

Opioid Settlements Funds:

Overview and Requirements

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The City of Harrisonburg
Virginia

<https://www.harrisonburgva.gov/>

Background

- From 1999-2020, more than 564,000 people died from an overdose involving opioids in the U.S.
- Between 2007 and 2021, 14,548 Virginians died as a result of opioid overdoses
- States and localities sued opioid manufacturers, distributors, and other entities
- In 2022, Virginia and all 133 of its cities and counties signed an MOU for the opioid settlements

Opioid Settlements

- McKinsey
 - Consulting & Marketing company
 - ~\$13 million
- Distributors
 - McKesson, Cardinal Health, and AmerisourceBergen
 - \$21 billion national settlement
- Janssen Pharmaceutical
 - Opioid manufacturer
 - \$5 billion national settlement

Additional National Settlements

- Teva to pay up to \$3.34 billion over 13 years and to provide either \$1.2 billion of its generic version of the drug Narcan over 10 years or an agreed upon cash equivalent over 13 years;
- Allergan to pay up to \$2.02 billion over 7 years;
- CVS to pay up to \$4.90 billion over 10 years;
- Walgreens to pay up to \$5.52 billion over 15 years; and
- Walmart to pay up to \$2.74 billion in 2023, and all payments to be made within 6 years.

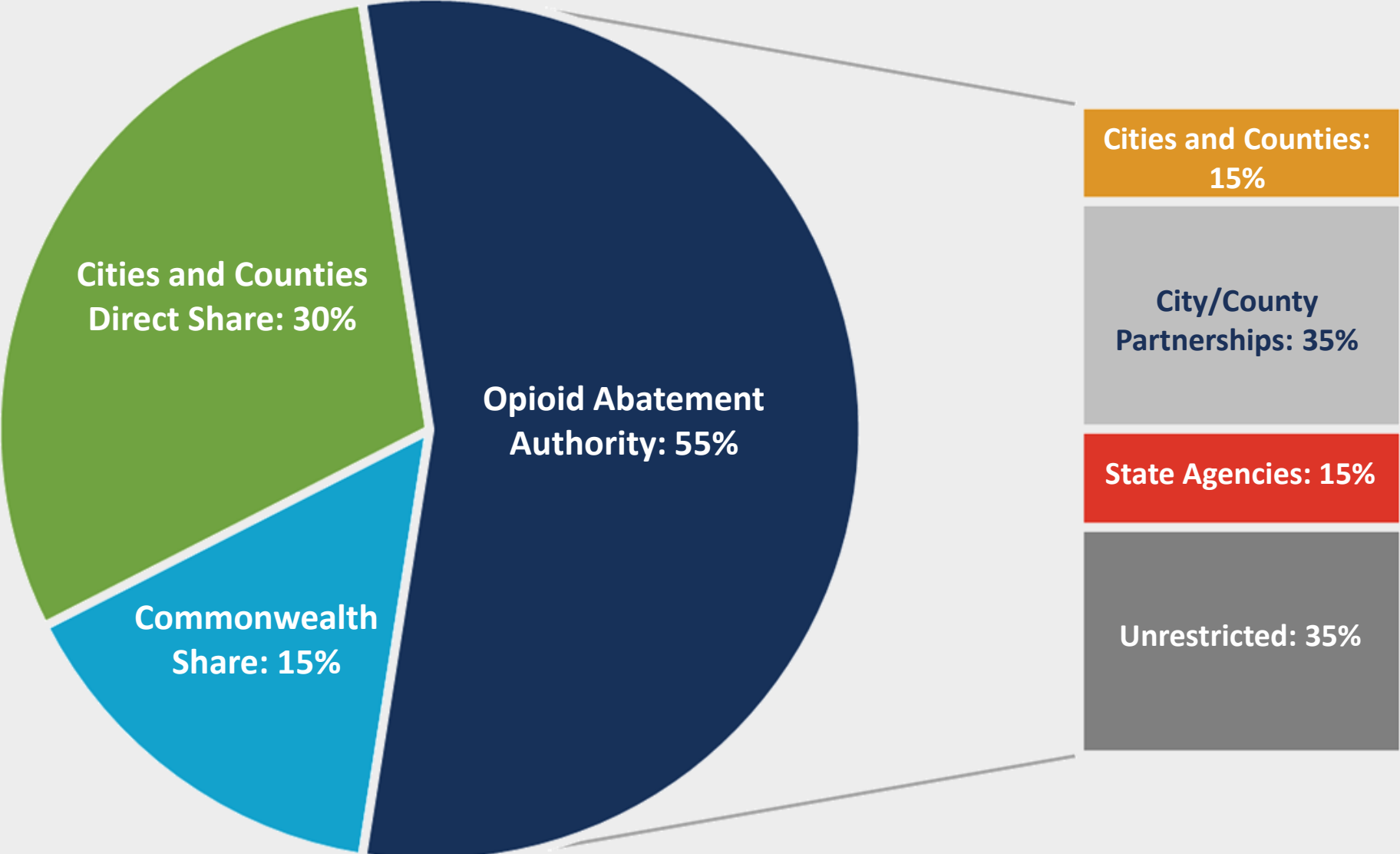
Abatement:

Efforts to treat, prevent, and reduce opioid use disorder and the misuse of opioids

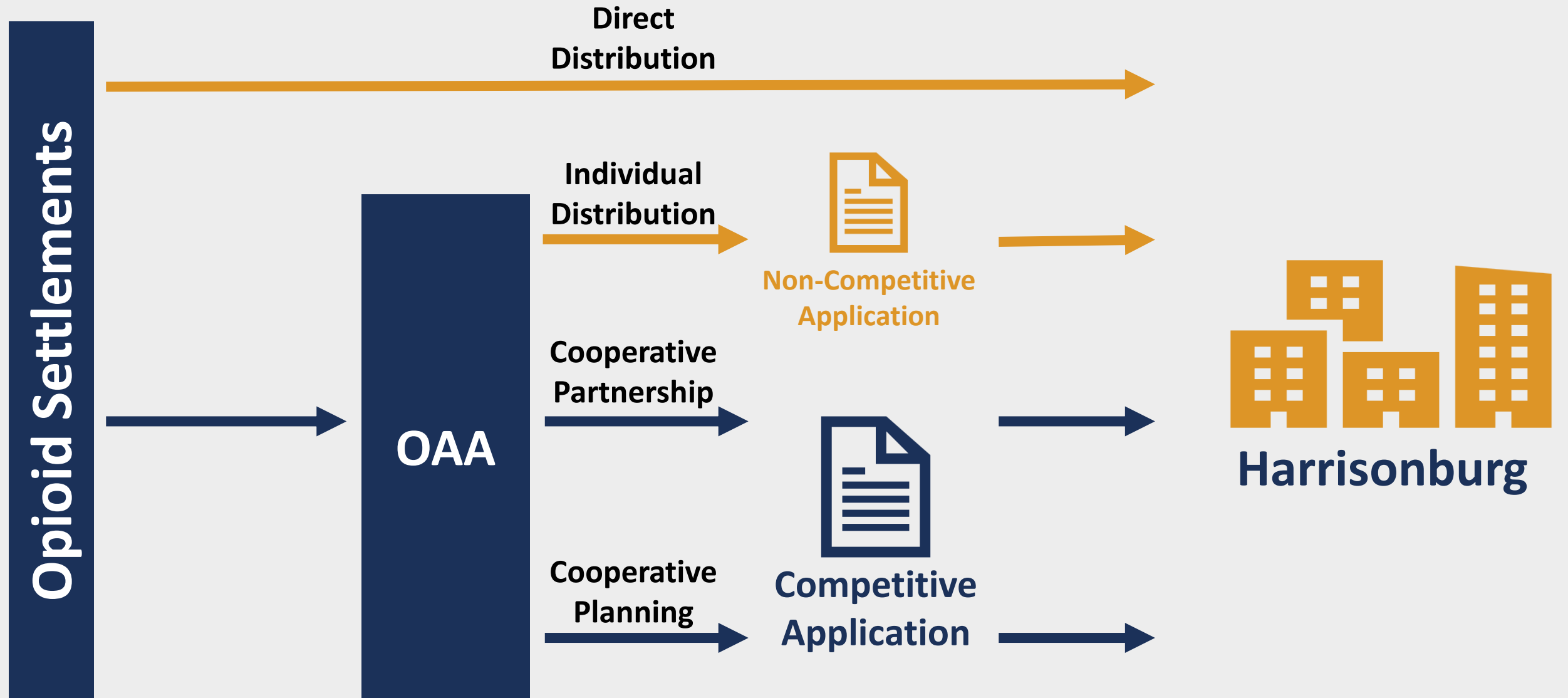
The Opioid Abatement Authority:

The OAA is an independent entity to abate and remediate the opioid epidemic in the Commonwealth through financial support ...in the form of grants, donations, or other assistance, for efforts to treat, prevent, and reduce opioid use disorder and the misuse of opioids in the Commonwealth.

Settlement Funds Distributed to VA



Funding Available to Harrisonburg



Direct Distribution

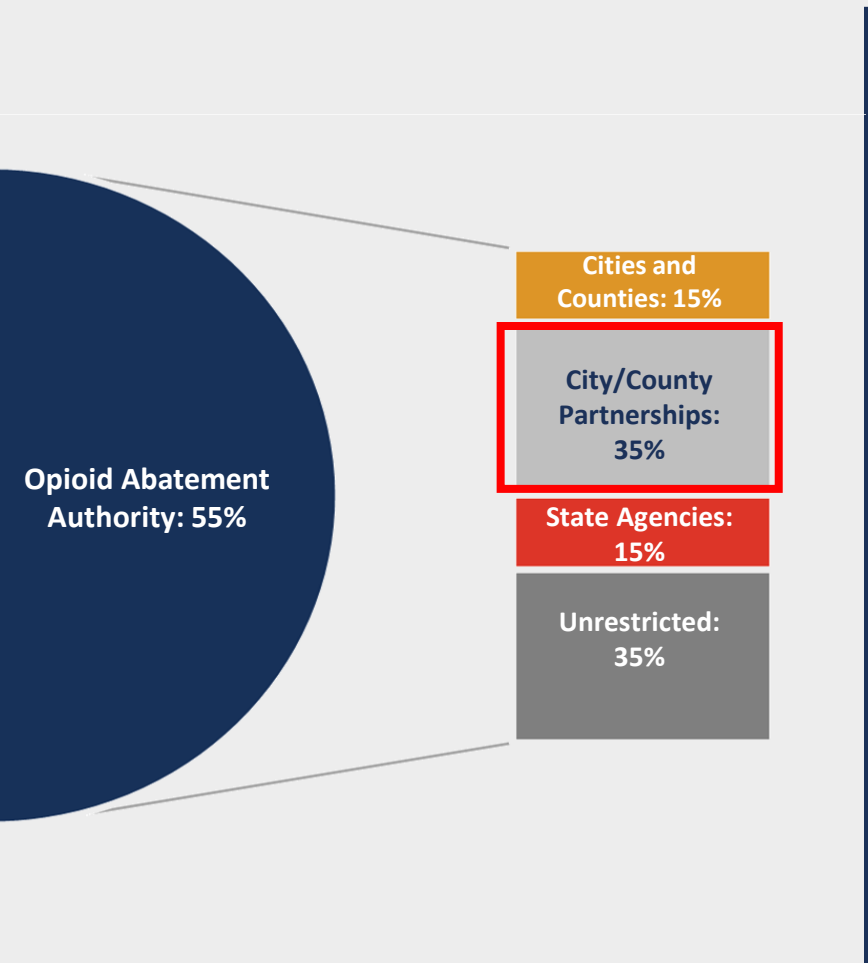
- Received directly from settlement

Individual(OAA) Distribution

- Must apply to OAA to receive
 - Closes May 5, 2023

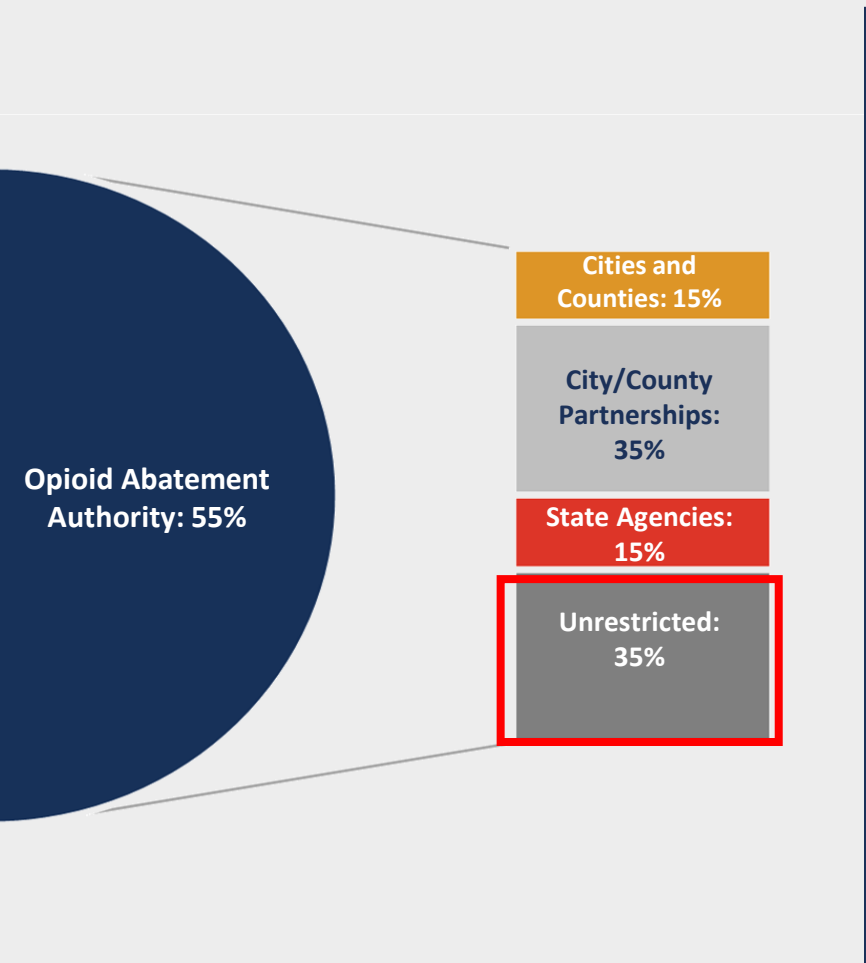
- 100% for abatement
- No supplanting, indirect, or prior costs
- Agree to OAA terms and conditions
- Financial and performance reporting

Cooperative Partnerships



- Localities may create Cooperative Partnerships of multiple cities/counties and apply for funding
- Funds will be allocated via equitable distribution model based on received applications
- Applications due May 5, 2023

Planning Grants for Cooperative Partnerships



- Localities may apply for planning grants
- Grant must result in a plan to implement an actionable abatement project for the participating localities
- Applications due May 5, 2023

Rules and Requirements

1. The City may only use Individual Distributions to fund efforts designed to treat, prevent, or reduce opioid use disorder or the misuse of opioids through evidence-based or evidence-informed methods, programs, or strategies.
2. The City may not use any of the funding to supplant funding of an existing program nor collect indirect costs.
3. The City must report to the Authority information on the implementation of programs and allow monitoring and review that may be required by the OAA.
4. The City must agree to certain base terms and conditions established by the OAA Board of Directors.

Harrisonburg City Settlement Funds
FY 2022-2039

Fiscal Year	Direct Distribution	OAA Individual Distribution
FY 2022	\$ 21,267.00	\$ -
FY 2023	\$ 112,966.00	\$ 60,896
FY 2024	\$ 22,351.00	\$ 10,244
FY 2025	\$ 27,975.00	\$ 12,821
FY 2026	\$ 27,975.00	\$ 12,821
FY 2027	\$ 32,269.00	\$ 14,790
FY 2028	\$ 32,269.00	\$ 14,790
FY 2029	\$ 37,196.00	\$ 17,049
FY 2030	\$ 38,369.00	\$ 17,586
FY 2031	\$ 38,369.00	\$ 17,586
FY 2032	\$ 33,124.00	\$ 15,182
FY 2033	\$ 27,657.00	\$ 12,676
FY 2034	\$ 27,657.00	\$ 12,676
FY 2035	\$ 27,657.00	\$ 12,676
FY 2036	\$ 27,657.00	\$ 12,676
FY 2037	\$ 27,657.00	\$ 12,676
FY 2038	\$ 27,657.00	\$ 12,676
FY 2039	\$ 27,657.00	\$ 12,676
Total	\$ 617,729.00	\$ 282,500.00

Recommendations

Potential Projects



1. Community Paramedic Program – requested \$40,000 annually
2. Opioid Abatement Through Early Identification – requested \$29,900 one-time
3. Crisis Stabilization Center (CITAC) – requested \$85,000 annually
4. Crisis Response Unit (CRU) – requested \$150,000 annually
5. Cross Systems Mapping – requested \$34,000 one-time



Recommendations

1. Direct Distribution funds
 - a. Community Paramedic Program – up to \$40,000 annually

2. Individual Distribution (OAA) Funds
 1. Crisis Response Unit (CRU) – \$39,264
 2. Crisis Stabilization Center (CITAC) – \$19,632

3. Cooperative Partnership funds (competitive)
 4. Crisis Response Unit (CRU)
 5. Crisis Stabilization Center (CITAC)

3. Planning Grants for Cooperative Partnership (competitive)
 - a. Cross Systems Mapping

Questions?