are discounted to net present value assuming a discount rate of 1.75 percent per year, the difference between the average yield on 10-year U.S. Treasury Securities over the 1998-2018 period (3.68 percent per year) and the change in the average inflation rate over the same period (1.93 percent per year). The lump-sum payment could be invested in different ways. One possibility would be to invest it in shorter-term Treasury securities (or a blend of longer and short-term government bonds). A second would be to pay down some existing Oklahoma debt obligations. This appendix shows that using either alternative would lead to a lower discount rate and so a larger estimate of the net present value of abatement costs.

The average annual yield on 3-year Treasury Securities, over the 1998-2018 period was 2.64 percent (Appendix Table A.1).¹⁸ Therefore, the relevant real discount rate would be 0.71 (2.64 – 1.93) percent per year, rather than 1.75 percent annually using 10-Year Treasury security yields. A lower discount rate implies a larger value for future abatement costs.

An alternative possibility would be to use the lump-sum payment to reduce outstanding debt owed by the State of Oklahoma. To examine the discount rate resulting when doing so, I first obtained information on the maturity-specific yield on bonds issued by the Oklahoma Capital Improvement Authority as state revenue bonds between 2009 and 2018. This information is provided in Table C.1. Next I used this information to calculate average yields for these bonds at maturity lengths ranging from one to 21 years. These yields are shown in the last column of Table C.1 and the second column of Table C.2. Over the 2009-2018 period, the Gross Domestic Implicit Price Deflator rose by an average of 1.716 % per year ($[110.645/94.938]^{1/9}$) (see Table A.1). Since all calculations of abatement costs are in “real” terms (i.e. using 2019-year dollars) the price deflator is subtracted from the maturity-specific yield to give the maturity-specific real discount rate, shown in the third column of the Table C.2. The fourth column displays the (real) discount factor to be used when converting abatement costs occurring in future years to 2019 net present value. The discount factor is calculated using the maturity-specific discount rates for all maturities through the number of years in the future the abatement costs are incurred. Specifically, for r_t the real discount rate discount rate (in absolute rather than percentage terms) t years after 2019, the discount factor at time t is calculated as:

$$D_t = \prod_{n=0}^t \left(\frac{1}{1+r_{t-n}} \right).^{19}$$

The final two columns of Table C.2 show corresponding discount factors obtained when basing the discounting on 10-year and 3-year Treasury securities. Since the discount rates are constant across years in these cases, the discount factors can be calculated more simply as:

¹⁸ Source: 1998-2017: *Economic Report of the President, 2018*, Table B-25. 2018 yields calculated as monthly average from 12/17-11/18 using data from the Federal Reserve Economic Data (*FRED*), <https://fred.stlouisfed.org> (series GS3)

¹⁹ For example, if the real discount rate was 1% for a 1-year maturity and 2% for a 2-year maturity, the discount factor for abatement costs incurred two years in the future would be $0.9707 = \left(\frac{1}{1.01} \right) \left(\frac{1}{1.02} \right)$.

$$D_t = \left(\frac{1}{1+r}\right)^t$$

where, r , here is the (time-constant) annual discount rate. For example, the discount factor – which is the amount abatement costs need to be multiplied by to obtain the net present value – in 2018 is 0.7192 when based on 10-year U.S. Treasury security yields, compared to 0.8742 and 0.8598, respectively, when based on 3-Year Treasuries and Oklahoma revenue bonds.

Table C.1: Oklahoma State Bond Offerings and Yields by Time to Maturity

Years to Maturity	Bond Offering														Average Yield			
	2018D	2018c	2018B	2018a	2017b	2017a	2016	2015b	2015a	2014c	2014b	2014a	2013	2012	2010	2009a	2009b	Average Yield
1				1.57%	0.90%	1.08%			0.20%	0.18%	0.17%	0.28%	0.45%	2.00%		1.00%	0.60%	0.766%
2	2.11%	1.93%		1.74%	1.15%	1.31%		0.79%	0.54%	0.38%	0.40%	0.51%	0.63%	2.00%	0.52%	1.70%	1.11%	1.121%
3	2.21%	2.05%		1.91%	1.36%	1.51%	1.04%	1.15%	0.80%	0.71%	0.73%	1.00%	0.85%	2.00%	0.72%	2.00%	1.53%	1.348%
4	2.34%	2.18%		2.04%	1.58%	1.68%	1.15%	1.41%	1.07%	1.00%	1.15%	1.35%	1.04%	2.00%	0.97%	2.25%	1.91%	1.570%
5	2.46%	2.29%		2.17%	1.86%	1.89%	1.27%	1.69%	1.28%	1.28%	1.49%	1.70%	1.34%	2.00%	1.36%	2.65%	2.31%	1.815%
6	2.58%	2.46%		2.32%	2.13%	2.10%	1.40%	1.99%	1.53%	1.60%	1.83%	2.15%	1.64%	2.00%	1.66%	2.85%	2.55%	2.049%
7	2.71%	2.57%		2.47%	2.39%	2.31%	1.53%	2.27%	1.74%	1.92%	2.12%	2.50%	1.87%	2.00%	1.96%	3.05%	2.81%	2.264%
8	2.87%	2.71%		2.61%	2.58%	2.49%	1.68%	2.41%	1.90%	2.22%	2.35%	2.72%	2.09%	2.00%	2.16%	3.22%	3.06%	2.442%
9	2.99%	2.80%	3.71%	2.72%	2.70%	2.67%	1.77%	2.58%	2.02%	2.45%	2.57%	2.90%	2.32%	2.00%	2.41%	3.42%	3.28%	2.665%
10	3.09%	2.88%	3.82%	2.83%		2.80%	1.89%	2.71%	2.14%	2.66%	2.71%	3.04%	2.51%	2.00%	2.61%	3.62%		2.754%
11	3.19%	2.98%	3.92%	2.94%		3.00%	2.03%	2.85%		2.92%		3.15%	2.68%	2.00%		3.80%		2.955%
12	3.27%	3.19%	3.97%	3.02%		3.13%	2.14%			2.62%		3.30%		2.00%		3.95%		3.059%
13	3.43%	3.12%	4.02%	3.12%			2.23%			3.05%		3.39%		2.00%		4.07%		3.159%
14	3.42%	3.18%	4.07%	3.21%			2.30%			2.99%		3.49%				4.14%		3.350%
15	3.47%	3.45%		3.31%			2.51%			3.14%		3.62%				4.20%		3.384%
16	3.53%	3.30%		3.37%			2.67%			3.15%		3.71%						3.288%
17		3.53%		3.44%			2.38%			3.14%								3.121%
18		3.42%		3.49%			2.77%			3.26%								3.235%
19		3.47%		3.53%						3.48%								3.493%
20		3.50%		3.54%						3.57%								3.537%
21		3.52%																3.520%

Note: Table shows bond yields by time to maturity in nearest whole years. The last column shows the unweighted average yield for all bond offerings shown on table. In cases where bond offering shows two yields for same maturity date, the unweighted average of these is displayed.

Table C.2: Discount Rates and Discount Factors by Year

Year	<u>Based on: Oklahoma Bonds at Various Maturities</u>			<u>Based on Treasury Securities</u>	
	Nominal Discount Rate	Real Discount Rate	Discount Factor	<u>3-Year</u> Discount Factor	<u>10-Year</u> Discount Factor
2020	0.766%	-0.950%	1.0096	0.9930	0.9828
2021	1.121%	-0.595%	1.0156	0.9859	0.9659
2022	1.348%	-0.368%	1.0194	0.9790	0.9493
2023	1.570%	-0.146%	1.0209	0.9721	0.9330
2024	1.815%	0.099%	1.0199	0.9652	0.9169
2025	2.049%	0.333%	1.0165	0.9584	0.9011
2026	2.264%	0.548%	1.0109	0.9517	0.8856
2027	2.442%	0.726%	1.0036	0.9450	0.8704
2028	2.665%	0.949%	0.9942	0.9383	0.8554
2029	2.754%	1.038%	0.9840	0.9317	0.8407
2030	2.955%	1.239%	0.9720	0.9251	0.8263
2031	3.059%	1.343%	0.9591	0.9186	0.8121
2032	3.159%	1.443%	0.9454	0.9121	0.7981
2033	3.350%	1.634%	0.9302	0.9057	0.7844
2034	3.384%	1.668%	0.9150	0.8993	0.7709
2035	3.288%	1.572%	0.9008	0.8930	0.7576
2036	3.121%	1.405%	0.8883	0.8867	0.7446
2037	3.235%	1.519%	0.8750	0.8804	0.7318
2038	3.493%	1.777%	0.8598	0.8742	0.7192

Note: Nominal discount rate is calculated as the average yield of Oklahoma Capital Improvement Bonds for maturities equal to the number of years from 2019 until the specified year. Real discount rates calculated as the nominal discount rate minus 1.176%, which is the average annual change in the GDP Implicit Price Deflator from 2009-2018. Discount factors are calculated as discussed in text.

Appendix D: Christopher Ruhm Deposition and Trial Testimony in Last Four Years

Date	Case	Court	Party Represented (Attorney)	Description
9/5/2018	Jacquelyn Burton Harvey and Alfred Harvey II, GAL for Gabriel Christopher Flip Harvey, et al. v. Lindsay Gray, MD et al.	Deposition, Durham County Superior Court, NC	Plaintiff (Bailey Melvin)	Economic damages, medical malpractice
7/9/2018	Trinity Fayte Owen & Koenig v. Healthcare Foundation of Wilson, Daniel Peter Michalak MD, Wilson Ob/gyn, PA, Ketarah C. Robinson, MD, Eastern Carolina Pediatrics	Deposition, Nash County Superior Court, NC	Plaintiff (Bailey Melvin)	Economic damages, medical malpractice
6/28/2018	Estate of Jerry D. Beasley v. Mateen Akhtar, MD, Matthew A. Hook, MD, Craig S. Carter MD, 17 CVS 1179	Deposition, Johnson County Superior Court, NC	Plaintiff (Bailey Melvin)	Economic Damages, wrongful death
10/16/2015	Jeffrey Allen Webster v. Alamance Regional Medical Center, Lankford Protective Services, Paul Malinda, M.D., Eugene Wilson Griner M.D., Michael Greenberg, M.D., Emcare Inc.	Deposition, Guilford County Superior Court, NC	Plaintiff (Mark Gray)	Economic Damages from injury

H

GENERAL OBJECTIONS

1. By responding to Defendant's Requests, the State concedes neither the relevance nor admissibility of any information provided or documents or other materials produced in response to such Requests. The production of information or documents or other materials in response to any specific Request does not constitute an admission that such information is probative of any particular issue in this case. Such production or response means only that, subject to all conditions and objections set forth herein and following a reasonably diligent investigation of reasonably accessible and non-privileged information, the State believes the information provided is responsive to the Request.

2. The State objects that much of the Requests sought are premature and, as such, provides the responses set forth herein solely based upon information presently known to and within the possession, custody or control of the State. Discovery is ongoing in this action. Subsequent discovery, information produced by Defendant or the other named Defendants in this litigation, investigation, expert discovery, third-party discovery, depositions and further analysis may result in additions to, changes or modifications in, and/or variations from the responses and objections set forth herein. Accordingly, the State specifically and expressly reserves the right to supplement, amend and/or revise the responses and objections set forth herein in due course and in accordance with 12 OKLA. STAT. §3226.

3. The State objects to Defendant's Requests as ambiguous, overly broad, disproportionate to the needs of the case, seeking to impose a burden on the State that exceeds what is permissible under Oklahoma law, seeking information protected from disclosure by privilege and/or the work product doctrine, and calling for information that is not in the possession, custody or control of and is not reasonably accessible to the State. To the extent the State can and does provide a response to any Request, the State's response is based on the information known to

and within the possession, custody and control of the State following a reasonably diligent investigation.

4. The State objects to Defendant's Requests as seeking information within Defendant's possession, custody or control. Specifically, Defendant monitors and tracks healthcare providers' prescribing practices and is aware of the providers who prescribe its medications. Indeed, Defendant utilizes such information to strategically determine which doctors to attack with its sales force and what sales tactics to deploy and is aware of the identity of Oklahoma doctors receiving communications made, sponsored, and/or supported by Defendant.

5. The State objects to Defendant's Requests to the extent they attempt to suggest or assume the elements of any of the State's causes of action or otherwise seek to impose any burden(s) or element(s) of proof that do not exist under or that are inconsistent with Oklahoma law.

6. The State objects to Defendant's Requests as seeking confidential and sensitive information protected from disclosure under both State and federal statutes, rules, regulations. Specifically, the State objects to Defendant's Requests as seeking protected health information prohibited from disclosure under the Health Insurance Portability and Accountability Act ("HIPAA"), 42 C.F.R. Part 2, and other State and federal statutes, rules, and regulations.

7. The State objects to Defendant's Requests as seeking information regarding health care providers and patients that the Court has held to be outside of the scope of proper discovery. *See* October 10, 2018 Order.

8. The State further objects to the Defendant's Requests as calling for information regarding ongoing investigations or confidential criminal investigatory files that the Court has held to be outside of the scope of proper discovery. *See* October 22, 2018 Order; December 3, 2018 Order; December 20, 2018 Order.

OBJECTIONS TO DEFINITIONS

1. The State objects to Defendant's Definition Number 2 of the term "Claim" as vague, overbroad, ambiguous, unduly burdensome, disproportionate to the needs of the case, unreasonable, irrelevant and unworkable. "[A]ny request for payment or reimbursement" encompasses an infinitely unlimited amount of information that has no bearing whatsoever on the parties to this action or the claims or defenses asserted in this action. Based on the claims and defenses at issue in this case, the State will reasonably interpret the term "claim" to mean a request for payment or reimbursement submitted to the Oklahoma Health Care Authority pursuant to Oklahoma's Medicaid Program as related to the claims and defenses at issue in this litigation.

2. The State objects to Defendant's Definition Number 3 of the term "Communication(s)" as vague, ambiguous, unduly burdensome, disproportionate to the needs of the case, unreasonable, unworkable and seeking to impose a burden upon the State beyond what is permissible under Oklahoma law. Specifically, the State objects to the terms "conduct" and "omissions" in Defendant's purported Definition Number 3. The State will reasonably interpret the term "communication(s)" to mean the transmittal of information between two or more persons, whether spoken or written.

3. The State objects to Defendant's Definition Number 4 of the term "Doctor(s)". Defendant's proposed definition is overly broad, irrelevant to the claims and defenses at issue, unduly burdensome and disproportionate to the needs of the case in that the definition is not limited in any way to the State of Oklahoma or any particular time period. The State will reasonably construe the use of these terms to mean doctors who provided medical or health care services in the State of Oklahoma to citizens—not "animals"—in the State of Oklahoma from the relevant time period as ordered by the Court to the date Defendant's Requests were served.

4. The State objects to Defendant's Definition Number 5 of the terms "Oklahoma Agency" or "Oklahoma Agencies" as overly broad, unduly burdensome, irrelevant to the claims and defenses in this action, disproportionate to the needs of the case, and improperly calling for information that is not in the possession, custody or control of the State. The State will reasonably construe the terms "Oklahoma Agency" or "Oklahoma Agencies" to mean agencies of the State of Oklahoma represented in this action and over whom the State of Oklahoma, through the Office of the Attorney General, maintains sufficient control to allow the State to have reasonable access to and possession of responsive information maintained by the agency.

5. The State objects to Defendant's Definition Number 6 of the term "Opioid(s)" as misleading because of its use of the terms "FDA-approved" and "pain-reducing" and because it is defined without regard to any of the pharmaceutical products or drugs at issue in this case. The State will reasonably construe the terms "Opioid(s)" to mean the opioid medications or drugs related to the claims and defenses at issue in this litigation.

6. The State objects to Defendant's Definition Number 7 of the term "Patient(s)." This definition—"any human being to whom an Opioid is prescribed or dispensed"—is overly broad, unduly burdensome, irrelevant to the claims and defenses at issue in this action and disproportionate to the needs of the case on its face because it lacks any geographical or temporal limitation that has any bearing on this case, and could be construed to seek information outside the State's possession, custody, or control. The State will reasonably construe the term "patient" to mean an individual who was prescribed an Opioid in the State of Oklahoma from the relevant time period as ordered by the Court to the date Defendant's Requests were served.

7. The State objects to Defendant's Definition Number 9 of the term "Prescribing Behaviors" as vague, ambiguous, overly broad, unduly burdensome, irrelevant to the claims and defenses at issue in this action, and disproportionate to the needs of the case. The State will

reasonably interpret the term "Prescribing Behaviors" to relate to investigation or prosecution by the State of Oklahoma of a doctor licensed in Oklahoma related to opioids during the relevant time period as ordered by the Court.

8. The State objects to Defendant's Definition Number 11 of the terms "You," "Your," "State," "Oklahoma," and "Plaintiff" as overly broad, unduly burdensome, disproportionate to the needs of the case, seeking to impose a burden upon the State that exceeds what is permitted under Oklahoma law, and calling for information that is not within the State's possession, custody or control because the definition attempts to require the State to not simply respond on its own behalf, but also on behalf of "all its departments, agencies, and instrumentalities" without regard for whether the State represents such entities in this litigation and maintains sufficient control over such entities to enable the State to have reasonable access to or possession, custody or control of such entities' records. The State will respond on behalf of the State and those State agencies represented in this litigation and over which the State, through the Office of the Attorney General, maintains sufficient control to allow the State to have reasonable access to and possession of responsive information maintained by the agency.

RESPONSES AND OBJECTIONS TO REQUESTS FOR ADMISSION

REQUEST FOR ADMISSION NO. 1: Admit that You cannot identify, by name, any Oklahoma Doctors who were misled about the risks or benefits of ACTIQ or FENTORA by any Communication made, sponsored, or supported by Cephalon, Inc.

RESPONSE:

The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the terms "You," "Doctor", "Opioid", and "Communication" as if fully set forth herein.

The State further objects to this Request because it is a premature attempt to force the State to marshal all of its evidence before required or appropriate under the Oklahoma Code of Civil Procedure or the Court's scheduling Order.

The State objects to this Request as seeking information within Defendant's possession, custody or control. Specifically, Defendant monitors and tracks healthcare providers' prescribing practices and is aware of the providers who prescribe its medications. Indeed, Defendant utilizes such information to strategically determine which doctors to attack with its sales force and what sales tactics to deploy and is aware of the identity of Oklahoma doctors receiving communications made, sponsored, and/or supported by Defendant.

The State objects to this Request to the extent it attempts to suggest or assume the elements of any of the State's causes of action or otherwise seeks to impose any burden(s) or element(s) of proof that do not exist under or that are inconsistent with Oklahoma law. Specifically, the State objects to this Request to the extent it suggests or assumes Defendant must have made a misrepresentation directly to an Oklahoma doctor to be liable for the State's claims under the Oklahoma Medicaid False Claims Act.

The State objects to this Request as it seeks information regarding healthcare providers that the Court has held to be outside of the scope of proper discovery. *See* October 10, 2018, Order (order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

REQUEST FOR ADMISSION NO. 2: Admit that You cannot identify, by name, any Oklahoma Doctors who were misled about the risks or benefits of any prescription Opioid medication other than ACTIQ or FENTORA, by any Communication made, sponsored, or supported by Cephalon, Inc.

RESPONSE:

The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You", "Doctor", "Opioid", and "Communication" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State objects to this Request as it seeks information regarding healthcare providers that the Court has held to be outside of the scope of proper discovery. See October 10, 2018, Order (order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

REQUEST FOR ADMISSION NO. 3: Admit that You cannot identify, by name, any Oklahoma Doctors who were unable to accurately counsel their patients about the risks or benefits of prescription Opioid medications as a result of any Communication made, sponsored, or supported by Cephalon, Inc.

RESPONSE:

The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You", "Doctor", "Opioid", and "Communication" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State objects to this Request as it seeks information regarding healthcare providers that the Court has held to be outside of the scope of proper discovery. See October 10, 2018, Order (order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

REQUEST FOR ADMISSION NO. 4: Admit that, for every Doctor who has been investigated or prosecuted by the State of Oklahoma for their Prescribing Behaviors, You cannot identify any false or misleading Communication made, sponsored, or supported by Cephalon, Inc. that caused these Doctors to prescribe Opioids.

RESPONSE:

The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You", "Doctor", "Opioid", "Prescribing Behaviors," and "Communication" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State objects to this Request as it seeks information regarding healthcare providers that the Court has held to be outside of the scope of proper discovery. See October 10, 2018, Order (order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

The State further objects to this Request as calling for information, in violation of the Court's orders, regarding ongoing investigations or confidential investigatory files that the Court has held to be outside of the scope of proper discovery. See October 22, 2018, Order; December 3, 2018, Order; December 20, 2018, Order.

REQUEST FOR ADMISSION NO. 5:

Admit that You cannot identify, by name, any Oklahoma Doctors who relied upon any false or misleading Communications made, sponsored, or supported by Cephalon, Inc. to prescribe an unnecessary, excessive, or medically inappropriate Opioid prescriptions.

RESPONSE:

The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You", "Doctor", "Opioid", and "Communication" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State objects to this Request as it seeks information regarding healthcare providers that the Court has held to be outside of the scope of proper discovery. *See* October 10, 2018, Order (order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

REQUEST FOR ADMISSION NO. 6:

Admit that You cannot identify, by name, any Oklahoma Doctors who relied upon any false or misleading Communications made, sponsored, or supported by Cephalon, Inc. to prescribe an Opioid prescription that harmed the State.

RESPONSE: The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You", "Doctor", "Opioid", and "Communication" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State further directs Defendant to the State's Original Petition (¶¶ 5-50), filed June 30, 2017, and to the State's Expert Disclosures, served on December 21, 2018.

The State objects to this Request as it seeks information regarding healthcare providers that the Court has held to be outside of the scope of proper discovery. *See* October 10, 2018, Order

(order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

REQUEST FOR ADMISSION NO. 7:

Admit that You cannot identify, by name, any Oklahoma Doctors who relied upon any false or misleading Communications made, sponsored, or supported by Cephalon, Inc. to prescribe an unnecessary, excessive, or medically inappropriate prescription of ACTIQ or FENTORA.

RESPONSE:

The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You", "Doctor", and "Communication" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State objects to this Request as it seeks information regarding healthcare providers that the Court has held to be outside of the scope of proper discovery. See October 10, 2018, Order (order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

REQUEST FOR ADMISSION NO. 8:

Admit that you cannot identify, by name, any Oklahoma Doctors who received any false or misleading Communications about any Opioid medication from Cephalon, Inc.

RESPONSE:

The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You", "Doctor", "Opioid", and "Communication" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State objects to this Request as it seeks information regarding healthcare providers that the Court has held to be outside of the scope of proper discovery. See October 10, 2018, Order (order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

REQUEST FOR ADMISSION NO. 9:

Admit that You cannot identify any lawfully-written prescription of ACTIQ or FENTORA that was ineffective in treating the pain of any Oklahoma patient.

RESPONSE: The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You" and "Patient" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State objects to this Request as it seeks information regarding individual patients that the Court has held to be outside of the scope of proper discovery. See October 10, 2018, Order (order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

REQUEST FOR ADMISSION NO. 10:

Admit that You cannot identify any Oklahoma patient who suffered harm as a result of receiving a lawfully-written prescription of ACTIQ or FENTORA.

RESPONSE:

The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You" and "Patient" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State further objects to this Request to the extent it attempts to imply that the State must prove or submit evidence regarding personal-injury-type damages related to each Oklahoman who received a prescription for Defendants' drugs by requiring the State to "identify any Oklahoma patients who suffered harm." The State does not assert in this litigation any claims for damages related to personal injury, which claims belong to those individuals who were or will be harmed by their or another's consumption of or addiction to opioids.

The State objects to this Request as it seeks information regarding individual patients that the Court has held to be outside of the scope of proper discovery. See October 10, 2018, Order (order by Judge Hetherington denying Defendants' motion to compel); December 4, 2018, Order (order by Judge Balkman affirming October 10 order).

REQUEST FOR ADMISSION NO. 11: Admit that You reimbursed Claims for Opioid prescriptions that (a) were written by Doctors who had been investigated or prosecuted by the State of Oklahoma for their Prescribing Behaviors and (b) were submitted for reimbursement while such investigation or prosecution was ongoing.

RESPONSE:

The State incorporates its general objections and objections to Defendant's instructions and definitions above, including the State's objections to Defendant's definition of the term "You," "Doctor", "Opioid", "Claim", and "Prescribing Behaviors" as if fully set forth herein.

See Objections and Response to Request for Admission No. 1 above, which are hereby incorporated by this reference as if fully set forth herein.

The State further objects to this Request as calling for information, in violation of the Court's orders, regarding ongoing investigations or confidential investigatory files that the Court has held to be outside of the scope of proper discovery. See October 22, 2018, Order; December 3, 2018, Order; December 20, 2018, Order.

DATED: January 17, 2019

Respectfully submitted,

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502 Carnegie Center
Princeton, NJ 08540

/s/ Michael Burrage
Michael Burrage

F

From: Nicholas V. Merkley
Sent: Sunday, March 10, 2019 4:15 PM
To: Drew Pate; Bartle IV, Harvey; Trey Duck
Cc: Patterson, Nancy L.; Robert McCampbell; Fiore, Mark; Ashley Quinn; Brad Beckworth; Lisa Baldwin; Ercole, Brian M.; Misty A. Waller
Subject: RE: Oklahoma v Purdue

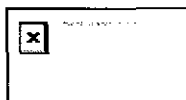
Drew,

Ignoring my emails and waiting until the beginning of the final week of discovery to tell me the State has no intention of complying with Judge Balkman's order and providing witnesses on certain long-noticed topics is improper, to say the least. I do not have any interest in further discussing those depositions with you. As you aptly note below, we have to "draw the line somewhere" and stop accepting the "run around" from the State.

I'm not sure what you "believe [you] previously advised," or the manner in which you believe you previously advised it, but I am unaware of you advising us Topic 31 is being covered on Monday as to HealthChoice. Regardless, we will be prepared to ask those questions.

Thanks for finally responding on Topics 20 and 29. We will be prepared to inquire about those on the 15th too. However, we do not agree that one day is enough for all of those topics. If we cannot finish, which I fully expect we cannot, we will be prepared to continue the following Monday. If the State refuses, we will show up with a court reporter, make our record and address the issue later with the Court.

Nick



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From: Drew Pate <dpat@nixlaw.com>
Sent: Sunday, March 10, 2019 8:07 AM
To: Nicholas V. Merkley <nmerkley@gablelaw.com>; Bartle IV, Harvey <harvey.bartle@morganlewis.com>; Trey Duck <tduck@nixlaw.com>
Cc: Patterson, Nancy L. <nancy.patterson@morganlewis.com>; Robert McCampbell <rmccampbell@gablelaw.com>; Fiore, Mark <mark.fiore@morganlewis.com>; Ashley Quinn <aquinn@gablelaw.com>; Brad Beckworth <bbeckworth@nixlaw.com>; Lisa Baldwin <lbaldwin@nixlaw.com>; Ercole, Brian M. <brian.ercole@morganlewis.com>; Misty A. Waller <mwaller@gablelaw.com>
Subject: Re: Oklahoma v Purdue

Nick,

I believe I previously advised that Topic 31 is being covered on Monday as to HealthChoice. For SoonerCare, that topic was already covered by Burl Beasley.

Topics 20 and 29 will be covered on the 15th as well.



For Topic 35, about discovery efforts, the State will designate the testimony of the original witness who testified on this topic as a corporate representative, Jeff Stoneking. Also, in light of Judge Balkman's statements at the hearing yesterday, we believe it is even more clear that this topic would be a waste of everyone's time for further testimony.

We do not intend to present witnesses on the remaining topics (Topic Nos. 1, 5, 17, or 27). Teva was given two opportunities to comply with the Court's instruction and has failed to do so with respect to these topics. Judge Balkman ordered that Teva could send narrowed, non-duplicative topics specific to Teva that do not violate prior rulings by the Special Discovery Master. We believe Teva has failed to do so in numerous respects but to minimize disputes we have attempted to work with you and presented a witness on many topics that we do not think comply with the Court's order in this regard. However, we have to draw the line somewhere.

For example, Topic 1, about a pre-suit investigation, is not specific to Teva and is entirely privileged and irrelevant at this stage in the case, long after the State defeated a motion to dismiss. Topic 5, about nature and circumstances of particular patients, is in plain violation of the Discovery Master and Court's prior orders about individual patients. In addition, to the extent this discovery is allowed, Dr. Kolodny was asked about this during his deposition and the State's witness on your topics for March 14 will address aspects of this within the confines of those other topics and to the extent it is not outside of what the Court has ordered would be produced in this case. Topic 17, about State investigations, has already been ruled on repeatedly by the Court as far as what would be allowed. We've produced the documents ordered, and many State witnesses have already testified on these issues (including Mark Reynolds and Reji Varghese, and other fact witnesses) and more fact witnesses with investigatory experience are already scheduled to testify.

If you would like to discuss further, please let me know.

Thanks,

Drew

Drew Pate



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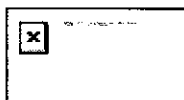
From: "Nicholas V. Merkley" <nmerkley@gablelaw.com>
Date: Thursday, March 7, 2019 at 3:18 PM
To: Drew Pate <dpate@nixlaw.com>, "Bartle IV, Harvey" <harvey.bartle@morganlewis.com>, Trey Duck <tduck@nixlaw.com>
Cc: "Patterson, Nancy L." <nancy.patterson@morganlewis.com>, Robert McCampbell <rmccampbell@gablelaw.com>, "Fiore, Mark" <mark.fiore@morganlewis.com>, Ashley Quinn <aguinn@gablelaw.com>, Brad Beckworth <bbeckworth@nixlaw.com>, Lisa Baldwin <lbaldwin@nixlaw.com>, "Ercole, Brian M." <brian.ercole@morganlewis.com>, "Misty A. Waller" <mwaller@gablelaw.com>
Subject: RE: Oklahoma v Purdue

Drew,

Add Topic 31 as well. I just realized that wasn't included in your first proposal. So, as it currently stands, the outstanding topics are 1, 5, 17, 20, 27, 29 (limited to DEA issue), 31 and 35. Again, we really need to take Topic 17 on March 13th as noticed.

Can we discuss today? I need to get dates for these depositions so we have time to plan and prepare.

Nick



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From: Nicholas V. Merkley

Sent: Wednesday, March 6, 2019 5:22 PM

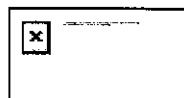
To: 'Drew Pate' <dpate@nixlaw.com>; 'Bartle IV, Harvey' <harvey.bartle@morganlewis.com>; 'Trey Duck' <tduck@nixlaw.com>

Cc: 'Patterson, Nancy L.' <nancy.patterson@morganlewis.com>; Robert McCampbell <rmccampbell@gablelaw.com>; 'Fiore, Mark' <mark.fiore@morganlewis.com>; Ashley Quinn <aquinn@gablelaw.com>; 'Brad Beckworth' <bbeckworth@nixlaw.com>; 'Lisa Baldwin' <lbaldwin@nixlaw.com>; 'Ercole, Brian M.' <brian.ercole@morganlewis.com>; Misty A. Waller <mwaller@gablelaw.com>

Subject: RE: Oklahoma v Purdue

Topic 35 as well. Sorry, I don't know how I missed those.

Nick



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From: Nicholas V. Merkley

Sent: Wednesday, March 6, 2019 5:17 PM

To: 'Drew Pate' <dpate@nixlaw.com>; 'Bartle IV, Harvey' <harvey.bartle@morganlewis.com>; 'Trey Duck' <tduck@nixlaw.com>

Cc: 'Patterson, Nancy L.' <nancy.patterson@morganlewis.com>; Robert McCampbell <rmccampbell@gablelaw.com>; 'Fiore, Mark' <mark.fiore@morganlewis.com>; Ashley Quinn <aquinn@gablelaw.com>; 'Brad Beckworth' <bbeckworth@nixlaw.com>; 'Lisa Baldwin' <lbaldwin@nixlaw.com>; 'Ercole, Brian M.' <brian.ercole@morganlewis.com>; Misty A. Waller <mwaller@gablelaw.com>

Subject: RE: Oklahoma v Purdue

Drew,

I've determined I accidentally omitted Topic 27 in my list of remaining topics below. We still need a date on that one too. Thanks.

Nick



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From: Nicholas V. Merkley

Sent: Tuesday, March 5, 2019 10:53 AM

To: 'Drew Pate' <dpate@nixlaw.com>; Bartle IV, Harvey <harvey.bartle@morganlewis.com>; Trey Duck <tduck@nixlaw.com>

Cc: Patterson, Nancy L. <nancy.patterson@morganlewis.com>; Robert McCampbell <rmccampbell@gablelaw.com>;

Fiore, Mark <mark.fiore@morganlewis.com>; Ashley Quinn <aquinn@gablelaw.com>; Brad Beckworth

<bbeckworth@nixlaw.com>; Lisa Baldwin <lbaldwin@nixlaw.com>; Ercole, Brian M. <brian.ercole@morganlewis.com>

Subject: RE: Oklahoma v Purdue

Drew,

Your proposal for Topics 8, 15, 19, and 24-26 on March 15th is fine.

The remaining topics for which we still need dates are 1, 5, 17, 20 and 29 (limited to DEA issue). We really need to take Topic 17 on March 13th as noticed. Let me know if you can agree, and what dates you have for topics 1, 5, 20 and 29. Some of those can go on the second half of March 13th if you can make that work.

Finally, we understand your position, but we respectfully disagree with your assessment of how much time we need with the topics set on March 7th and March 14th. Both will at least take two days, and we reserve our right to ask for more if two days are not enough. It appears two days is not a problem for the deposition set on the 7th, but the 14th is an issue. We need a commitment of at least two days on those topics. Let us know if you can also agree to include the 15th for those.

Nick



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This message and any attachments are for the addressee only and may contain privileged or confidential information. If you have received this in error, please notify me immediately and permanently delete the message and any prints or other copies.

From: Drew Pate <dpate@nixlaw.com>

Sent: Tuesday, March 5, 2019 7:59 AM

To: Nicholas V. Merkley <nmerkley@gablelaw.com>; Bartle IV, Harvey <harvey.bartle@morganlewis.com>; Trey Duck <tduck@nixlaw.com>

Cc: Patterson, Nancy L. <nancy.patterson@morganlewis.com>; Robert McCampbell <rmccampbell@gablelaw.com>;

Fiore, Mark <mark.fiore@morganlewis.com>; Ashley Quinn <aquinn@gablelaw.com>; Brad Beckworth

<bbeckworth@nixlaw.com>; Lisa Baldwin <lbaldwin@nixlaw.com>

Subject: Re: Oklahoma v Purdue

Nick,

The witness regarding the remainder of Topic 8 and Topics 15, 19, 24-26, is available to testify on March 15.

I've responded to your notes inline below.

Regarding your second question, which topics are you referring to now that we have provided the March 15 date for Topics 15, 19, 24-26?

Thanks,

Drew

Drew Pate



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512-328-5333

Dpate@nixlaw.com

From: "Nicholas V. Merkley" <nmerkley@gablelaw.com>

Date: Monday, March 4, 2019 at 9:14 PM

To: Drew Pate <dpate@nixlaw.com>, "Bartle IV, Harvey" <harvey.bartle@morganlewis.com>, Trey Duck <tduck@nixlaw.com>

Cc: "Patterson, Nancy L." <nancy.patterson@morganlewis.com>, Robert McCampbell

<rmccampbell@gablelaw.com>, "Fiore, Mark" <mark.fiore@morganlewis.com>, Ashley Quinn

<aquinn@gablelaw.com>, Brad Beckworth <bbeckworth@nixlaw.com>

Subject: RE: Oklahoma v Purdue

Drew,

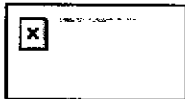
I appreciate the email and the telephone discussion we had this afternoon. Your proposed schedule is not ideal for us, but we are willing to try to make it work with the exceptions noted in red below. Also, we want to be clear that, by agreeing to your schedule, we are not waiving any rights we have, including our right to take up to 4 hours per topic if necessary. As you and I have discussed, we do not believe we will need our 4 hours for most, if any, of the topics, but we are reserving that right if it becomes necessary.

I hate to rush you, but for planning and travel purposes, we need to know the following by noon tomorrow, March 5th:

1. Can you agree to the notations in red below for the depositions you propose? If so, I will finalize those and get amended notices out.
2. What do you propose for the remaining topics? Based upon the number of days we have left, we need to get the schedule finalized. We would prefer to leave those noticed for the 13th where they currently are and add the others on the 12th-15th. We're still looking at it, but I believe we can limit Topic 29 to the DEA quota issue. Let me know what you propose with that limitation.

Thanks Drew. We appreciate the cooperation.

Nick



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From: Drew Pate <dpate@nixlaw.com>

Sent: Monday, March 4, 2019 10:14 AM

To: Bartle IV, Harvey <harvey.bartle@morganlewis.com>; Trey Duck <tduck@nixlaw.com>

Cc: Nicholas V. Merkley <nmerkley@gablelaw.com>; Patterson, Nancy L. <nancy.patterson@morganlewis.com>; Robert McCampbell <rmccampbell@gablelaw.com>; Fiore, Mark <mark.fiore@morganlewis.com>; Ashley Quinn <aquinn@gablelaw.com>; Brad Beckworth <bbeckworth@nixlaw.com>

Subject: Re: Oklahoma v Purdue

Harvey and Nancy,

Below are the dates witnesses are available on certain topics in your notices:

Topics: 2, 3, 4, 10, 13, 14, 16, 34, 37, 38 – March 7 (These topics are too much for one day. We want to continue the deposition day-to-day until we finish, which may carry on into the following week.)

- As I mentioned on the phone, we don't think you'll need more than one day but we will see how the day goes and the witness will be available for the following day if reasonable and necessary. We are not agreeing that you get a full two days on these topics at this point.

Topics: 8 (regarding psychiatric facilities) – March 7 (This works. We understand this will be Jessica Hawkins and will plan to ask these questions once the Purdue deposition is complete. If Purdue uses all 6 hours, we would expect the State to still let us inquire. We do not expect our questioning to last long due to the limitation, but we need confirmation the State will not end the deposition and deny us the opportunity to ask questions if the other deposition lasts 6 hours.)

- Ms. Hawkins has already testified on this topic once. She is doing so again on the 7th. There should be no issue with you and Purdue figuring out how to share the time. Regardless, we don't expect this to be an issue.

- Topics: 30, 32, and 33 (regarding SoonerCare) – March 8 (We cannot do this one on the 8th. We propose moving it to the 12th.)

- We can do this on the 12th.

Topics: 30, 32, 33 (regarding HealthChoice) – March 11 (This works.)

Topics: 6, 7, 9, 11, 12, 32, 36 – March 14 (These topics are too much for one day. We want to continue the deposition day-to-day until we finish, which may carry into the following week. If you are unwilling to carry into the following week should it become necessary, we need to start this one on the 13th.)

- The witness isn't available on the 13th. The 14th is the only date. Also, to clarify, the topic 32 reference here was mistakenly included. Those are being covered on the 8th and the 11th. That was a reference to Purdue's topic 32 so I have marked it out for clarification. Topics 6,7, 9 and 36 carry significant overlap. As do 11-12. We think you can cover it all in one day.

Topics: 21, 22 – March 14 (This works.)

Thanks,

Drew

Drew Pate



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512-328-5333
Dpate@nixlaw.com

From: Drew Pate <dpate@nixlaw.com>

Date: Friday, March 1, 2019 at 12:34 PM

To: "Bartle IV, Harvey" <harvey.bartle@morganlewis.com>, Trey Duck <tduck@nixlaw.com>

Cc: "nmerkley@gablelaw.com" <nmerkley@gablelaw.com>, "Patterson, Nancy L." <nancy.patterson@morganlewis.com>, "rmccampbell@gablelaw.com" <rmccampbell@gablelaw.com>, "Fiore, Mark" <mark.fiore@morganlewis.com>, Ashley Quinn <aquinn@gablelaw.com>, Brad Beckworth <bbeckworth@nixlaw.com>

Subject: Re: Oklahoma v Purdue

Harvey,

The witnesses on those topics you have noticed for March 4-7 are not available on the 4th. We will be in touch with a proposed schedule and grouping of those topics soon. We expect to be able to proceed on certain topics next week but we will not start on the 4th.

Thanks,

Drew

Drew Pate



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From: "Bartle IV, Harvey" <harvey.bartle@morganlewis.com>
Date: Friday, March 1, 2019 at 9:52 AM
To: Trey Duck <tduck@nixlaw.com>, Drew Pate <dpate@nixlaw.com>
Cc: "nmerkley@gablelaw.com" <nmerkley@gablelaw.com>, "Patterson, Nancy L." <nancy.patterson@morganlewis.com>, "rmccampbell@gablelaw.com" <rmccampbell@gablelaw.com>, "Fiore, Mark" <mark.fiore@morganlewis.com>, Ashley Quinn <aquinn@gablelaw.com>
Subject: Oklahoma v Purdue

Trey and Drew,

This follows up on my conversation with Drew this week. As you know, the Teva Defendants re-issued their corporate deposition topics to the State on Monday. The first of those depositions is set for March 4 through March 7. Although Judge Balkman ordered that Teva is entitled to four hours per topic, we have grouped the topics in a manner that we believe will make the most efficient use of time. Are you producing witnesses on those topics on those dates?

Thanks

Harvey

Harvey Bartle

Morgan, Lewis & Bockius LLP

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G

IN THE DISTRICT COURT OF CLEVELAND COUNTY
STATE OF OKLAHOMA } STATE OF OKLAHOMA } S.S.
CLEVELAND COUNTY }

STATE OF OKLAHOMA, ex rel., MIKE HUNTER,
ATTORNEY GENERAL OF OKLAHOMA,
Plaintiff,

v.

- (1) PURDUE PHARMA L.P.;
- (2) PURDUE PHARMA, INC.;
- (3) THE PURDUE FREDERICK COMPANY;
- (4) TEVA PHARMACEUTICALS USA, INC.;
- (5) CEPHALON, INC.;
- (6) JOHNSON & JOHNSON;
- (7) JANSSEN PHARMACEUTICALS, INC.;
- (8) ORTHO-McNEIL-JANSSEN
PHARMACEUTICALS, INC., n/k/a
JANSSEN PHARMACEUTICALS, INC.;
- (9) JANSSEN PHARMACEUTICA, INC.,
n/k/a JANSSEN PHARMACEUTICALS, INC.;
- (10) ALLERGAN, PLC, f/k/a ACTAVIS PLC,
f/k/a ACTAVIS, INC., f/k/a WATSON
PHARMACEUTICALS, INC.;
- (11) WATSON LABORATORIES, INC.;
- (12) ACTAVIS LLC; and
- (13) ACTAVIS PHARMA, INC.,
f/k/a WATSON PHARMA, INC.,
Defendants.

FILED

DEC 20 2018

In the office of the
Court Clerk MARILYN WILLIAMS

Case No. CJ-2017-816
Honorable Thad Balkman

William C. Hetherington
Special Discovery Master

**JOURNAL ENTRY ON DISCOVERY OF CRIMINAL,
CIVIL AND ADMINISTRATIVE PROCEEDINGS**

On the 29th day of November, defendant Watson Laboratories, Inc.'s ("Watson") Objection to the Special Discovery Master's Order on Watson's Motion to Compel Discovery Regarding Criminal and Administrative Proceedings (filed November 13, 2018) came on for hearing. Present for the parties were:

Plaintiff: Trey Duck, Abby Dillsaver, Drew Pate, Reggie Whitten, Brad Beckworth, Ethan Shaner, Dawn Cash, Ross Leonoudakis, Lisa Baldwin and Brooke Churchman
Watson: Robert McCampbell and Harvey Bartle
Purdue: Paul LaFata and Trey Cox
Janssen: Larry Ottaway, Amy Fischer, John Sparks and Steve Brody



Having reviewed the briefs of the parties and received argument of counsel, this Court finds that the motion is granted in part as specified below:

1. The plaintiff shall produce non-sealed charging documents, petitions, informations, indictments, motions, briefs, orders, transcripts, docket sheets and other documents filed with a tribunal in all civil, criminal or administrative proceedings brought by a state prosecuting or regulatory authority against any Health Care Professional relating to the prescription of opioids, including but not limited to Harvey Jenkins, Regan Nichols, William Valuck, Roger Kinney, Tamerlane Rozsa, Joshua Livingston, Joseph Knight, and Christopher Moses. For purposes of this Order "Health Care Professional" includes doctors licensed by the Oklahoma Board of Medical Licensure and Supervision, doctors licensed by the Oklahoma Board of Osteopathic Examiners, and dentists licensed by the Oklahoma Board of Dentistry.

2. The plaintiff shall also produce all documents produced to the attorney for the defendant, respondent, or licensee in all civil, criminal or administrative proceedings commenced by a state prosecuting or regulatory authority against any Health Care Professional relating to the prescription of opioids, including but not limited to Harvey Jenkins, Regan Nichols, William Valuck, Roger Kinney, Tamerlane Rozsa, Joshua Livingston, Joseph Knight, and Christopher Moses. However, if such documents are sealed or are grand jury transcripts, such documents need not be produced or will be produced consistent with the Protective Orders currently in place, as appropriate. In items 1 and 2 above, if a document is withheld because it is sealed, a copy of the sealing order will be provided to counsel for the defendant.

3. The plaintiff shall also produce to Judge William Hetherington *in camera* a list identifying all Health Care Professionals previously investigated by the State relating to the prescription of opioids where the investigation did not result in a civil, criminal or administrative

proceeding with the reasons why not. Judge Hetherington shall make a ruling on whether or not materials from any of those investigations should be shared with the defendants. The list shall be produced to Judge Hetherington by January 2, 2019 and shall remain *in camera* and not be part of any production to defendants.

4. The plaintiff shall produce the documents required in items 1 and 2 to the defendants by January ^{21,} 2019.

IT IS SO ORDERED this 20th day of December, 2018.

S/Thad Balkman

THAD BALKMAN, DISTRICT JUDGE