



TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Greg Chavarria, City Manager

DATE: March 19, 2024

TITLE: Motion to Request Authorization to Join Two Class Action Lawsuits Against
Big Pharma - (**Commission Districts 1, 2, 3 and 4**)

Recommendation

Staff recommends the City Commission authorize the City to join two class action lawsuits against Big Pharma for pricing schemes related to generic drugs and insulin products.

Background

City Staff was approached by Ventura Law in January of 2024 to join two class action lawsuits related to the overpricing of generic drugs and insulin products. Ventura Law is the law firm that is leading the litigation action on these lawsuits. The goal of the law firm is to recover costs related to the overpricing of generic drugs and insulin products for self-insured government entities, such as the City. According to available data, the City has spent approximately \$9 million in generic drugs and \$2 million for insulin products since 2012. It is projected that it could take up to 5 years for these cases to be finalized. It was however advised that the generics lawsuit may be done sooner as it is further along in the litigation stages, while the insulin case is still in the early stages. As these lawsuits will be handled on a contingency basis, there is no financial impact to the City for the cost of attorney fees.

Resource Impact

There will be no fiscal impact to the City.

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Guiding Principle : Fiscal Responsibility

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are United

This item supports the *Advance Fort Lauderdale 2040* Comprehensive Plan specifically advancing:

- The Internal Support Focus Area

- Implementation Element
- Goal 1: Fort Lauderdale Comprehensive Plan shall accomplish City's *Fast Forward Fort Lauderdale 2035* Vision Plan regarding the City's future growth and the six Cylinders of Excellence and shall be the City's primary policy document to guide all of its activities and development.

Attachment

Exhibit 1 - Price Fixing Litigation and Cost Recovery Program Presentation

Prepared by: Guy Hine, Risk Manager, Human Resources

Department Director: Jerome Post, Human Resources