
BOARD AGENDA ITEM

Information/Discussion _____

Future Action _____

Action X

Item: Resolution to join class action lawsuit against insulin manufacturers

Submitted by: Kevin Philipps

Date: 11-4-2024

Recommended by: Kevin Philipps

Board Meeting Date: 11-11-2024

RECOMMENDATION:

It is recommended the Board approve the resolution for the Kent ISD to join a class action lawsuit against various insulin manufacturers, pharmacy benefit managers and other defendants.

BACKGROUND:

Entities nationwide, including all Michigan school districts, are being asked to consider joining a nationwide class action lawsuit against various insulin manufacturers, pharmacy benefit managers and other defendants accused of artificially inflating insulin prices at the expense of employers and health plan entities, including insurance pools. Entities eligible to join the lawsuit include any self-insured employer, any employer that contributed to employee medical benefit plan costs or other health care costs, and any insurance pool.

Research reveals that some insulin prices have increased by more than 1,000% over the past twenty years. Health insurance companies passed on the cost of those price increases to employers through higher insurance premiums. The litigation seeks monetary compensation for past damages incurred by entities related to the artificial price inflation.

Frantz Law Group, a California law firm specializing in mass litigation, is representing entities in the litigation. Frantz is coordinating efforts with Thrun Law Firm to determine if its clients are interested. No fees or costs will be charged to the Kent ISD (or other districts) unless there is a financial recovery. Frantz will receive 30% of any recovery and Thrun will share in a portion of the 30%.

Gallagher Benefits has indicated that our self-insured health pool will be participating, and many of our local districts in Kent County plan to participate as well. Administration feels Kent ISD should support both our local districts and The Pool by joining this lawsuit.

Please let me know if you have any questions.

Attachment