



Analysis & Briefing Sheet

Topic: Opioid Settlement Funds

Date: September 14, 2023

Issue Summary: In 2021, settlements resolved opioid litigation against the nation’s three largest distributors and against manufacturer Johnson & Johnson. In late 2022, agreements were announced with three pharmacy chains—CVS, Walgreens, and Walmart—and two manufacturers—Allergan and Teva. Under the National Settlements, **at least 85% of the funds (known as “restricted use funds”) going directly to participating states and subdivisions must be used for abatement of the opioid epidemic.** To date, the County has received \$1,750,424.80 from the trusts setup by these corporations. Of that total, \$1,080,348.80 was provided directly to the County from the trusts and \$670,076 was disbursed to the County by OASAS from the State-level settlement. The timeframe of payments differ; some companies are providing one-time payments, some over several years. One will pay out over the next 16 years. We continue to await the results of additional settlements, especially from Purdue Pharma, which is likely to be the single largest payout of all. Our current total anticipated from settlements already resolved (not including Purdue, et al) is approximately \$7.9million.

Approved Uses: Each settlement includes a ~12 page list of approved uses of settlement funds. A chart with the complete list of categories of approved uses is included below. Expenditures in support of law enforcement operations are not included in the “restricted use” category of all settlements. Of funds received so far, \$748,742.47 may be utilized by law enforcement and considered “restricted use.”

Treatment Categories	Prevention Categories	Other Categories
<ul style="list-style-type: none"> • Treat Opioid Use Disorder • Support People in Treatment and Recovery <ul style="list-style-type: none"> • Connect people to the help they need • Address needs of criminal-justice involved persons • Address needs of pregnant/parenting women and their families, including babies with NAS 	<ul style="list-style-type: none"> • Prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids • Prevent misuse of opioids • Prevent overdose deaths and other harms 	<ul style="list-style-type: none"> • First Responders • Leadership, Planning, Coordination <ul style="list-style-type: none"> • Training • Research • Post-mortem

(NOTE: Some, but not all settlements authorize spending on law enforcement, and this support was NOT authorized by OASAS)

2022-23 Opioid Settlement Budget Chronology: The conceptual work behind the county’s first opioid settlement fund budget started at a Drug Task Force Pillar meeting in September 2021. Inputs were sought over the next several months from all pillar leads and members of the community, including at a well-attended public meeting covered by the *Sullivan County Democrat* and other local news outlets on March 25, 2022. A system was developed with 10 different grading criteria to prioritize projects, and a **list of 18 funding requests was ultimately submitted to the Legislature and approved unanimously on June 16, 2022.** The complete list of requests and a summary status of each follows. It is important to note that funds not utilized are *not* subject to recovery by the State or Federal government because they are not appropriated to Sullivan County by higher level authority; expenditures of these funds are at the discretion of the County Legislature. The following authorizations were made for a 12-month period in an effort to ensure timely expenditure. Recommendations to re-authorize funding are included where applicable.

Drug Task Force Manpower, Training, and Equipment (\$165k authorized)	Funded up to \$50k for grant writing services that are ongoing and \$2,200 for Community Services Employee Stipend. Recommend reauthorize \$50k
Expand support for pre-arrest diversion (\$30k)	Program implemented by Hope Not Handcuffs. County has not provided funds due to ongoing policy/legal review. Recommend reauthorize
DV/Human Trafficking Victim Support (\$36k)	Cost absorbed into DSS budget due to savings in other areas
K-12 Health Education in School Districts (\$25k)	Program conducted, County has not provided funds due to ongoing policy/legal review of contract Recommend reauthorize
LCSW/LMSW/CASAC Education Assistance Fund (\$68k)	Advised license renewals would not be funded because they are a condition of employment; no further action taken.
Marketing to Support Prevention and Treatment (\$50k)	Utilized to support community NARCAN training, directly resulted in more than 200 persons trained Recommend reauthorize remaining balance