

Opioid Settlement

May 2023

Presented by: James Eagler, CRS

Franklin/Fulton Drug and Alcohol Administrator

Overview (table of contents)

- History of the settlement
- Funding breakdown
- PA specific funding breakdown
- Franklin County specific funding breakdown
- Eligible use of funds (Exhibit E)
- Recommendations for spending



Key Dates

- 9/30/21: Distributors paid initial payment into escrow
- 4/2/22: Settlement becomes effective and distributors' first payment released from escrow
- 7/1/22: Johnson & Johnson makes first payment
- 7/15/22: Distributors and Johnson & Johnson make second payment



Lawsuit Overview

- Over 3,000 state and local governments have participated in the lawsuit targeting opioid manufacturers
 and distributors
- The goal was to recoup tax dollars that were spent due to the opioid epidemic they were found in part to be responsible for.
- On 7/21/2021 an agreement was made with Johnson & Johnson (a manufacturer of opioids) and three
 major pharmaceutical distributors (Amerisource Bergen, Cardinal Health, and McKesson)
 - They agreed to pay a total of \$26 Billion Dollars to be distributed to all the local/state governments participating in the lawsuit over an 18 year period.
 - They also agreed to change practices and procedures to increase the safety of distribution of opioid medications.



Funding Overview

- Total funding distributed was determined based on the degree of contribution of state and local governments that did and did not participate in the lawsuit.
- The majority of funds are expected to be spent on Opioid Treatment and Prevention
- Each State's allocation is determined and agreed upon by the states and considers the impact of the opioid crisis including the number of overdose deaths, number of residents with an SUD, the state's population, and the amount of opioids delivered to the state.



Johnson and Johnson

Opioid Manufacturer

- Paying a total of \$5 billion over 9 years, up to 3.7 billion of that will be paid during the first 3 year
- 10 year agreement will result in court order requirements:
 - Stop selling opioids
 - Cannot fund/provide funding to third parties for promoting opioids
 - Cannot lobby for activities related to opioids
 - Unable to share clinical trial data under the Yale University Open Data Access Project



McKesson, Cardinal Health and AmerisourceBergen

Opioid Distributors

- Paying total of \$21 Billion over 18 years
- 10 year court order requires:
 - Must establish a system of data collection that reports on where the drugs are going and how often to increase transparency in the current systems being used.
 - Use data- driven systems to detect suspicious opioid related orders of customer pharmacies
 - Terminate customer pharmacies ability to receive shipments if they demonstrate suspicious activities.
 - Prohibit shipping of and report suspicious opioid orders
 - Prohibit sales staff from influencing decisions related to identifying suspicious opioid orders
 - Require senior corporate officials to engage in regular oversight of anti-diversion efforts



Pennsylvania Allocation

- The maximum combined total for PA is \$1,070,609,642
 - This total includes money from both distributors and manufacturers
 - Allocation for states were determined based on:
 - % of opioid shipments in the state
 - % of population with pain reliever use disorder in the state
 - % of overdose deaths in the state
 - % of US population in the state



PA Allocation Breakdown

Amounts provided to each county is determined based on:

- 70% going to counties based on the combined number of overdose deaths, opioid
 use disorder hospitalizations, naloxone administrations, and % of opioid shipments
 occurring in that county.
- 15% will be given to litigating counties, subdivisions, DAs and special districts
- 15% will be appropriated by the legislature



Eligible Use of Funds (Exhibit E)

- Expand/Support Use of Naloxone & MAT
- Treatment/Screening for Pregnant/Postpartum Women + NAS Babies
- Warm Hand-Offs
- Prevent Misuse of OpioidsData Collection & Research
- Support People in RecoveryPrevention/Education

- Treat Opioid Use Disorder
- Connections to Care
- Address the needs of Criminal Justice-Involved Persons
- Harm Reduction Strategies
- Supporting First Responders
- Planning/Coordination
- Training



Opioid Settlement Committee

- Prevention
- DA/Prosecuting Office
- 1st Responder
- Recovery House/Women with Children/Opioid Use Disorder
- Children and Youth Services
- Treatment Provider
- Person in recovery/Re-Entry involvement/Opioid Use Disorder
- Coroner Office
- Medicine/Addiction Specialist
- Mental Health/Intellectual & Developmental Disabilities/Early Intervention
- Courts/Adult Probation



Developing Recommendations

- Four Virtual Meetings (March 13th, March 20th, March 27th, and April 4th)
- Meetings one hour in length
- Open Discussion
- Surveys (Exhibit E Core Strategies and Approved Uses)
- Questionnaires (Identify Specific Needs within Franklin County)
- Polling



Identifying Priorities

- Single County Authority 2021 Treatment Needs Assessment
- Single County Authority Prevention Needs Assessment
- Franklin County Overdose Task Force Strategic Plan
- Franklin Together Reentry Coalition Strategic Plan
- Franklin County Criminal Justice Advisory Board Strategic Plan
- Criminal Justice Advisory Board Behavioral Health Work Group Priorities
- Chambersburg Cares Coalition Priorities



Priorities Identified by the Committee

- Prevention Efforts
- Recovery/Treatment Related Supports
- Community Harm Reduction/Naloxone Distribution
- Pregnant Women/Women with Children



Prevention Efforts (75k/15%)

- Family-Based Services for Children and Caregivers Affected by Opioid Use Disorder/Co-Occurring Disorders
- Evidence Based Prevention Programs at a wide range of youth-serving organizations and Community Based Organizations
- School-Based Efforts (Cognitive-Behavioral Evidence Based Prevention Programs)
- Evidence Based Interventions preventing Substance/Opioid Use in Youth



Recovery/Treatment Related Supports (275k/55%)

- Recovery Oriented Systems of Care (ROSC) Specialist
- Post Overdose Response Team
- Expand Department of Drug and Alcohol Programs Licensed Recovery Housing
- Transportation
- Recovery Community Organization/Recovery Infrastructure



Community Harm Reduction/Naloxone Distribution (50k/10%)

- Support Evidence-Based Harm Reduction Strategies at Recovery/Community Based Organizations.
- Leave Behind Kits/1st Responder Interventions
- Naloxone Education/Training of 1st Responders and Community-Based Organizations
- Harm Reduction Kits for Healthcare Provider Distribution



Pregnant Women and Women with Children (50k/10%)

- Eat, Sleep, Console Model (ESC). Evidence-Based Practice for Neonatal Abstinence Syndrome (NAS) infants
- Home-Based Wrap Around services
- Child Care at Outpatient or Recovery Support setting
- Early Intervention programming (HealthCare, Community Based Organizations)
- Specific Recovery/Supportive Housing for Women with Children
- Emergency Housing funding
- Funds for Women with Children basic needs (furniture, car seats, etc.)
- Parent support/mentoring groups for reunification efforts



Funds to support Data Collection and Research: (50k/10%)

- Guide future spending of Opioid Settlement Dollars
- Creation of Annual Reports
- Data Gathering and Analysis
- Accountability
- Evaluation
- Transparency

