

Opioid Settlement Funds: State and Local Perspectives

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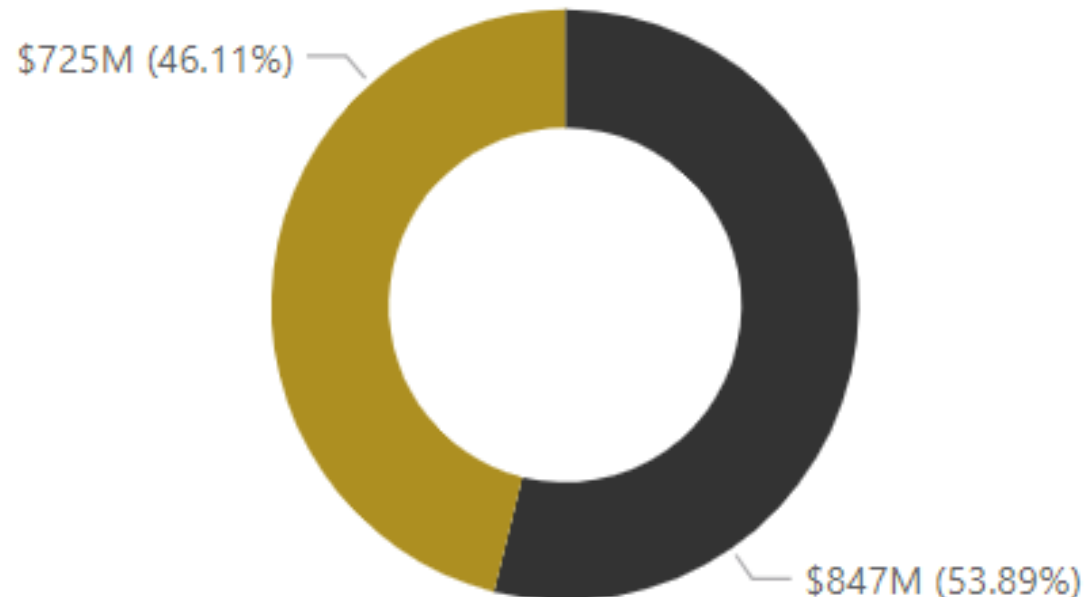
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Opioid Settlements Overview

- Total estimated funds coming to Michigan - **\$1,572,482,366**
 - Total estimated state share - **\$847,440,366**
 - Total estimated subdivision share - **\$725,042,000**
 - Estimated totals from settlements with:
 - Distributors (McKesson, Cardinal Health, and AmerisourceBergen)
 - J&J
 - Walgreens
 - CVS
 - Teva
 - Allergan
 - McKinsey & Co.
 - Mallinckrodt
 - Meijer



J&J and Distributors Settlements

- 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
- 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](#)
- Distribution to subdivisions began on January 31, 2023
- Tribal settlements are separate

Pharmacy and Manufacturer Settlements

- Expected to bring in around \$735 million to Michigan
 - Sign-on for settlements with CVS, Walmart, Allergan and Teva are complete
 - Local subdivision sign-on for Walgreens settlement has not started
 - 50% of the settlement amount will be sent directly to county and local governments
 - Distribution has not started
 - Tribal settlements are separate
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- Meijer is a separate, non-national, settlement for which 4 counties, 3 cities, and 6 townships received funds during the summer of 2023

Additional Settlements

- Settlements pursuing bankruptcy plans
 - Mallinckrodt is expected to bring in \$37 million to Michigan
 - First payments made in May 2023
 - Potential to not receive all funds
 - 30% to state/non-regional use
 - 70% to regional use
 - 5 counties with direct distribution of funds
 - Remaining funds allocated based on recommendations from Opioids Task Force
 - Expected to take place in the future
 - Purdue Pharma
 - Endo
- Distribution process, requirements on spending and reporting are will differ from other settlements

MAC Settlement Dashboard

MAC Opioid Settlement: Home Page

Funds provided are estimates
and are subject to change

Funds

Technical Assistance

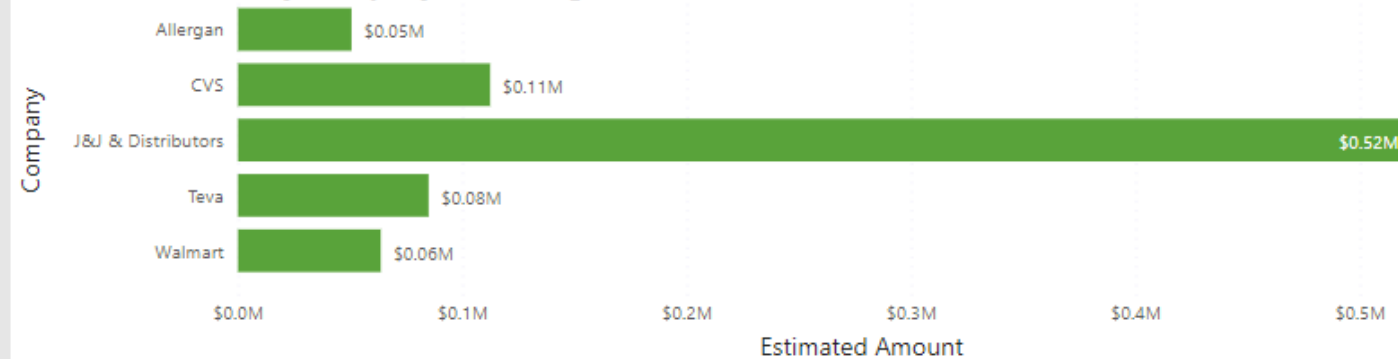
Engagement

Planning

Management

Strategies

Settlement Funds by Company for Michigan Counties



County

Huron

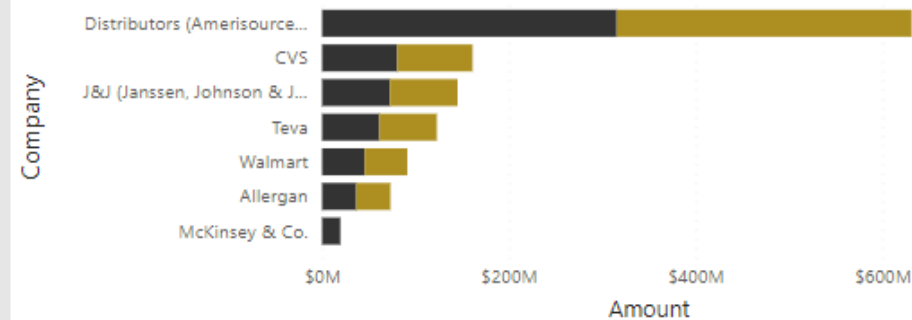
Company

Estimated Amount

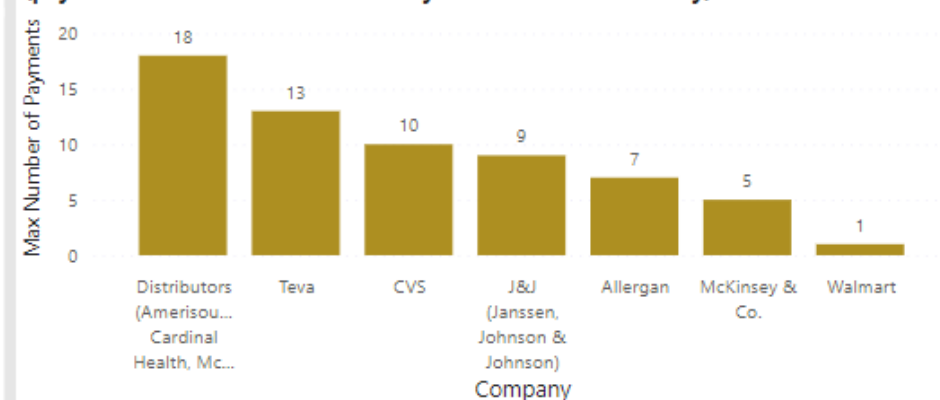
Walmart	\$63,653.5
Teva	\$84,977.45
J&J & Distributors	\$523,236
CVS	\$112,405.51
Allergan	\$50,625.52
Total	\$834,897.98

Michigan Opioid Settlements Overview (hover over bars for more information)

● State Share ● Subdivision Share



Maximum Number of Payments by Company (payment amounts will differ and may not be received annually)



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

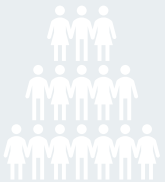
- Cross-collaborative and integrative strategies
 - Understand the impacts of health disparities
- 1) **Supporting the full range of care, services, and support for people who use drugs and people with opioid dependence**
 - 2) **Rethinking prevention to address the underlying determinants of opioid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

State Spending

MDHHS 2021-2022 Opioid Settlement Prioritization Survey



In 2021, MDHHS contracted with Center for Health and Research Transformation (CHRT) to analyze results from a survey of key Michigan respondents about the best ways to use opioid settlement dollars within state and federal guidelines. This information helped provide insight for Spend Plan decision making.



- Survey questions and response options based on federal settlement funding strategies and the State's Opioid Strategy strategic pillars
- Offered in English, Spanish and Arabic
- 1,040 respondents with representation from 78 of 83 counties

MDHHS 2021-2022 Opioid Settlement Prioritization Survey Findings: Summary

- ✓ Survey's purpose was to gather data to understand priorities for settlement funding among respondents across Michigan, including individuals with lived experience, to inform strategies to be conducted with funding.
- ✓ There were limitations within the respondent pool.
 - ✓ Feedback provided by 1,040 respondents between October 2021 and January 2022
 - ✓ Survey utilized snowball sampling method; 45 organizations received the survey and were asked to share with their networks
 - ✓ Most respondents were affiliated with an organization; 39% identified as being part of the mental health, substance use, or harm reduction workforce
 - ✓ Only 11% of respondents identified as being racial minorities
 - ✓ Not all regions were represented proportionately (i.e. limited responses from Wayne County PIHP region)
- ✓ **Recovery Support Services, Prevention Programming, and Expanding Access to MOUD** emerged as the top 3 priorities of respondents.

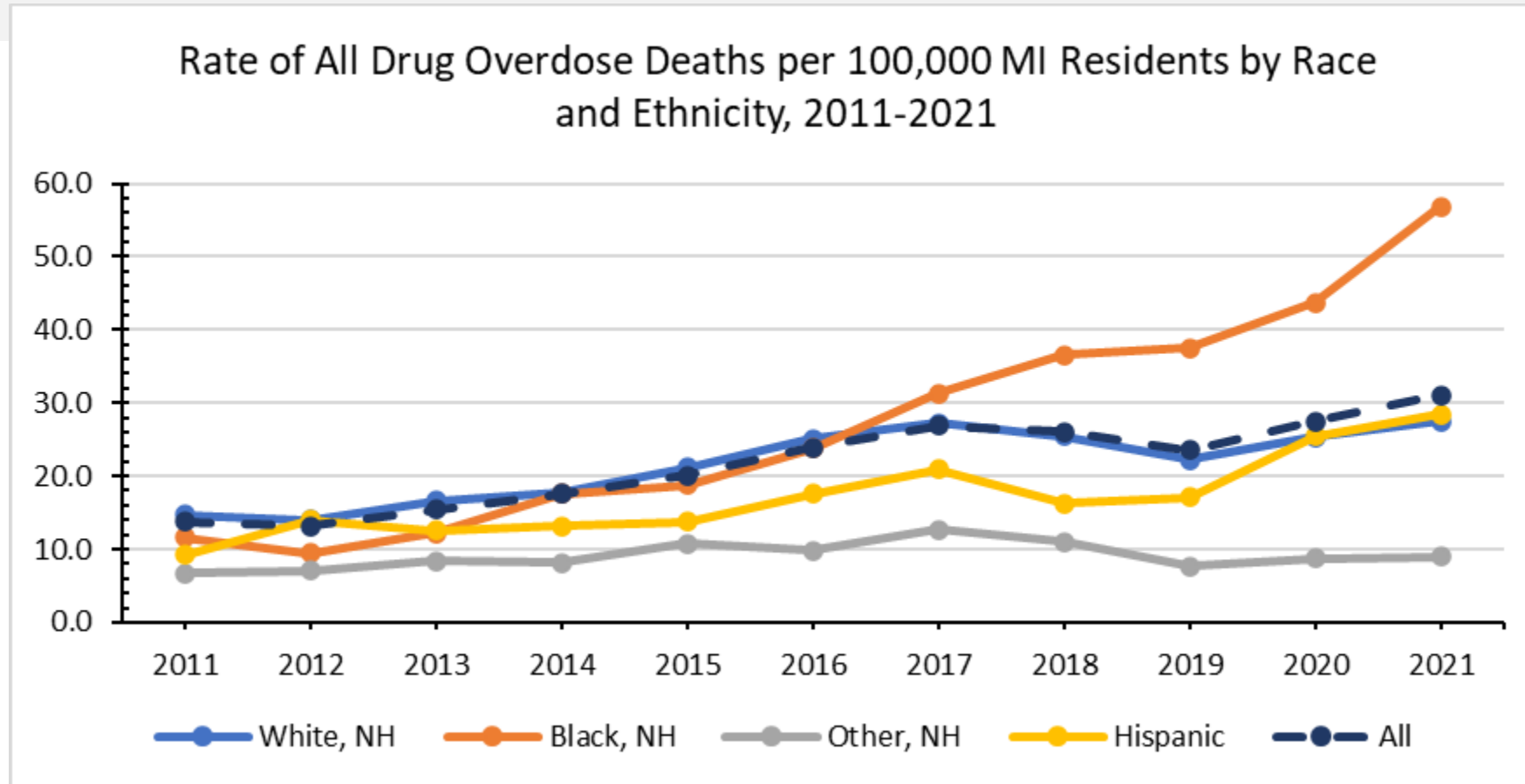
MDHHS 2021-2022 Opioid Settlement Prioritization Survey Findings

Priorities for opioid settlement funding	% ranked #1 priority
Recovery support services , including peer support and wrap-around services for individuals with Substance Use Disorder (SUD) and co-occurring mental health diagnoses	36%
Prevention programming	19%
Expanding access to Medications to treat Opioid Use Disorder (MOUD) and other opioid-related treatment	16%
Support for pregnant & post-partum women affected by substance use, and infants with Neonatal Abstinence Syndrome (NAS)	9%
Naloxone distribution and training	7%
Treatment for incarcerated population	6%
Syringe Service Programs (SSP)	4%
Research and evaluation of abatement strategies	3%

Source: [Opioid settlement prioritization survey results 2021-22 - CHRT](#)

Other Identified Needs: Racial Equity and Harm Reduction

Overdoses amongst Michigan's Non-Hispanic Black population continue to rise, indicating that there is much still to be done to reduce overdoses amongst all Michiganders and narrow the widening gap of racial health disparities and inequities.



Source: [Michigan Overdose Data to Action Dashboard](#)

Opioid Advisory Commission and the Michigan Opioids Task Force

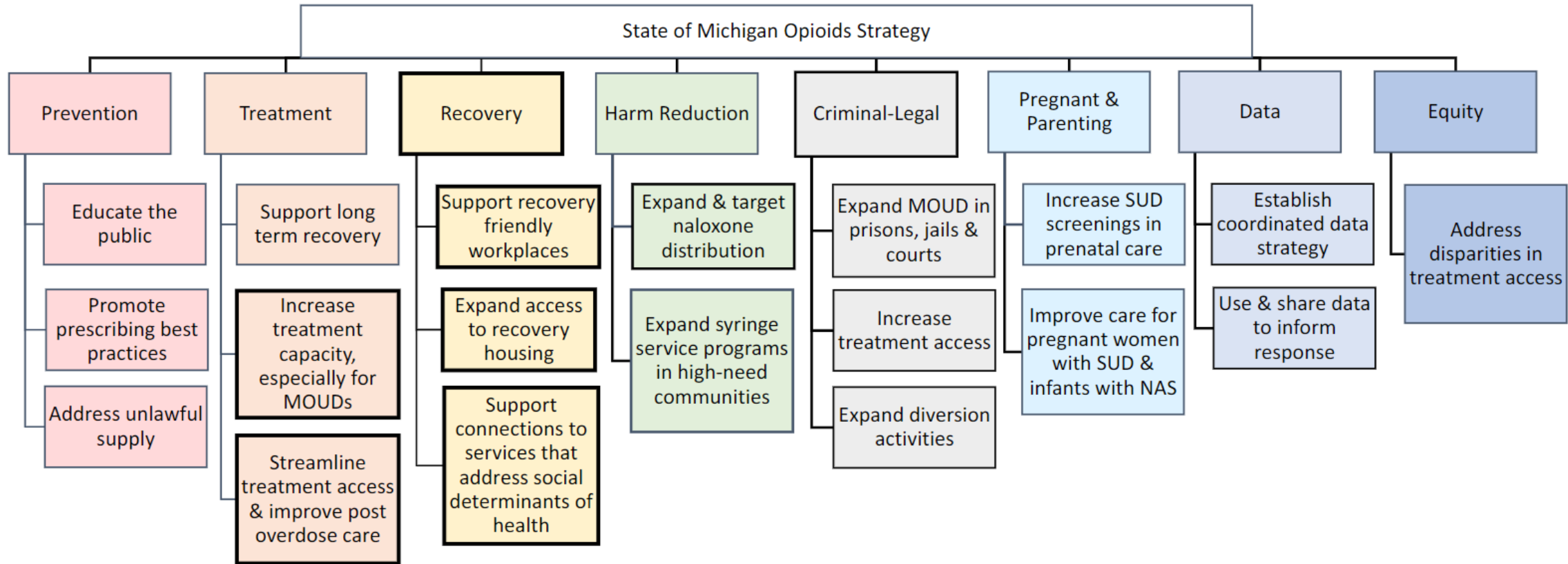
Opioid Advisory Commission (Legislative)

- ✓ Created by PA 84 of 2022 as part of legislative package to receive/distribute state's share of Opioid Settlement
- ✓ Tasked to review initiatives/activities related to SUD services and establish priorities to address SUD/co-occurring conditions for purpose of recommending funding initiatives to legislature
- ✓ Reports to Legislative Council Administrator; Overall purpose is to advise legislature
- ✓ Consists of 12 voting members with SUD experience appointed by legislative leadership
- ✓ Role is advisory

Michigan Opioids Task Force (Executive)

- ✓ Created by Executive Order 2022-12 and charged with identifying root causes of the opioid epidemic and implementing response actions
- ✓ Reports to MDHHS
- ✓ Current membership appointed in June 2023, and membership consists of reps from State Departments, reps from local governments, and rep from the Michigan Supreme Court; CME to serve as Chair
- ✓ Will be required to report to Governor regularly and expected to issue an annual report

Michigan Opioids Strategy - 2022



Opiod Settlement: Spend Plan Development



- ✓ April and May 2022: Program areas leads met to draft consensus spend plan developed based on identified needs and the Opioids Strategy to address the FY 22 supplemental request (\$16 million) and FY 23 authorization (\$23.2 million).
- ✓ June 2022: Deputy Directors of relevant administration areas met to discuss the consensus spend plan; the spend plan was approved at this meeting
- ✓ July 2022: Legislature approved funding without restrictions
- ✓ December 2022: First payment received by the State of Michigan from the Distributors
- ✓ January 2023: First payment received by the State of Michigan from Janssen

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

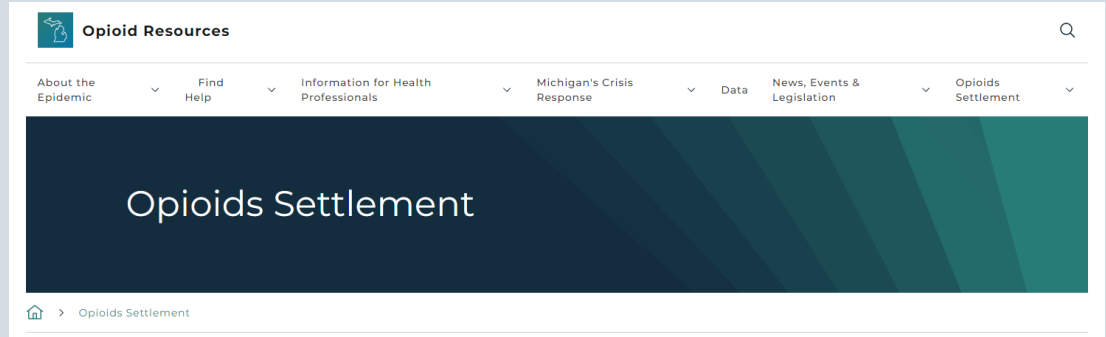
FY23: \$9.3 million

- 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.

Opioid Settlement Website



Goal launch date: July 2023



Website content will include:

- Overview and status of settlements
- Resources to support implementation of local opioid abatement strategies
- Allowable uses for funds and resources to aid in creation of strategies and spend plans
- A request form for accessing no-cost technical assistance for local governments
- A detailed description of state opioid abatement investments
- Program monitoring and evaluation dashboard for state initiatives
- Information on equity specific investments and equity considerations in all investments
- Contact information, including a link to a settlement-specific inbox at: MDHHS-opioidsettlementhelp@michigan.gov

www.michigan.gov/opioids/opioidsettlement

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

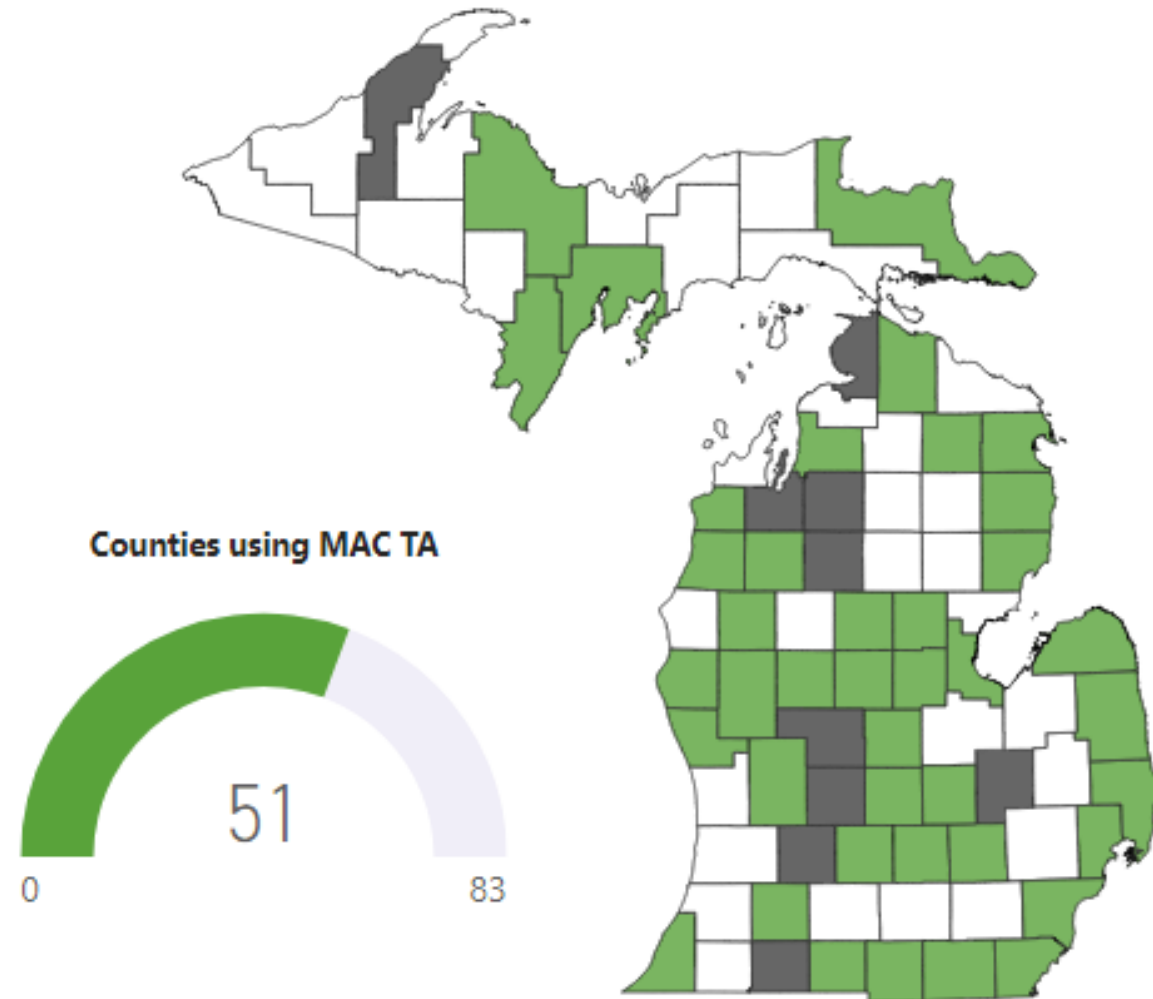
Current Resources

- [MAC Opioid Settlement Resource Center](#)
 - [MAC Opioid Settlement Resource Center Resource Library](#)
 - [MAC Settlement Tracking](#)
 - Templates for county use
- 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](#)

MAC Engagement

Map of MAC Technical Assistance Engagement

Engagement type ● Engaged ● Information Request None



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



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