



## **Federal Bankruptcy Judge Henry J. Boroff Praises \$200 Million Settlement for Victims of NECC Meningitis Outbreak**

**CAMBRIDGE** – Hagens Berman Sobol Shapiro LLP and the Plaintiffs’ Steering Committee (PSC), the Court-appointed committee representing tort victims in the consolidated MDL in federal court (*In Re New England Compounding Pharmacy, Inc. Products Liability Litigation*, 13-md-2419-RWZ (D. Mass.)), today announced that Judge Henry J. Boroff of the United States Bankruptcy Court for the District of Massachusetts has approved the Joint Chapter 11 Plan of New England Compounding Pharmacy Inc. (NECC). In a hearing concerning approval of the NECC bankruptcy plan on May 19, 2015 Judge Boroff praised the Chapter 11 bankruptcy plan (Plan), saying:

“[T]his plan and its associated trust agreements are the best that could have been achieved for the hundreds of people for whom there could be no full compensation. And that this is, in my view, the highest and best use of the Bankruptcy Code, and evidence of the professionalism of the bar in this district and in the affected districts.”

The Plan includes a settlement fund estimated at more than \$200 million, most of which will be used to compensate victims and families of victims who were exposed to tainted epidural steroid injections and some other contaminated products manufactured by NECC. The contaminated drugs caused more than 64 deaths according to the Centers for Disease Control and Prevention (CDC). Since the tentative settlement’s first announcement last year, the settlement fund has grown as more companies involved with NECC and its operations have entered into settlement agreements. The Plan and settlement fund has now been fully approved by the bankruptcy court.

The 2012 fungal meningitis outbreak was reported as the worst case of contaminated pharmaceuticals in U.S. history. As of its last update on Oct. 23, 2013, the CDC reported 751 cases of fungal meningitis and other infections in 20 states linked to contaminated batches of methylprednisolone acetate compounded and distributed by NECC.

The settlement involves NECC, NECC’s owners, NECC’s affiliated companies, NECC’s vendors, related insurers and some healthcare clinics that purchased and administered contaminated NECC products. Click for a complete [list of contributors to the NECC settlement](#). Litigation continues in federal and state courts against other clinics not participating in the settlements incorporated into the Plan.

Thomas M. Sobol, of Hagens Berman Sobol Shapiro LLP and Court-appointed Lead Counsel for the PSC, and other members of the firm’s Boston office, have worked closely with the NECC Chapter 11 Trustee over more than two years to bring the Plan and settlement fund to fruition. Now that the bankruptcy Plan has been approved, the Court-appointed Tort Trustee, who will oversee the settlement funds to be distributed to victims, will soon begin the process of collecting and processing claims for compensation from victims and their families. Hagens Berman and the PSC are hopeful that the first checks to victims will go out some time this fall.

Find out more about the [NECC meningitis outbreak settlement](#) for victims.

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[About Hagens Berman](#)

Hagens Berman Sobol Shapiro LLP is a national class-action law firm with offices in nine cities. The firm has been named to the National Law Journal's Plaintiffs' Hot List eight times. More about the law firm and its successes can be found at [www.hbsslaw.com](http://www.hbsslaw.com). The firm's class-action law blog is located at [www.classactionlawtoday.com](http://www.classactionlawtoday.com).

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