

**“McKinsey & Company’s Conduct and Conflicts at the Heart of the Opioid Epidemic”**  
**Committee on Oversight and Reform**  
**10:00 AM, Wednesday, April 27, 2022**  
**Statement for the Record**  
**Rep. Gerald E. Connolly (D-VA)**

According to the Centers for Disease Control and Prevention (CDC), on average 130 people die every day from an opioid overdose. Since 1999, the opioid and heroin epidemic has claimed roughly 600,000 lives across the United States—nearly seven times the number of Americans killed in the Vietnam War. Medical providers wrote an astounding 259 million prescriptions for opioid pain medication in 2012, alone, enough for every adult in the United States to have a bottle of pills. What is even more troubling is the steady 7.3 percent increase in opioid prescriptions per capita from 2007 to 2012. In 2019, the same year the Southern District of New York brought the first opioids lawsuit against the Sackler family, nearly 50,000 people in the United States died from opioid-involved overdoses.

In Virginia, the most recently available data show that nearly 2,500 drug-related deaths in 2021 involved opioids. And for every 100 people living in Virginia in 2018, medical providers wrote 44.8 opioid prescriptions. Amid a loss of treatment options and a rise in mental health problems in the wake of the COVID-19 pandemic, the opioid epidemic raged—claiming more than 100,000 lives nationwide from April 2020 to April 2021, a 30 percent increase in deaths from the previous year. Virginia experienced a 35.5 percent increase, with 2,262 cases of drug overdose deaths—up from 1,669 deaths in 2020.

Prescription of opiates has grown drastically over the past two decades, resulting in dependency, addiction, and abuse. The relationship between the rise in illegal heroin use and prescription opioid abuse is indisputable. The CDC found that 75 percent of new heroin users report abusing prescription opioids prior to using heroin.

In 2018, I had the pleasure to interview journalist Beth Macy for C-SPAN BookTV on her book *Dopesick*, which details the origins of the opioid epidemic. In her book, which is also a TV miniseries, she concludes that without Purdue Pharma recklessly and opportunistically marketing OxyContin, the national opioid epidemic would not exist.

The Sackler family and Purdue Pharma had multiple opportunities to put an end to this horrible crisis. Instead, in 2004 they brought in a consulting firm, McKinsey & Company, to grow their customer base and their sales. In 2013, McKinsey consultants advised Purdue to target the highest-volume opioid prescribers. The Sackler family gave their ringing endorsement of “moving forward fast” on this initiative, which they dubbed “Evolve to Excellence.” This evolution sought to “turbocharge the Purdue sales engine.” McKinsey also advised Purdue to adopt a “Wildfire strategy” of rewarding Purdue’s highest performing sales representatives with their own teams to train and target sales at particular doctors and communities. These highly effective sales representatives blanketed their regions with OxyContin, resulting in disproportionately high rates of pill mills and abuse. Beth Macy describes in *Dopesick* how

families of victims of the opioid epidemic begged the company to redesign OxyContin to make it less susceptible to abuse and to change prescribing practices, but McKinsey advised Purdue sales representatives instead to push for increased dosages of their addictive drugs.

As the opioid epidemic worsened and information emerged showing the risk of abuse and misuse posed by OxyContin, McKinsey continued consulting for Purdue and other opioid manufacturers. From 2004 to 2019, McKinsey consultants worked with Purdue 75 separate times, and during this time, the company earned more than \$35 million in OxyContin sales. This committee has found that at least 22 McKinsey consultants who worked with Purdue also worked with the U.S. Food and Drug Administration (FDA) on opioid safety projects, prompting serious questions about conflicts of interest and potential violations of federal regulations.

In 2021, McKinsey settled with 53 attorneys general on allegations that the consulting firm engaged in unfair trade practices to turbocharge opioid sales. The \$573 million settlement will fund the states' opioid prevention and treatment programs. In addition, McKinsey agreed not to consult on Schedule I and II narcotics and will implement strict document retention policies. In a rare apology, the firm admitted deep regret that they "did not adequately acknowledge the tragic consequences of the epidemic unfolding in our communities."

To this day, those responsible for the opioid epidemic continue to deny their involvement, so I thank the Chairwoman for continued oversight of the opioid epidemic to ensure justice is done. We must do more to quell the continuing ramifications from this opioid crisis.