

# Opioid Settlement Funds: State and Local Perspectives

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# Opioid Settlements Overview

- The state of Michigan is slated to receive nearly \$776 million over 18 years from two settlements, Distributors (McKesson, Cardinal Health and AmerisourceBergen) and J&J
  - Tribal settlements are separate
- Fifty percent (50%) of the settlement amount will be sent directly to county and local governments
- Allocation percentages can be found in Exhibit A of the [Michigan State-Subdivision Agreement for Allocation of Distributor Settlement Agreement and Janssen Settlement Agreement](#)
- Exhibit E outlines allowable uses for settlement funds
- Distribution of funds is now underway

# Opioid Settlement Overview

- Subdivision sign-on will take place in March 14 – May 2 for
  - CVS
  - Walmart
  - Allergan
  - Teva
- Additional settlements are expected to take place
  - Purdue Pharma
  - Mallinckrodt PLC
  - Endo
- Distribution process, requirements on spending and reporting are expected to differ
- Tribal settlements are separate

# Opioid Remediation - Definition

- Care, treatment, and other programs and expenditures (including reimbursement for past such programs or expenditures except where this Agreement restricts the use of funds solely to future Opioid Remediation) designed to
  - (1) address the misuse and abuse of opioid products,
  - (2) treat or mitigate opioid use or related disorders, or
  - (3) mitigate other alleged effects of, including on those injured as a result of, the opioid epidemic.
- Exhibit E provides a non-exhaustive list of expenditures that qualify as being paid for Opioid Remediation. Qualifying expenditures may include reasonable related administrative expenses.
- \*70% of funds must be used for future opioid remediation

# MAC Settlement Tracking

Opioid Settlements - Overview									
Company	Year	National Total	Global Abatement Amount	Michigan Total	State Share	Subdivision Share	Maximum Number of Payments	Notes	Reporting Requirements
<b>TOTAL</b>			\$ 35,810,938,151.75	\$ 1,244,221,906.14	\$ 631,889,561.03	\$ 612,332,345.10			
<a href="#">Purdue</a>	2022	6.0B						TBD	
<a href="#">Mallinckrodt</a>	2022	1.7B						TBD	
<a href="#">Endo</a>	2022	450.0M						TBD	
<a href="#">Walgreens</a>	2022	5.0B						TBD	
<a href="#">CVS</a>	2022	4.9B	\$ 4,278,160,837.00	\$ 161,122,835.07	\$ 80,561,417.53	\$ 80,561,417.53	10	50/50 split between state and local governments; direct distribution to subdivisions	Through payment portal only
<a href="#">Allergan</a>	2022	2.4B	\$2,149,873,027.00	\$ 73,139,185.58	\$ 36,569,592.79	\$ 36,569,592.79	7	50/50 split between state and local governments; direct distribution to subdivisions	Through payment portal only
<a href="#">Teva</a>	2022	4.3B	\$3,611,561,762.00	\$ 122,866,179.82	\$ 61,433,089.91	\$ 61,433,089.91	13	50/50 split between state and local governments; direct distribution to subdivisions	Through payment portal only
<a href="#">Walmart</a>	2022	3.0B	\$ 2,393,794,118.64	\$ 91,241,366.44	\$ 45,620,683.22	\$ 45,620,683.22	1	50/50 split between state and local governments; direct distribution to subdivisions	Through payment portal only
<a href="#">J&amp;J (Janssen, Johnson &amp; Johnson)</a>	2022	5.0B	\$ 4,264,615,385.00	\$ 145,083,217.54	\$ 72,541,608.77	\$ 72,541,608.77	9	50/50 split between state and local governments; direct distribution to subdivisions	Through payment portal only
<a href="#">Distributors (AmerisourceBergen, Cardinal Health, McKesson)</a>	2022	21.0B	\$ 18,554,013,691.11	\$ 631,211,905.76	\$ 315,605,952.88	\$ 315,605,952.88	18	50/50 split between state and local governments; direct distribution to subdivisions	Through payment portal only
<a href="#">McKinsey &amp; Co.</a>	2021	573.0M	\$ 558,919,331.00	\$ 19,557,215.93	\$ 19,557,215.93	-	5	State received initial payment in 2021, payments occur in April	-

# Spending Principles

# Spending Principles – Johns Hopkins

- Spend money to save lives
- Use evidence to guide spending
- Invest in youth prevention
- Focus on racial equity
- Develop a fair and transparent process for deciding where to spend the funding

# Spending Principles - Harvard

- Cross-collaborative and integrative strategies
  - Understand the impacts of health disparities
- 1) **Supporting the full range of care, services, and support for people who use drugs and people with opioid dependence**
  - 2) **Rethinking prevention to address the underlying determinants of opioid use and dependence.**

# State Spending

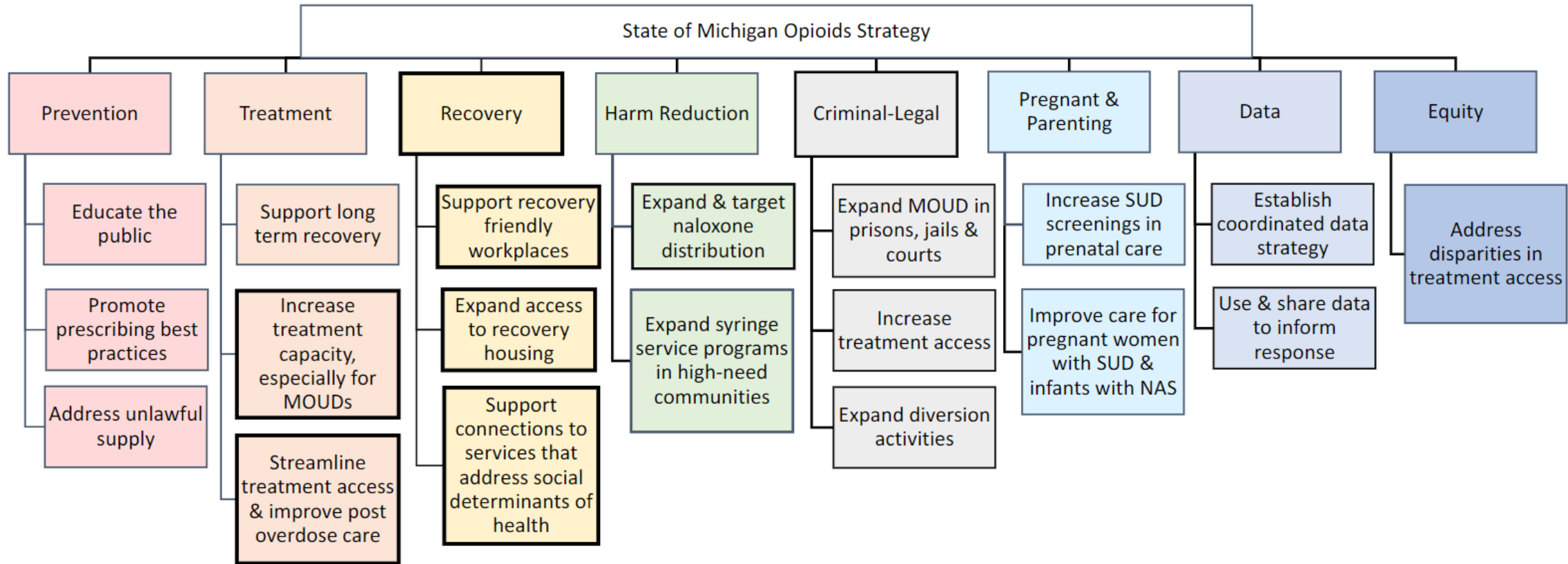
# Stakeholder Engagement

- Website
- Initiatives
- Support and technical assistance

# Community Survey

- Released by MDHHS to gauge community priorities for settlement funds
- 1,000 respondents with representation from 78 or 83 counties
- Offered in English, Spanish and Arabic
- Identified priorities:
  - 36%, **recovery support services**
  - 19%, **prevention programming**
  - 16%, **expanding access to medications to treat opioid use disorder (MOUD)**
- Prevention priority
  - **Evidence-based prevention programs in kindergarten through high schools (28%)**
- Harm reduction priority
  - **Expanding programming to divert and deflect individuals from the criminal-legal system (40%)**
- Treatment and recovery support services priority
  - **Residential and inpatient treatment programming (24%)**
- Population and community priority
  - **Assisting individuals with co-occurring mental health diagnoses and substance use disorders (41%)**

# Michigan Opioids Strategy - 2022





# Opioid Settlement FY23 Spend Plan Initiatives (\$39 million)

## Prevention

**FY23: \$4.5 million**

- Adverse Childhood Experiences (ACEs) initiatives.
- Awareness campaigns.
- Quick Response Teams.

## Treatment

**FY23: \$9.1 million**

- Staffing incentives.
- Infrastructure grants.
- Expanding capacity to treat stimulant and polysubstance use.

## Recovery

**FY23: \$7.6 million**

- Recovery Community Organization grants.
- Recovery housing.
- Additional recovery supports.

## Harm Reduction

**FY23: \$8.5 million**

- Naloxone Portal.
- Syringe Service Programs Operations.

## Other Initiatives

**FY23: \$9.3 million**

- Medications for opioid use disorder in prisons and jails.
- Overdose surveillance system improvements, maintenance, and rapid toxicology from medical examiners.
- High Touch High-Tech screening expansion for pregnant individuals.
- Rooming-In for infants born with Neonatal Abstinence Syndrome (NAS).
- Technical assistance to local governments on best practices.
- Projects related to opioids task force Racial Equity Workgroup.

# Treatment of Opioid Use Disorder

## What's been done?

### Increasing treatment access through the Healthy Michigan Plan

2014 Medicaid expansion has allowed for more individuals to receive SUD services.

### Removing Medicaid MOUD Prior Authorization

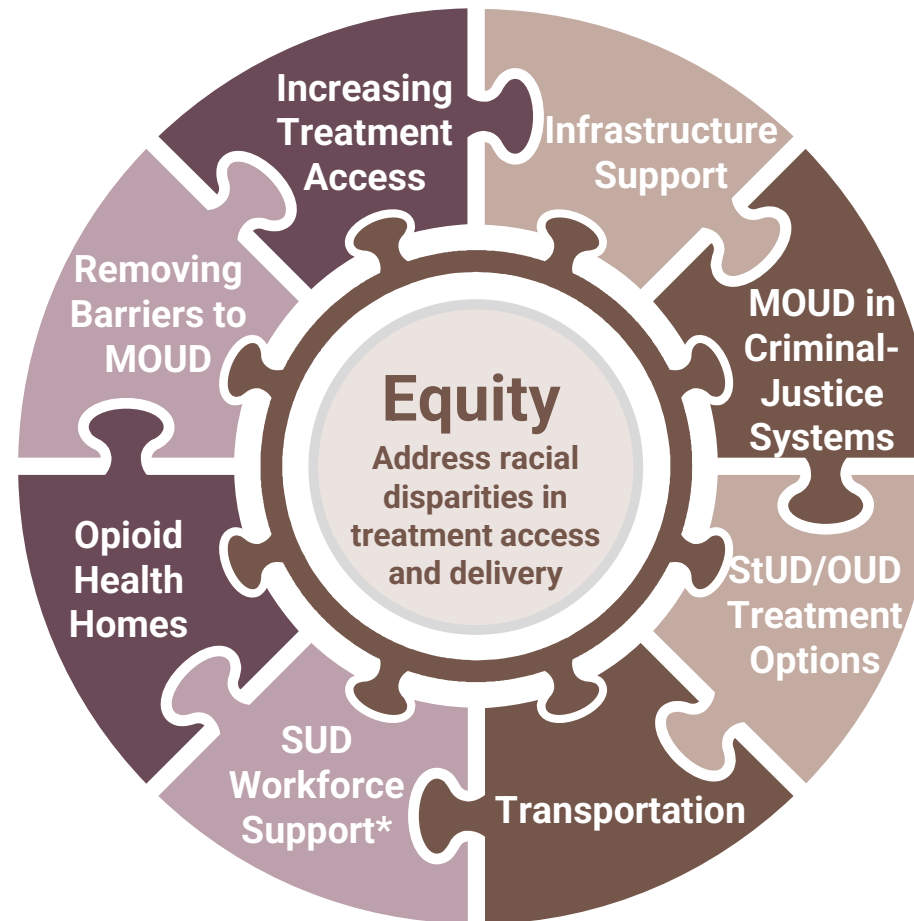
Removed a key barrier in prescribing MOUD and helped increase access and prevent treatment delays.

### Opioid Health Homes

Provide higher level of care management for qualifying individuals with OUD/Co-occurring Disorders.

### Support the SUD Workforce\*

Direct care wage increases, loan repayment programs for SUD professionals, and addiction fellowships implemented to support SUD workforce, **but more efforts needed under the Settlement to address continued workforce capacity challenges.**



## What's next?

### Provider infrastructure support

Enhancements and expansion of SUD providers physical infrastructure will increase capacity to serve clients needing services.

### MOUD in criminal justice systems

Expansion of MOUD treatment to jails and prisons can prevent overdose risk and build connections to community treatment for individuals post-release.

### Expansion of evidence-based treatment options for StUD & OUD

A rise in stimulant and polysubstance use has called for expansion of treatment options to include Contingency Management, the only evidence-based treatment for StUD.

### Transportation

Reliable transportation is a significant barrier to treatment access and retention and better options need to be supported.

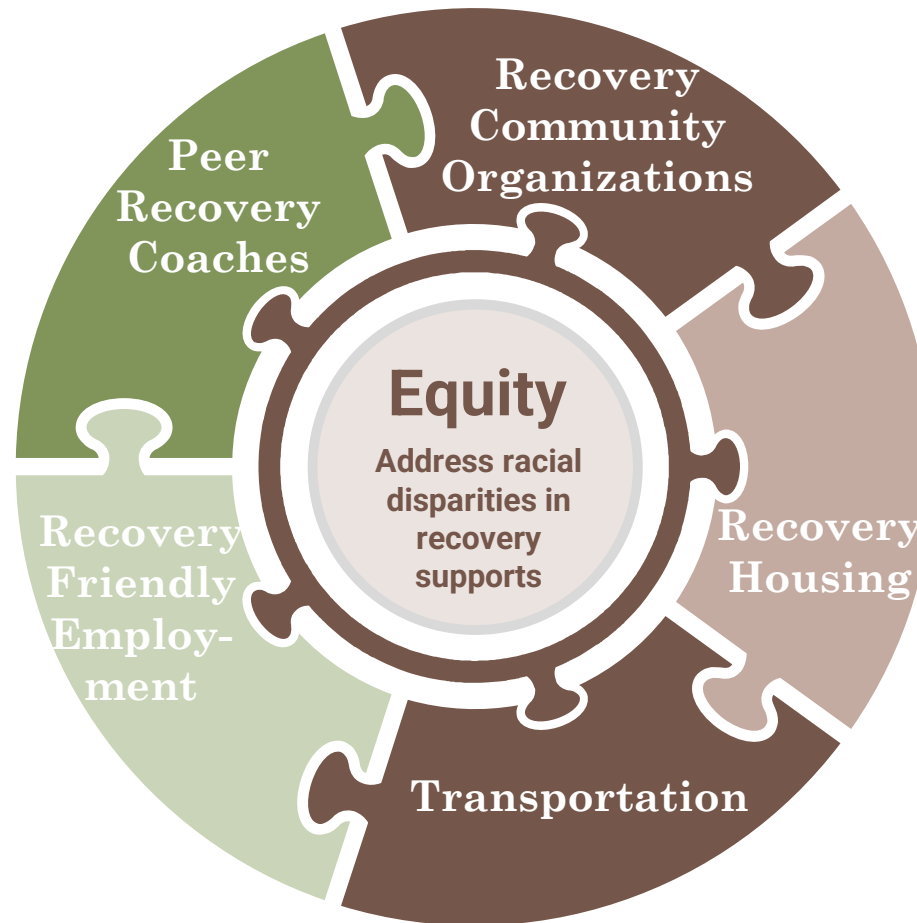
# Recovery from Opioid Use Disorder

## Peer Recovery Coaches

Provide outreach to individuals in a variety of settings with goal of engaging people not yet in treatment to connect them with services and support. Other peers work with clients in treatment and recovery.

## Recovery Friendly Employment/Workplace Supports

Education provided to employers to help them create a workplace culture that supports individuals in recovery.



## Recovery Community Organizations

Support community-based recovery supports and facilitate recovery in communities across the state.

## Recovery Housing

Recovery housing is a key support needed to maintain lasting recovery and funding needed to establish additional housing options across the state.

## Transportation

Reliable transportation is a significant barrier to accessing recovery supports and better options need to be supported.

# Prevent & Reduce Harms Related to Opioid Use/OD

## Naloxone Standing Orders

Standing Orders to authorize pharmacists to dispense Naloxone and organizations to purchase and distribute naloxone ensure public access to life-saving antidote.

## EMS Leave Behind Program

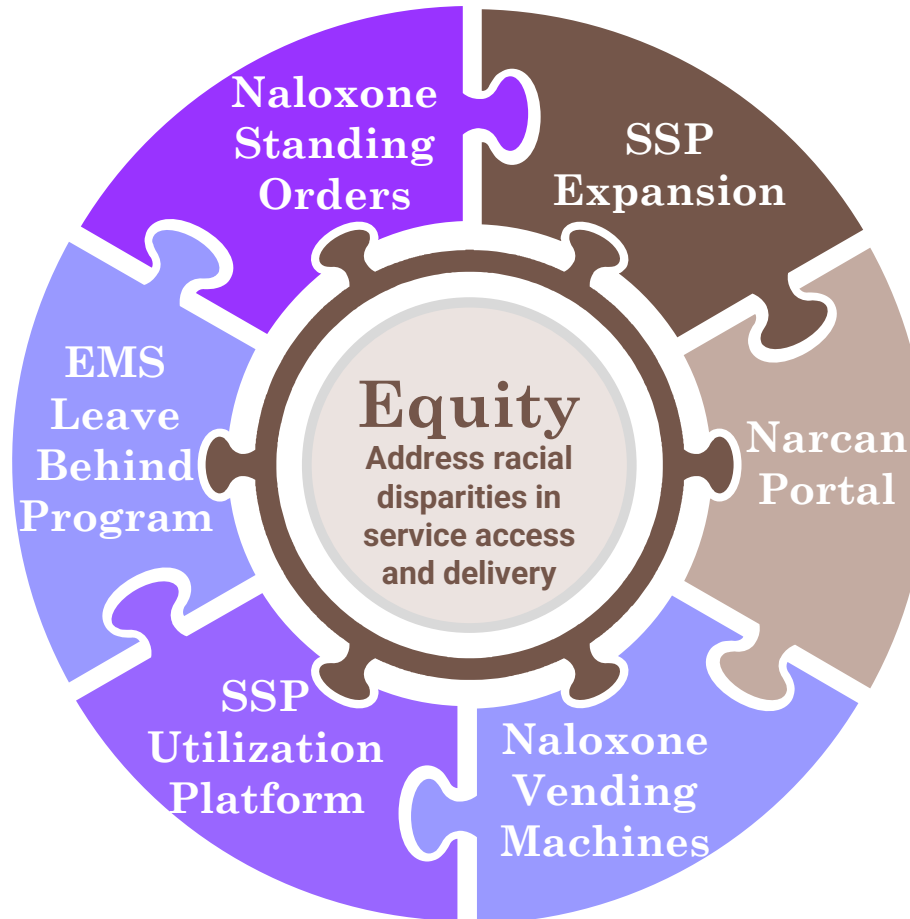
Allows first responders to leave behind naloxone kits with an individual or their family/friends at the scene of a nonfatal overdose.

## SSP Utilization Platform (SUP)

Launched in 2021 to all SSPs to allow for client-level data collection, while preserving client anonymity.

## Naloxone Vending Machines

Offer naloxone at 31 different locations across Michigan, including jail lobbies, for convenient access to those who need it.



## Syringe Service Program (SSP) Expansion

Reduce harms of substance use by building relationships and providing connections to vital services.

## Narcan Portal

Distributes intranasal naloxone kits to the field by mail at no-cost to the organization. Has distributed almost 400K kits since its launch in early 2020; Settlement funds will allow continued availability of the Portal.

# Recommended Steps for County Spending

# Stakeholder Engagement

- Utilize existing community resources to ensure that those with expertise are represented when planning for spending (health departments, prevention coalitions, harm reduction providers, behavioral health provider agencies, recovery support providers, etc.)
- Consider additional collaborators, such as surrounding counties and regional entities
- Ensure an equity lens, consider who is not at the table
- Ensure those with lived experience with substance use disorder and people who use drugs are engaged in the process

# Gather Information

- Review needs assessments, landscape analyses, gap inventories, reports, plans and other information from stakeholders
- Identify if additional information on community priorities needs to be gathered
- Determine the specific needs of your community, consider new and existing programming
- Utilize the [MAC Opioid Settlement Resource Center Resource Library](#) to explore principles and tracking, evidence-based and promising practices, statewide tools, local government tools, legal resources, equity resources, other toolkits and reports and additional opportunities for funding

# County-level Data

- [Michigan Overdose Data to Action Dashboard including Substance Use Vulnerability Index](#)
  - Data on overdose deaths, emergency department visits, emergency medical services (EMS) calls, access to resources such as syringe service programs and treatment
- [Michigan Department of Health and Human Services Opioids Webpage - EMS Responses](#)
  - “Public Use Dataset EMS Responses to Probable Opioid Overdose”, found under “Overdose Reports”
- [Michigan Substance Use Disorder Data Repository \(SUDDR\)](#) and [Data Visualizations](#)
  - Suspected fatal overdoses and emergency medical services naloxone administration data
- [University of Michigan Injury Prevention Center System for Opioid Overdose Surveillance \(SOS\)](#)
  - County-level data on overdose deaths, emergency department visits and emergency medical services (EMS) calls
- [Overdose Detection Mapping Application Program \(ODMAP\)](#)
  - Near real-time tracking of fatal and non-fatal overdoses and naloxone administration by public health and public safety
- [Wayne State University’s School of Social Work Center for Behavioral Health and Justice Dashboard](#)
  - Customizable dashboard that shows multiple topics including, behavioral health, public health, criminal justice, housing, demographic and other data

# Determine Process Moving Forward

- Identify where to start (multi-sector strategic planning, strategy selection, spending plan development, etc.)
- Determine where capacity to support spending is present and sustainability of funding and strategies
- Choose strategies that are allowable and align with the needs of your community and take into account sustainability due to polysubstance use and the changing overdose environment
- Ensure equity and lived experience are at the core of planning and design

# Reporting & Evaluation

- There are no comprehensive reporting requirements for the Distributors and J&J settlements. While additional reporting is not required, it is essential to provide transparency and accountability for the spending process.
- It is recommended that local governments create annual financial and impact reports. These reports may include the amount of funds spent, strategies and programs funded, impact of programs funded, process of strategy selection and dollar amount determinations, and other relevant information.
- Evaluation of the outcomes and effectiveness of funding and programming should also be considered

# Allowable Uses of Funds

# Exhibit E Overview – Core Strategies

- Settlements outline specific strategies for utilization of funds, including:
  - Core Strategies:
    - Naloxone or other FDA-approved drug to reverse opioid overdoses
    - Medication-assisted Treatment (MAT) distribution and other opioid-related treatment
    - Address needs of pregnant and postpartum women
    - Expanding treatment for Neonatal Abstinence Syndrome (NAS)
    - Expansion of warm hand-off programs and recovery services
    - Treatment for incarcerated population
    - Prevention programs
    - Expanding syringe service programs
    - Evidence-based data collection and research analyzing the effectiveness of the abatement strategies within the state

# Exhibit E Overview – Approved Uses

- Approved Uses – Treatment:
  - Treat Opioid Use Disorder (OUD)
  - Support people in treatment and recovery
  - Connect people who need help to the help they need (connections to care)
  - Address the needs of criminal justice-involved persons
  - Address the needs of pregnant or parenting women and their families, including babies with NAS

# Exhibit E Overview – Approved Uses

- Approved Uses – Prevention:
  - Prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids
  - Prevent misuse of opioids
  - Prevent overdose deaths and other harms (harm reduction)

# Exhibit E Overview – Approved Uses

- Approved Uses – Other Strategies:
  - Support first responders
  - Leadership, planning and coordination
  - Training
  - Research

# Technical Assistance

# Current Resources

- [MAC Opioid Settlement Resource Center](#)
  - [MAC Opioid Settlement Resource Center Resource Library](#)
  - [MAC Settlement Tracking](#)
  - Templates for county use
    - Spending Plan Template [\(PDF\)](#) [\(Excel\)](#)
    - PowerPoint Presentation Template [\(PDF\)](#) [\(PowerPoint\)](#)
    - Annual Report Template [\(PDF\)](#) [\(Word\)](#)
- MAC and Vital Strategies
  - [Michigan Opioid Settlement Funds: A Guide for Local Spending](#)
- Opioid Advisory Commission [Annual Report](#)
- [National Association of Counties \(NACo\) Opioid Solutions Center](#)
- NACo and Johns Hopkins Bloomberg School of Public Health
  - [The Principles Quick Guide to Conducting a Needs Assessment](#)
- Michigan Department of Health and Human Services (MDHHS)
  - [2023 Opioid Settlement Spend Plan](#)

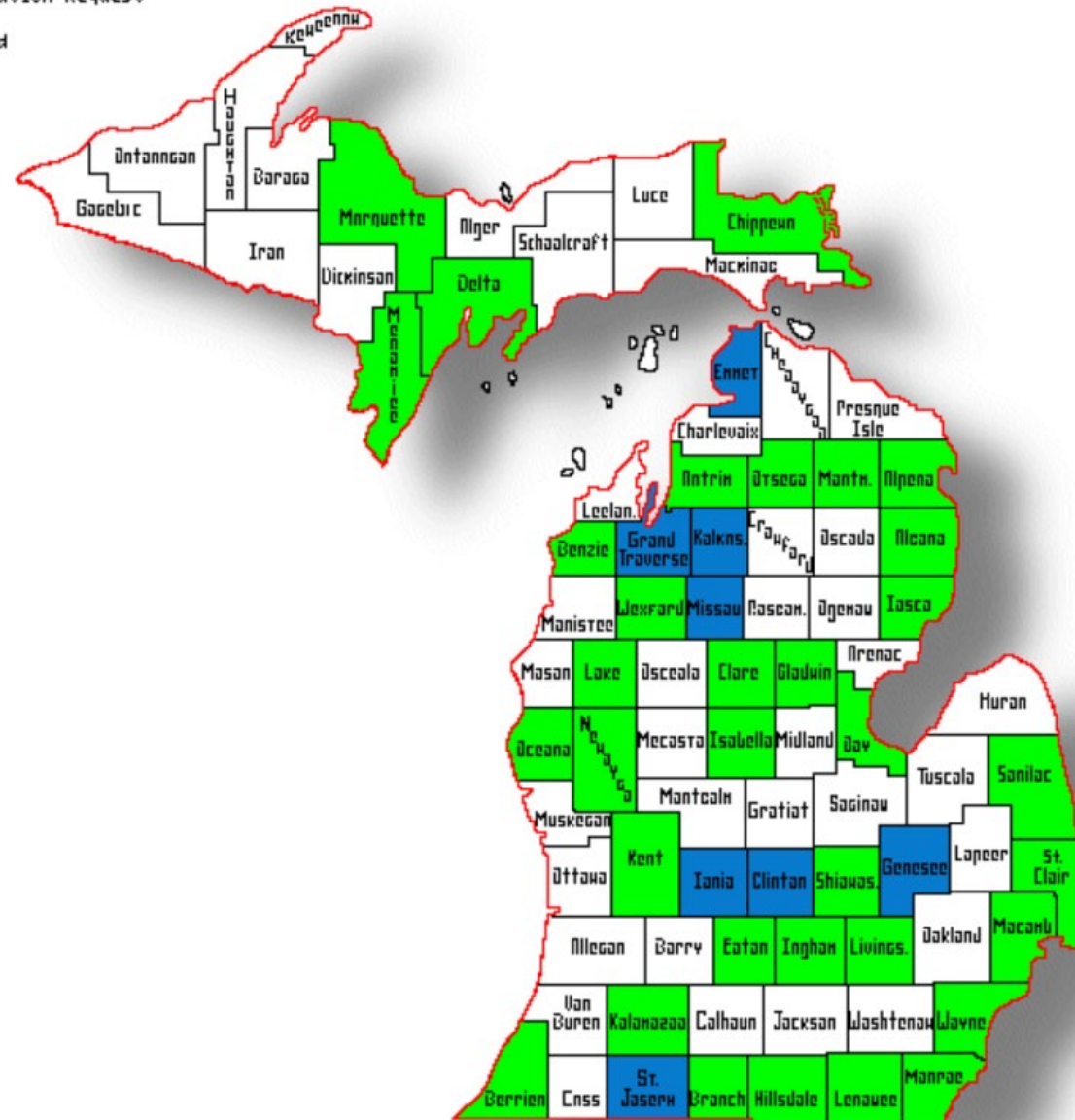
# Future Resources

- Spring 2023:
  - Michigan Opioid Partnership and Center for Health and Research Transformation – Recommendation Report on Strategies for Spending
    - Evidence to support specific strategies
    - Gaps in services and local priorities
  - Technical Assistance Collaborative – MDHHS and Universities
- 2023:
  - Reporting work
  - MAC Opioid Settlement Dashboard
  - [NACo](#) and Johns Hopkins Bloomberg School of Public Health
    - Briefs on evidence-based strategies and promising practices
  - NACo and Vital Strategies – Monitoring and Evaluation
    - Tool for gauging readiness for monitoring and evaluation
    - Guide to measure impact with key performance indicators

# MAC Engagement

## MAC Engagement

- - Information Request
- - Engaged



# Supports through MAC

- Strategic Planning
- Spending Plan Development
- Policy Analysis
- Resource Linkage
- Resource Library
- Reporting and Evaluation
- Story Sharing, Peer to Peer Learning
- [Support Request Form](#)

# Supports through MDHHS

## The Michigan Opioid Settlement Technical Assistance Collaborative

- ✓ In 2023, MDHHS contracted 3 universities to assist in providing technical assistance to county governments as they plan for investing Opioid Settlement funds
- ✓ Michigan State University, Wayne State University, and the University of Michigan will provide individualized technical assistance to priority counties
- ✓ Universities will also host learning collaboratives, and provide other resources, that will be made available to all local governments

[MDHHS-opioidsettlementhelp@michigan.gov](mailto:MDHHS-opioidsettlementhelp@michigan.gov)



Questions

# Contact

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Michigan Association of Counties Opioid  
Settlement Resource Center

<https://micounties.org/opioid-settlement-resource-center/>

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Michigan Department of Health and  
Human Services Opioid Resources

<https://www.michigan.gov/opioids>