
OPIOID SETTLEMENT

101



MULTIPLE SETTLEMENTS

- Three lawsuits, so three potential pots of money:
 - Janssen (Johnson & Johnson Pharma) and Big 3 Distributors (Cardinal, McKesson, and Amerisource Bergen) Settlements
 - Purdue Pharma Bankruptcy
 - Mallinckrodt Bankruptcy
- Only the Janssen and Distributors settlements have been finalized.
- This is the only pot that will be discussed in this presentation.

DISTRIBUTOR AND JANSSEN SETTLEMENTS

- Utah will receive a total of \$267 million over 18 years.
- Half of the settlement funds will go to the state; the other half will go to the participating counties (all except Grand and San Juan).
- Participating counties had to sign an MOU to enter into this agreement by releasing claims and dismissing their lawsuits.
- Payments will begin in the middle of 2022.
- The payment for each county is based on a formula that includes population and impact of opioids.

COUNTY ALLOCATIONS

County	Allocation Percentage
Beaver	0.2289%
Box Elder	1.4724%
Cache	2.6640%
Carbon	2.7334%
Daggett	0.0278%
Davis	8.7437%
Duchesne	0.6445%
Emery	0.9428%
Garfield	0.1478%
Grand	0%

County	Allocation Percentage
Iron	1.6309%
Juab	0.3538%
Kane	0.4413%
Millard	0.3571%
Morgan	0.2172%
Piute	0.0225%
Rich	0.0613%
Salt Lake	42.5064%
San Juan	0%
Sanpete	1.0185%

County	Allocation Percentage
Sevier	0.6651%
Summit	0.9488%
Tooele	2.2457%
Uintah	0.8710%
Utah	15.5114%
Wasatch	0.6040%
Washington	4.8923%
Wayne	0.1098%
Weber	9.9376%

PAYMENTS OVER TIME

Date	Distributor Payment	Janssen Payment	Total	Counties' Share
July 2022	\$9,423,720.73	\$3,608,968.35	\$13,032,707.07	\$6,516,353.54
July 2022	\$9,903,871.07	\$8,280,972.02	\$18,184,843.10	\$9,092,421.55
July 2023	\$9,613,989.19	\$6,303,682.15	\$15,917,671.34	\$7,958,835.67
July 2024	\$12,053,747.79	\$9,270,595.73	\$21,324,343.52	\$10,662,171.76
July 2025	\$12,053,747.79	\$10,257,611.66	\$22,311,359.44	\$11,155,679.72
July 2026	\$12,071,609.87	\$1,872,929.95	\$13,944,539.82	\$6,972,269.91
July 2027	\$12,071,609.87	\$1,872,929.93	\$13,944,539.81	\$6,972,269.90
July 2028	\$14,290,233.64	\$1,872,929.91	\$16,163,163.55	\$8,081,581.78
July 2029	\$14,290,233.64	\$2,377,969.10	\$16,668,202.74	\$8,334,101.37
July 2030	\$14,290,233.64	\$2,377,969.11	\$16,668,202.76	\$8,334,101.38

PAYMENTS OVER TIME

Date	Distributor Payment	Janssen Payment	Total	Counties' Share
July 2031	\$12,015,230.77	\$2,377,969.10	\$14,393,199.87	\$7,196,599.93
July 2032	\$12,015,230.77	\$0	\$12,015,230.77	\$6,007,615.38
July 2033	\$12,015,230.77	\$0	\$12,015,230.77	\$6,007,615.38
July 2034	\$12,015,230.77	\$0	\$12,015,230.77	\$6,007,615.38
July 2035	\$12,015,230.77	\$0	\$12,015,230.77	\$6,007,615.38
July 2036	\$12,015,230.77	\$0	\$12,015,230.77	\$6,007,615.38
July 2037	\$12,015,230.77	\$0	\$12,015,230.77	\$6,007,615.38
July 2038	\$12,015,230.77	\$0	\$12,015,230.77	\$6,007,615.38
Total	\$216,184,843.39	\$50,474,545.00	\$266,659,388.40	\$133,329,694.20



Individual county payouts can be found on the UAC Website.

HOW WILL MONEY COME TO THE COUNTIES?

- “The...Local Governments’ share shall be distributed by the National Settlement Fund Administrator directly to each settling county.”
- The National Settlement Fund Administrator = BrownGreer PLC
- The money will go to whatever account you direct BrownGreer to put it into.
- Counties can combine their funds with surrounding counties or municipalities to provide combined services in the region.

WHAT CAN OPIOID SETTLEMENT FUNDS BE USED FOR? PRIORITIES (FROM SCHEDULE A OF MOU):

- Naloxone or other FDA-approved drugs to reverse opioid overdoses
 - Expand training and increase distribution
- Medication-Assisted Treatment (MAT) Distribution
 - Provide education and awareness training to first responders
 - Provide treatment and recovery support services
- Pregnant & Postpartum Women
 - Expand screening, intervention, and referral to treatment to non-Medicaid eligible pregnant women
 - Expand treatment and comprehensive wrap-around services
- Expanding Treatment for Neonatal Abstinence Syndrome
- Expansion of Warm Hand-Off Programs and Recovery Services
 - Broaden scope of recovery services to include co-occurring substance use or mental health conditions
 - Hire additional behavioral health workers to facilitate expansions

WHAT CAN OPIOID SETTLEMENT FUNDS BE USED FOR? PRIORITIES (FROM SCHEDULE A OF MOU):

- Treatment for Incarcerated Populations
 - Provide Medication-Assisted Treatment to those within and transitioning out of the criminal justice system
 - Increase funding for jails to provide treatment to inmates with opioid use disorder
- Prevention Programs
 - Funding for media campaigns, medical provider education, and prevention programs in schools
- Expanding Syringe Service Programs
 - Include more wrap-around services such as linkage to treatment and access to sterile syringes
- Evidence-Based Data Collection and Research Analyzing the Effectiveness of Abatement Strategies within the State

WHAT CAN OPIOID SETTLEMENT FUNDS BE USED FOR? BROADLY:

“Support treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder or Mental Health conditions through evidence-based or evidence-informed programs or strategies which include, but are not limited to, the following:”

WHAT CAN OPIOID SETTLEMENT FUNDS BE USED FOR? BROADLY (FROM SCHEDULE B OF MOU):

- Treat Opioid Use Disorder (OUD)
- Support People in Treatment and Recovery
- Connect People to Care
- Address the Needs of Criminal Justice-Involved Persons
- Address the Needs of Pregnant or Parenting Women and Their Families
- Prevent Over-Prescribing and Ensure Appropriate Prescribing and Dispensing of Opioids
- Prevent Misuse of Opioids
- Prevent Overdose Deaths and Other Harms
- First Responders
- Leadership, Planning, and Coordination
- Training
- Research

WHAT IS THE DIFFERENCE BETWEEN THE USES LISTED IN SCHEDULE A AND SCHEDULE B?

- “States and Qualifying Block Grantees shall choose from among the abatement strategies listed in Schedule B. However, priority shall be given to the following core abatement strategies (*Core Strategies*)”.
- Grantees are supposed to focus on Schedule A strategies, but they may also choose from Schedule B. Funds will not be taken back if used for strategies in Schedule B but not in Schedule A.

CAN FUNDS BE USED FOR OTHER BEHAVIORAL HEALTH SERVICES?

- Funds can be used for programs that will help other behavioral health issues as long as those programs also help in relief and treatment of opioid use disorder. For example, building a receiving center will help more than just those with OUD, but as long as the receiving center will help those with OUD, it is an allowable use of funds.
- Funds are NOT to be used for other behavioral health issues where OUD is not present, e.g. for solely mental health resources.
- Although money can be used to build a receiving center, once that receiving center is operational, it might be best to pay for the clients with OUD and other co-occurring behavioral health conditions by using the opioid litigation settlement funds and pay for the clients without OUD with other funds.
- Funds can be used to hire behavioral health workers as long as those workers help in giving services to those with OUD.

HOW DO LOCAL MENTAL HEALTH AUTHORITIES SUGGEST TO USE THE FUNDS?

- Medication Assisted Treatment Services in Jails
- Creation and funding of Receiving Centers, transport to Receiving Centers, and Mobile Crisis Outreach Teams
- Housing for people with opioid use disorder
- Prevention coalitions
- Recovery support programs
- Drug Courts

WHO GETS THE FINAL SAY IN HOW TO SPEND THE FUNDS?

- The county legislative body, i.e. the Council or Commission.
- But attorneys, law enforcement, and behavioral health professionals should provide input and help to guide the decision.

WHAT ARE THE REPORTING REQUIREMENTS?

- On or before May 30 of each year, participating counties must file a proposed plan detailing the anticipated use of and the amount of the settlement funds with the administrator.
- On or before June 30 of each year, participating counties must file an annual report detailing the use of settlement funds, including the amount of funds received, the allocation of the funds received (listing the recipient of a third party, the program funded, and disbursements), and the amounts disbursed on approved allocations.
- Each county must maintain records of expenditures of settlement funds and documents underlying those expenditures for at least the prior five years.
- Each year, each county must publish a report on its website detailing the amount of settlement funds received and the allocation of any distributions from their allocation for the preceding year.
- The defendants may also request opioid settlement fund disbursement records, but there is no need to share them with defendants unless asked.

FAQS

- Does the State have access to any of the county money?
 - No. Money is sent directly to counties.
- Does county money have to go to pay state attorneys?
 - No. *“No settling party local government settlement funds...shall be used for the payment of State attorney fees.”*
- How much will counties have to pay in attorneys fees?
 - No more than the amount set forth in their representation agreement or 15% of the settlement, whichever is the smaller amount.
- Do counties have to share their money with their cities and towns?
 - Only if they want to, unless their constituent municipalities entered into the settlement as well, in which case they must be included.
- Do counties have to use the entirety of the settlement funds each year, or can there be carry over?
 - There is no requirement to use all of the funds each year. Carry over is allowed.

WHAT HAPPENS IF WE DON'T USE THE FUNDS FOR THE ALLOWABLE USES?

- Each settling party (i.e., each county and the state) can object to the use of funds by another settling party (another county or the state) and request documentation of the use of funds. If the funds have been used on non-Approved Uses, the objecting party may obtain an injunction requiring the misusing party to return the misused funds.
- It is likely that the state will watch what counties are using the funds for and will bring injunctions as needed.
- Each participating county signed the MOU that included approved uses, so every participating county should be on board with those uses anyway.



QUESTIONS?

READ THE MOU POSTED ON THE UAC WEBSITE
OR CONTACT UAC STAFF.

