

# OxyContin Maker Targeted States With Less Regulation, Study Says

By AUSTIN FRAKT

OxyContin, and the aggressive, misleading way that Purdue Pharma marketed it, might have been even more damaging than was previously understood.

Recent research shows how the company focused its marketing in states with lighter prescription regulation — to devastating effect.

Also, a new version of OxyContin introduced a decade ago — which was meant to reduce harm — had unintended consequences. Besides contributing to heroin overdoses, it led to hepatitis C and other infections. Careful studies are only now starting to reveal the extent of the damage.

OxyContin is an opioid painkiller that Purdue Pharma first brought to the U.S. market in 1996. Its chief innovation was its 12-hour timed release of oxycodone. This made it ripe for abuse, since by crushing or dissolving OxyContin pills, abusers of the drug could ingest the entire dose at once.

Several studies have pointed to Purdue's aggressive marketing of OxyContin as a significant contributor to the opioid epidemic. The marketing took various forms, including calling and visiting doctors; paying them for meals and travel; providing gifts; and funding pain treatment groups that urged liberalization of opioid prescribing.

Some of the company's marketing messages minimized the potential for OxyContin to lead to addiction, for which it paid over \$600 million in fines in 2007.

A National Bureau of Economic Research working paper published last fall sheds light on Purdue's role. The researchers, economists from the University of Pennsylvania, the University of Notre Dame and the RAND Corporation, looked at variations in prescribing regulations that led Purdue to market OxyContin more aggressively in some states than in others.

The study found that OxyContin distribution was nearly twice as high in states where regulations made it easier to market. Misuse of the drug was also higher in the more marketed states, both immediately after OxyContin's introduction in 1996 and many years later.

The study relied on unsealed documents from settled lawsuits and investigations involving Purdue Pharma in Florida, West Virginia and Washington State. The documents, obtained through Freedom of Information Act requests, included the company's official OxyContin launch plan, focus group research and budgets from 1996-2002.

The documents showed that the company largely avoided market-

ing OxyContin in states with "triplicate prescription programs." Prescribers of Schedule II opioids like OxyContin in those states were required to produce three copies of each prescription: one to be retained by them, one by the pharmacy, and one forwarded to the state agency. In addition to the extra paperwork and record keeping, the mandated reporting in triplicate programs raised concerns among prescribers about law enforcement scrutiny.

Consistent with other research, Purdue's own focus groups of prescribers revealed that these programs had a chilling effect on opioid prescribing. One study of a Texas hospital found that its state triplicate program reduced prescribing of drugs it targeted by 30

## Deadly consequences of an aggressive marketing strategy.

percent in the early 1980s. Another study of New York's program found a comparable decline in the late 1980s.

The N.B.E.R. study compared changes over time in OxyContin prescribing and related overdose deaths in states with triplicate programs — California, Idaho, Illinois, New York and Texas — with that of other states, controlling for demographic and other differences across states. It found that in 2000 alone, OxyContin use per person was 250 percent higher in states with less regulation as reflected by the absence of triplicate programs. OxyContin misuse was also much higher in those more lightly regulated states, with deadly consequences.

Over 1996-2017, opioid overdose deaths would have been 44 percent lower in states had they used triplicate programs, the study estimated. And 65 percent of the growth in overdose death rates between 1996 and 2017 could be at-

tributed to the introduction and marketing of OxyContin.

In 2010, Purdue discontinued the original formulation of OxyContin and released one that reduced abuse of the drug, potentially slowing the growth in opioid addiction. When crushed, the new formulation would not turn into a powder, so it could not as easily be snorted or injected. This did not avoid all harms, however. As studies show, many misusers of OxyContin turned to heroin, which brought a new set of risks.

The heroin overdose rate more than tripled in several years after the start of the new version of OxyContin. The extent to which the new formulation of the drug inadvertently caused harms from heroin depended in part on how frequently original OxyContin was being abused, which varied substantially across states.

Several studies leveraged this state variation to assess the new formulation's impact. An analysis by three economists in the American Economic Journal: Economic Policy found that states with the highest rates of original OxyContin misuse had the largest increases in heroin deaths after reformulation. They found that as much as 80 percent of the three-fold increase in heroin mortality between 2010 and 2013 could be attributed to the introduction of abuse-deterrent OxyContin. Overall, the study and others have found that the new version of the drug did not reduce total mortality, but shifted the cause of it from one drug to another.

Injecting heroin comes with other risks as well. By one estimate, less than 2 percent of heroin users fatally overdose, but one-third to two-thirds of injection drug users contract hepatitis C. Others may contract hepatitis B or H.I.V. These diseases kill tens of thousands of people annually.

One study in Health Economics estimated that had OxyContin not been reformulated, there would have been 76 percent fewer cases

of hepatitis C and 53 percent fewer cases of hepatitis B between 2011 and 2015. Another study in Health Affairs found that in states with above-median rates of OxyContin misuse before the new formulation, there was a 222 percent increase in hepatitis C infections af-

ter reformulation. But in states with below-median misuse rates, the increase was 75 percent.

A six-month stay in opioid litigation against Purdue Pharma, the maker of OxyContin, ends this month. Nearly every state and thousands of cities, towns, coun-

ties and Native American tribes have brought suits against the company. As Purdue Pharma tries to reach final agreements on settlements, the recent studies add further evidence implicating the company in the opioid crisis and its consequences.

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PLEASE TAKE NOTICE that on May 5, 2020 commencing at 2:00 p.m. Eastern Standard Time (the "Sale Date"), at the law offices of Rich Michaelson Magallif, LLP located at 335 Madison Avenue, 9th Floor, New York, NY 10017, based upon the occurrence of one or more Events of Default under certain documents (the "Loan Documents") copies of which are available for inspection as hereinafter described, pursuant to such Loan Documents and Article 9 of the Uniform Commercial Code as enacted in the State of New York ("UCC"), MSC Two Tower HoldCo, LLC ("Secured Party") shall dispose of, by public sale, the right, title, and interest of TTC Muzz LLC ("Debtor") in and to the following assets (collectively, the "Collateral"): (i) one hundred percent (100%) of the limited liability company interests in Two Tower Center LLC, a Delaware limited liability company ("Premises Owner"); and (ii) all other "Collateral" (as such term is defined in that certain Pledge and Security Agreement from Debtor to Secured Party dated as of August 31, 2018 (the "Pledge Agreement")) pledged by Debtor to Secured Party under the Pledge Agreement. The public sale shall be conducted by Mannon Auctions, LLC, by William Mannon, Auctioneer, NYC DCA License No. 786322, and/or Matthew D. Mannon, Auctioneer, NYC DCA License No. 1434494. At the election of Secured Creditor, the public auction sale may take place by telephone, in which case instructions for participating in the auction shall be provided to all Qualified Bidders.

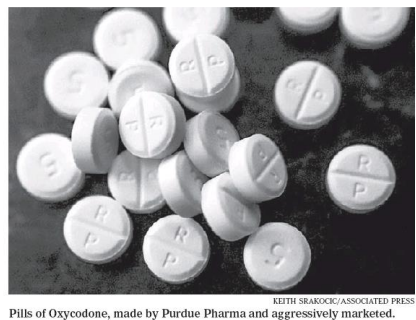
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