Walgreens TPP — Settlement Summary

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Walgreens Savings Club Litigation – Third Party Payor (TPP) Settlement

Summary

Walgreens has agreed to pay **$100,000,000** to settle a class action lawsuit alleging it failed to include its Prescription Savings Club prices when calculating usual and customary drug prices for insurance reimbursement purposes. The settlement covers individuals and entities — including third party payors (TPPs), health insurers, and other entities — who paid for prescription drugs at Walgreens using insurance benefits between January 1, 2007 and November 18, 2024. The Court entered final judgment approving the settlement on March 31, 2026, and the Settlement Administrator is currently processing claims and sending deficiency letters.

Announcements

September 24, 2026 — Claims Evaluation Underway; Deficiency Letters Being Sent: The Settlement Administrator has performed an initial evaluation of claims. Deficiency letters for certain claims that require missing necessary information are being sent at this time. This process will take approximately eight weeks. Once responses to those letters are received and processed, the Settlement Administrator, upon Court approval, will begin to distribute payments for valid claims. Not all claims will receive follow-up letters, and only valid claims will receive payment.

March 31, 2026 — Final Judgment Entered: The Court entered Judgment approving the settlement. The Settlement Administrator began processing claims following that entry.

Note: The claim filing deadline of April 17, 2025 has passed. Late claim submissions are not addressed on the settlement website.

Settlement Amount

Walgreens will pay **$100,000,000** into a Settlement Fund. Deductions from this fund will include:

- Attorneys' fees not to exceed **30%** of the Settlement Fund
- Out-of-pocket litigation costs and expenses not to exceed **$3,000,000**
- Service awards to named plaintiffs: up to **$5,000** per Individual Plaintiff and up to **$15,000** per Fund Plaintiff
- Notice and administration expenses

The remaining Net Settlement Fund will be distributed to eligible class members who submitted valid claims pursuant to the Court-approved Plan of Allocation and Distribution. Per-claimant payment amounts are not specified on the settlement website.

Class Period

January 1, 2007 through November 18, 2024

Filing Deadline

The claim filing deadline was **April 17, 2025**. This deadline has passed. The settlement website does not indicate whether late claims are being accepted. FRS should confirm with the Settlement Administrator whether any accommodation is available for late filers.

Who Qualifies

The Settlement Class includes **all individuals and entities** in the United States and its territories who, at any point between January 1, 2007 and November 18, 2024:

- Paid, in whole or in part, for one or more prescription drugs from Walgreens, **and**
- Used prescription insurance benefits when filling those prescriptions

This includes:

- **Individual consumers** who paid out-of-pocket cost-sharing amounts (copays, coinsurance, deductibles) when using insurance at Walgreens
- **Third party payors (TPPs)** — health insurers, self-funded benefit plans, and other entities that paid for prescription drugs on behalf of their employees or beneficiaries at Walgreens

Documentation requirements by claimant type:

- *Unknown Individual Claimants* (any amount) and *Known Individual Claimants* claiming **$10,000 or more**: must submit supporting documentation identifying payments to Walgreens for eligible purchases.
- *Known Individual Claimants* claiming less than $10,000: may self-estimate their payment tier ($1–$500, $501–$1,000, $1,001–$5,000, $5,001–$9,999, or $10,000+).
- *TPP Claimants*: must submit supporting documentation sufficient to identify the amount paid, directly or indirectly, for eligible prescription drug purchases of their employees/beneficiaries.

Who Is Excluded

- Walgreens, its management, affiliates, and employees of Walgreens and its affiliates
- The Court, members of their immediate families, and judicial staff (but not immediate family members of judicial staff)
- All pharmacy benefit managers (PBMs)
- Individuals who paid for *all* of their Walgreens prescriptions during the class period **without** using insurance benefits
- Federal and state government entities, *except* government-funded employee benefit plans
- All individuals and entities (except named plaintiffs) who have sued, filed an arbitration demand, or participated in a prior settlement against Walgreens relating to usual and customary pricing in connection with the Prescription Savings Club — *unless* they voluntarily dismissed their claims without prejudice

How to File

The April 17, 2025 filing deadline has passed. The following steps describe the filing process as it was available prior to the deadline:

- **Step 1:** Visit the settlement website at www.SavingsClubSettlement.com and navigate to the "File a Claim" page.
- **Step 2:** Complete and sign the Claim Form. For Individual Claimants, estimate your total out-of-pocket payments for eligible Walgreens prescriptions using the prescribed tiers ($1–$500, $501–$1,000, $1,001–$5,000, $5,001–$9,999, or $10,000+).
- **Step 3 (if applicable):** Attach supporting documentation if you are an Unknown Individual Claimant, a Known

Individual Claimant claiming $10,000 or more, or a TPP Claimant.
- **Step 4:** Submit the completed Claim Form by the deadline (April 17, 2025).

For questions, contact the Settlement Administrator at **1-877-888-8386** or through the Contact Information page on the settlement website.

Defendants

- **Walgreen Co.** — The defendant is alleged to have systematically failed to include the discounted prices available through its Prescription Savings Club when calculating and reporting its "usual and customary" (U&C) drug prices for prescription reimbursement. Because insurers and TPPs use U&C prices as a benchmark for reimbursement, this practice allegedly resulted in overpayments by both insured individuals and third party payors. Walgreens denies all wrongdoing and maintains it correctly reported its U&C prices.

Case History

- **2017:** Complaint filed — *Russo, et al. v. Walgreen Co.*, No. 1:17-cv-02246, in the U.S. District Court for the Northern District of Illinois (Judge Edmond E. Chang).
- **January 1, 2007:** Start of the alleged class period.
- **November 18, 2024:** End of the class period.
- **Prior to September 10, 2025:** Court granted Preliminary Approval of the proposed Settlement; Preliminary Approval Order issued.
- **March 18, 2025:** Deadlines for opt-outs and objections.
- **April 17, 2025:** Claim filing deadline (as subsequently amended per "Order Amending Claim Filing Deadline" listed in Court Documents).
- **September 10, 2025:** Fairness Hearing scheduled before Judge Edmond E. Chang, U.S. District Court, Northern District of Illinois, 219 South Dearborn Street, Chicago, IL 60604.
- **March 31, 2026:** Court entered Judgment approving the settlement (Final Approval Order issued). Settlement Administrator began processing claims.
- **September 24, 2026:** Settlement Administrator announced completion of initial claims evaluation; deficiency letters being sent to claimants with missing information. Distribution expected to follow approximately eight weeks after responses are received and processed, subject to Court approval.

Source

- www.SavingsClubSettlement.com — Home Page
- www.SavingsClubSettlement.com — Court Documents Page

Last Updated

2026-09-25

Reviewer Flags

- **Changes from previous version:**
  - **Announcements section updated:** The previous announcement (March 31, 2026 — Final Judgment Entered) has been retained but reordered below the new lead announcement. A new announcement dated **September 24, 2026** has been added to reflect the Settlement Administrator's update that initial claims evaluation is complete, deficiency letters are being sent, and the process is expected to take approximately eight weeks before distribution begins (subject to Court approval). This was the primary change on both source pages.

    - **Summary paragraph updated:** The final sentence was revised to reflect that deficiency letters are now being sent, consistent with the September 24, 2026 announcement.
    - **Case History updated:** A new entry dated **September 24, 2026** was added reflecting the deficiency letter process and anticipated distribution timeline.
    - **Last Updated date changed:** Updated from 2026-09-22 to 2026-09-25.
- **Source mapping:**
    - The September 24, 2026 announcement appeared identically on both the **Home Page** and the **Court Documents Page** as a banner update.
    - All other substantive settlement information was unchanged from the prior version and was originally drawn from the **Home Page**.
    - The Court Documents page continues to list all documents through the Final Approval Order; no new documents were added since the prior version.
- **Ongoing flag — payment timing:** The September 24, 2026 update provides a rough timeline (approximately eight weeks for deficiency response processing) but no specific payment date. Distribution remains subject to Court approval. FRS should continue monitoring the settlement website for a formal distribution announcement.
- **Ongoing flag — per-claimant recovery amount:** Not published on the settlement website. The Plan of Allocation is available as a Court Document PDF. FRS may wish to review it for distribution methodology.
- **Ongoing flag — late claims:** The settlement website still does not address whether late claims are being accepted. FRS should confirm with the Settlement Administrator if any clients missed the April 17, 2025 deadline.
- **Ongoing flag — settlement website URL:** The exact full URL was not explicitly stated in the provided page content beyond "www.SavingsClubSettlement.com." Confirm the precise URL if needed.