

Opioid Litigation: Updates and Next Steps

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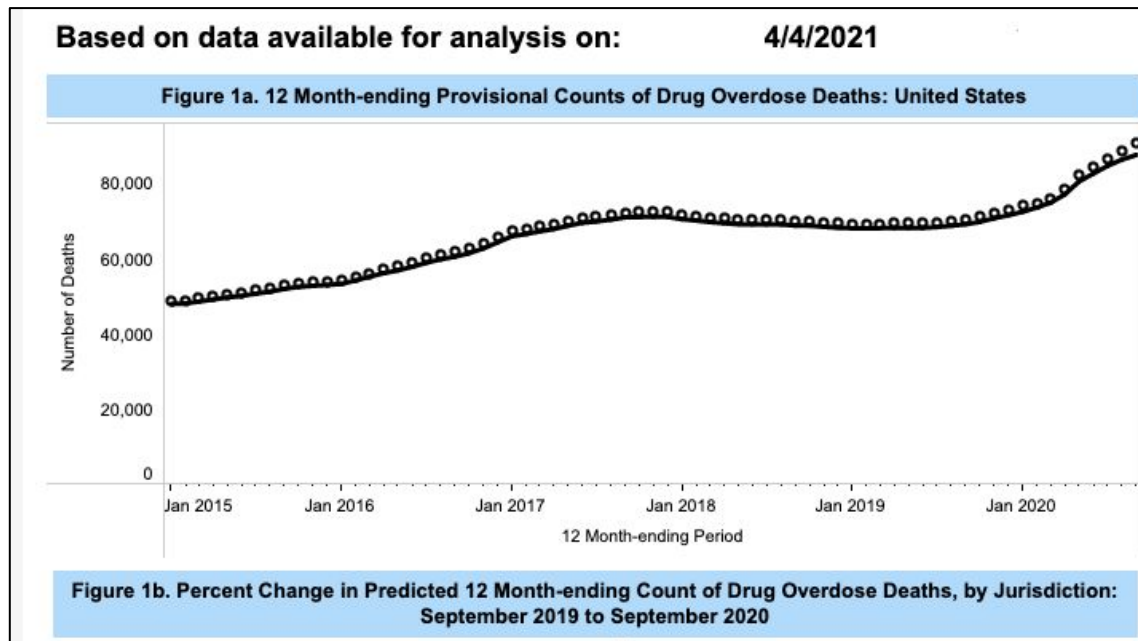
Topics today

- High-level overview of the opioid settlements
- Updates on state legislation and implementation
- How local organizations can navigate the funds
- Q and A

Worsening overdose crisis

Oct 2019 to Sept 2020

- 87,000 overdose deaths
- 29% increase



Source: CDC. @overdoseupdates

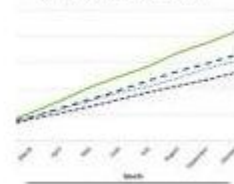
Worsening overdose crisis


 KAAL TV

Overdose deaths increase dramatically during COVID-19 pandemic

Overdose deaths increase dramatically during COVID-19 pandemic. The number of drug overdose deaths in 2020 is higher when compared to ...

Cumulative number of drug overdose deaths
Minnesota residents, 2017-2020*



 Capitol Weekly

Deadly opioid overdose epidemic overshadowed by COVID-19

Through my work as an ophthalmologist, I've seen how one of the greatest risks of opioid exposure can occur both during and after cataract ...



 Philadelphia Inquirer

Fatal overdoses among Black Philadelphians soared during the pandemic, new data show

City officials say the spike in deaths, noted in a city report on its Opioid Response Unit, was likely made worse by the effects of the COVID-19 ...



Status of settlements

Settled

- States: KY, WV, OK
- Cuyahoga and Summit Co, OH
- McKinsey-\$641 million

In process

- Multidistrict litigation: The Big Three (distributors), Johnson & Johnson, Teva
- County trials in WV and elsewhere now resuming
- Bankruptcy of Purdue Pharma

Lessons from the tobacco settlement

States spend just 2.4 percent of their tobacco revenues on programs to prevent kids from smoking and help smokers quit.

\$26.9 BILLION

What states receive from the 1998 tobacco settlement and tobacco taxes



\$3.3 BILLION

What CDC recommends states spend on tobacco prevention



\$656 MILLION

What states actually spend on tobacco prevention



tfk.org/statereport



How can we make sure this doesn't happen with dollars from the opioid litigation?

- Collaborated with over 50 organizations from the across the spectrum of groups touching on the crisis
- Developed a set of principles outlining how jurisdictions should make decisions
- Built a website to host the principles and track developments:
<https://opioidprinciples.jhsph.edu/>

Endorsed by over 50 organizations



ASAM American Society of
Addiction Medicine



NATIONAL
HARM REDUCTION
COALITION



Solomon Center
for HEALTH LAW AND POLICY
at Yale Law School

- Addiction Medicine
- Harm Reduction
- Prevention
- Advocacy
- Recovery
- Academia

Five principles to Guide Spending

1 Spend money to save lives

2 Use evidence to guide spending

3 Invest in youth prevention

4 Focus on radical equity

5 Develop a fair and transparent process for deciding where to spend the funding

Current status of the multidistrict litigation

- A settlement of \$26 billion was reached in late July between states, the three large distributors and J&J.
 - Payouts generally would be over 18 years.
 - \$2 billion for lawyers
- States had one month to decide if they wanted to proceed; most states did
 - States that are out: Alabama, Georgia, Nevada, New Mexico, Oklahoma, Washington, and West Virginia
- Next step: local governments in the participating states must decide if they want to join the agreement (deadline: Jan 2)

Contours of the settlement agreement

- 70% of the dollars must be used go towards future opioid remediation
 - Remaining amounts may be used for debt caused by the opioid crisis or other purposes
- These nuances and flexibilities of these funds may vary state-by-state given plans that states have for those dollars.
- Amounts should be locked-in by mid-September with dollars beginning to flow to states between April and July 2022. They may be released sooner if more states and localities sign on sooner.

What can the dollars be used for?

- Lengthy list of types of programs that are considered acceptable; states will have significant flexibility
- Acceptable topic areas include:
 - “Support people in treatment and recovery” and
 - “Address the need of pregnant or parenting women and their families”

Updates on state legislation

- Many states have already passed legislation to address the anticipated influx of funds
- Goals of legislation:
 - Dedicated fund
 - Requirement all of the dollars go to address substance use
 - Language prohibiting supplantation
- Settlement agreement encourages states that have not to pass legislation

How you can navigate the funds

- Will be opportunities at both the state and local levels
 - Many states will set up committees to determine priorities--work with those who will determine membership for a seat at the table
- Opportunities to press for dollars to go to areas of need
 - Demonstrate how your programs of interest fill a need
 - Provide evidence that your programs work

Questions?