



# Overview of Opioid Settlements

Oct 14, 2024

# Agenda



National Opioid  
Settlements  
and Virginia

Settlements  
and Funding  
Distribution

Requirements  
on Use of  
Funding

OAA's "Gold  
Standard"  
Incentive

Tools and  
Important  
Resources



# National Opioid Settlements and Virginia





# Virginia's Approach

Obtaining the participation of all 133 cities and counties in Virginia

Creation of the Virginia Opioid Abatement Fund and the [Statewide Allocation MOU](#)

- Negotiated by attorneys representing local governments, the Office of the Attorney General, with input from numerous interest groups
- Establishes the methods and formulas for distribution of funds
- Establishes the Opioid Abatement Authority and its composition/duties
- Creates allowable uses and requirements for funds distributed by OAA

General Assembly passed a statute in 2021 based on the key elements of the agreement. *Code of Virginia*, Article 12 ([§ 2.2-2365](#) et seq.) of Chapter 22 of Title 2.2.

Parties agree to file consent motions in Virginia court of record (Richmond Circuit Court) for each national settlement agreement

# Virginia Opioid Abatement Authority's (OAA) Structure and Governance



The OAA was established by the Virginia General Assembly in 2021 as an independent entity governed by an 11-member Board of Directors with the purpose to abate and remediate the opioid epidemic in the Commonwealth.

The OAA receives 55% of Virginia's settlement and can only award funds to cities, counties, and state agencies.

The Board appoints the Executive Director who leads operations and oversees a staff of 6 full-time, 3 part-time, and an attorney assigned from the Office of the Attorney General.

The Board adopts policy, direction, and goals for the OAA.

The Board has the final approval of awards made by the OAA and funding decisions are made during public meetings (OAA staff only provides recommendations)



# Virginia Opioid Abatement Authority's Structure and Governance



## OAA Board of Directors

Senator Todd Pillion  
(Chair)

Dr. Sarah Thomason  
Psychiatric  
Pharmacist  
(Vice Chair)

Tim Spencer  
Roanoke City  
Attorney  
(Secretary)

Jim Holland  
Chesterfield County  
Board of Supervisors  
(Treasurer)

Delegate Briana  
Sewell

Dr. James Thompson  
Master Center  
(Addiction Medicine)

Sheriff Joe Baron  
Norfolk City

Mike Tillem  
Journey House  
(Recovery  
Community)

Sharon Buckman  
Piedmont  
Community Services  
Board (Rural)

Daryl Washington  
Fairfax Community  
Services Board  
(Urban)

Secretary of Health &  
Human Resources  
Janet Vestal Kelly  
(Ex-Officio)

Representative of  
House or Senate  
Finance/Appropriation  
Committees

Appointed by the  
Governor



# Settlements and Funding Distribution





# National Opioid Settlements and Bankruptcies

Finalized and Currently Paying

In Process

All

## Distributors

**MCKESSON**

  
AmerisourceBergen®

  
**CardinalHealth™**

Janssen 

  
**CVS**  
pharmacy®

**Walmart**   
Save money. Live better.



**teva**

 **Allergan.**

  
**Kroger**

 **endo.**

  
**PURDUE**



**Mallinckrodt**

Virginia's Projected Total = \$1,000,000,000

(of which, 55% is directed to the OAA and deposited to the Opioid Abatement Fund)



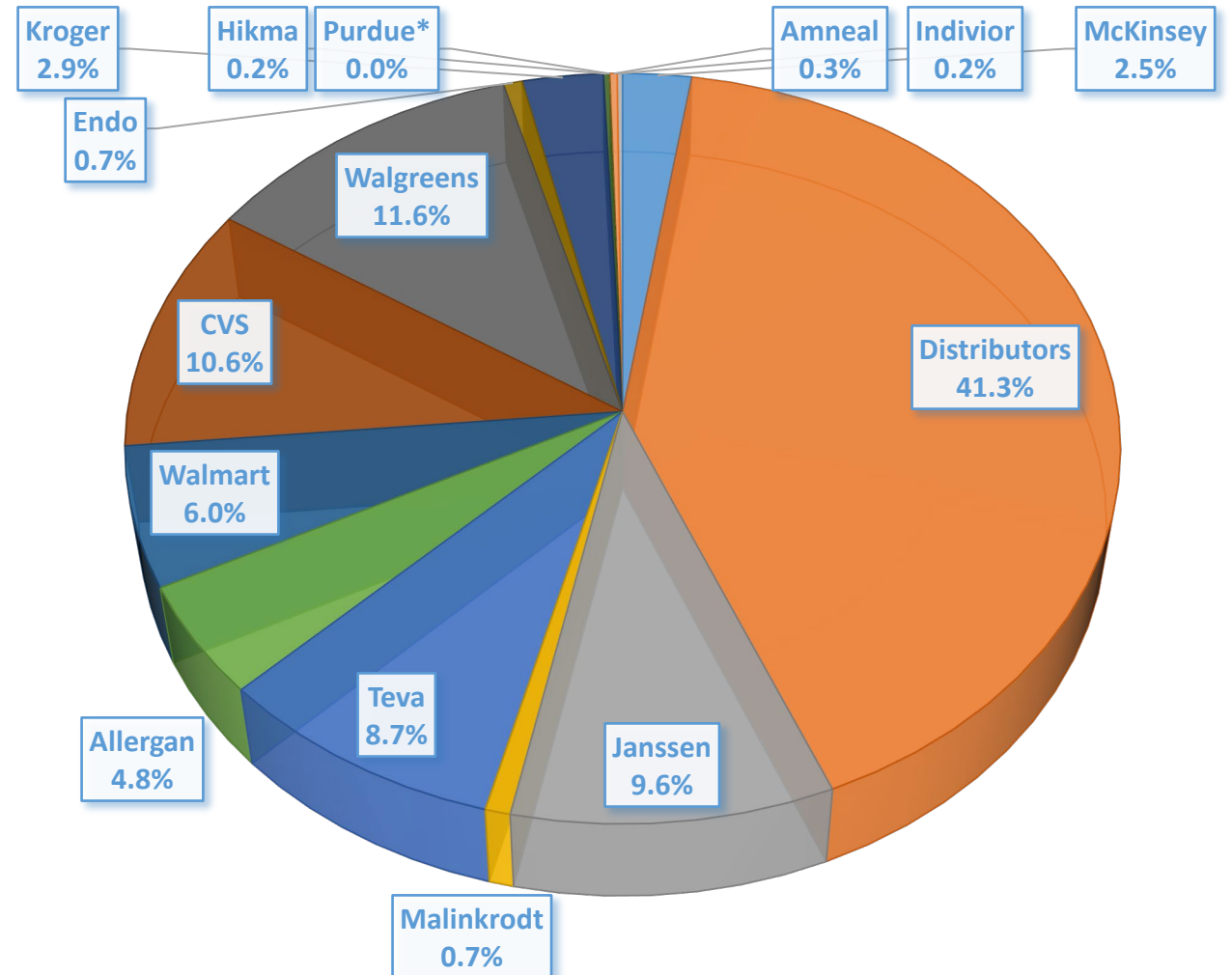


# Settlement Payments by Company

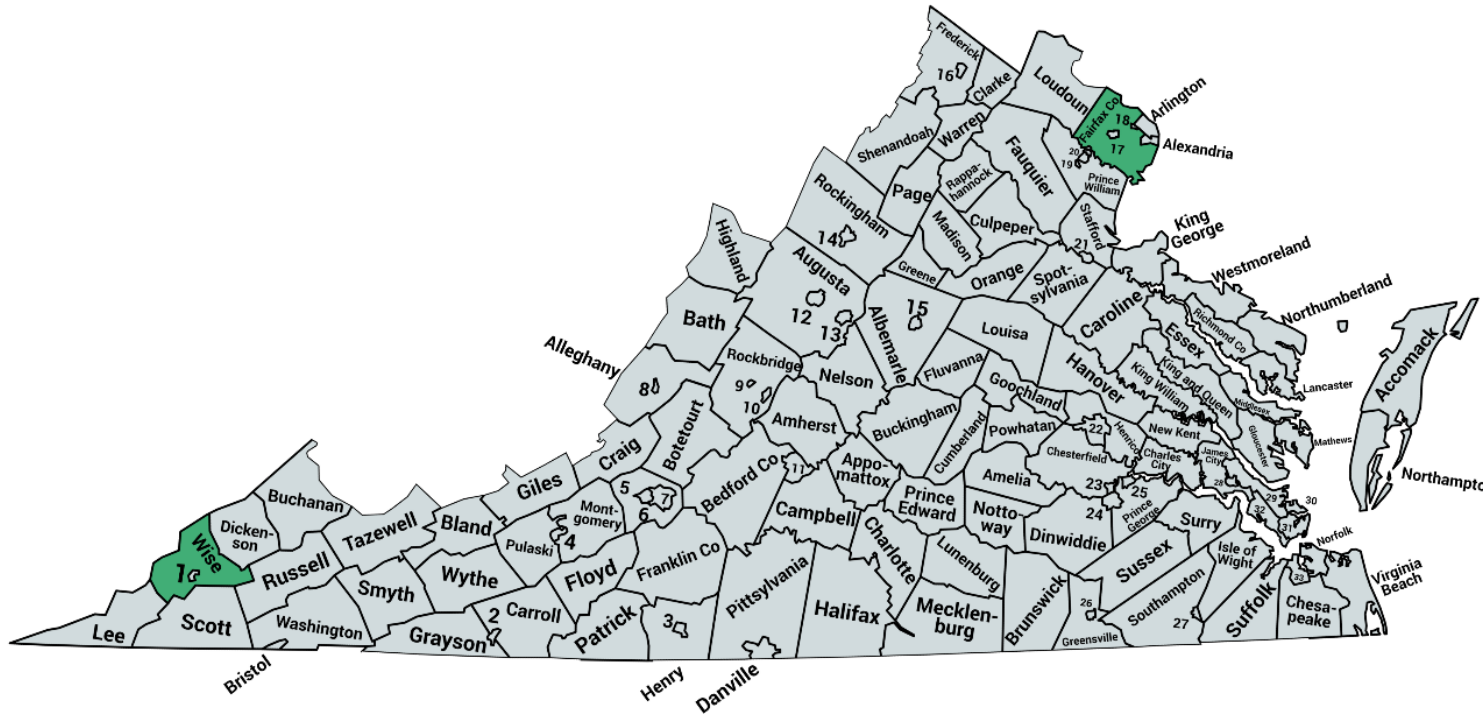
Estimated total settlement payments to the OAA through FY 2039: \$558.3 million.

Pmt Duration	Status	Company	
4 years	Finalized	McKinsey	\$13,681,773
18 years	Finalized	Distributors	\$230,340,573
10 years	Finalized	Janssen	\$53,480,976
2 years	Finalized	Malinkrodt	\$4,176,031
13 years	Finalized	Teva	\$48,556,857
7 years	Finalized	Allergan	\$26,747,326
1 year	Finalized	Walmart	\$33,633,644
10 years	Finalized	CVS	\$59,393,544
15 years	Finalized	Walgreens	\$64,584,259
10 years	Finalized	Endo	\$3,740,000
11 years	Finalized	Kroger	\$16,174,809
TBD	Announced	Hikma	\$1,260,050
18 years	Announced	Purdue*	\$0
10 years	Announced	Amneal	\$1,464,132
TBD	Announced	Indivior	\$1,078,000
Total			\$558,311,975

*\*US Supreme Court vacated the bankruptcy court's approval of the reorganization plan and settlement. Mediation is currently underway.*



# Cities and Counties Distribution



## Wise County

% of Population = 0.41%

% of Allocation = 1.76%

## Fairfax County

% of Population = 13.11%

% of Allocation = 8.67%



# Virginia's Settlement Distribution Model

Distributions deposited to the **Commonwealth Opioid Abatement and Remediation (COAR) Fund** (§ 2.2-2377)

15% Direct to the Commonwealth

30% Direct Distributions to Cities & Counties

Distributions from the settlement administrator sent directly to cities and counties

55% to the Opioid Abatement Authority (Opioid Abatement Fund)

Distributions deposited to the **Opioid Abatement Fund** (§ 2.2-2374)

15% Individual Distributions to Cities & Counties

35% Cooperative Partnerships of Cities & Counties

15% State Agency Awards

35% Unrestricted

OAA Distributions pursuant to § 2.2-2374 and the settlement MOU





# Every City and County Receives Direct Distribution Settlement Payments

30% Direct Distributions to Cities & Counties

Direct Distributions **are not grants**. Cities and Counties **do not apply** to the OAA to use them.

Direct Distributions are settlement payments made to the City/County in order to settle public nuisance claims brought by the Commonwealth and localities.

Direct Distribution payments are made directly to the City/County by the settlement administrator (Brown Greer) and do not flow through the state budget or a state agency in any manner.

Separate payments by each of the settlements at different times of year

Cities and Counties may elect to create a reserve with Direct Distributions to help fund projects in future years when payments decline

Direct Distributions may be used as matching funds for Cooperative Partnership projects.

Reporting usage of Direct Distribution to the OAA is required for participation in any OAA Grants.



# Every City and County has OAA Individual Distribution Funds Allocated

15% Individual Distributions  
to Cities & Counties

Individual Distributions **are OAA grants**. Cities and Counties **must apply** to the OAA with a specific abatement project compliant with §2.2-2370 and OAA's term and conditions to receive.

Individual Distribution grants can **only** be awarded to Virginia Cities and Counties. Towns, Schools Districts, Constitutional Officers, CSBs, etc. can only be a partner or sub-recipient

Individual Distribution grants **are not** competitive *and are awarded for one year at a time*. Compliant project renewals are at the city or county's discretion based on funds available.

Payments will be sent to the awarded City or County through OAA's fiscal agent (DBHDS)

Awarded projects may include RFPs, sub-recipients, vendors, etc. however the City or County is ultimately responsible.

Individual Distributions may be used as matching funds for Cooperative Partnership projects.

Annual Application Period October 1 – April 1

Annual Award Performance Period July 1 – June 30

Annual Report due September 1



# Cities and Counties can Partner Together for Cooperative Partnership Grants

35% Cooperative Partnerships of Cities & Counties

Cooperative Partnerships **are OAA grants**. Cities and Counties **must apply** to the OAA with a specific abatement project compliant with §2.2-2370 and OAA's term and conditions to receive.

Cooperative Partnerships grants can only be awarded to Virginia Cities and Counties. Towns, Schools Districts, Constitutional Officers, CSBs, etc. can only be a partner or sub-recipient.

Cooperative Partnership grants **are competitive** (OAA required to *prioritize certain elements*) and **are awarded for one year** with *up to four optional renewal years*.

The partnership must select a city or county to be the fiscal agent who will complete and submit the application and receive and administer any awarded cooperative funds.

Awarded projects may include RFPs, sub-recipients, vendors, etc. however the City or County is ultimately responsible.

Minimally requires two cities and/or counties from the same behavioral health district.

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# Requirements on Use of Funding and OAA “Gold Standard” Incentive





# Requirements for Use of Settlement Funds

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## “National” Settlements

- Each settlement is slightly different from the others.
- Varying rules about future versus past spending, supplanting, abatement vs. non-abatement use
- Enforcement and reporting is not always clear.
- Disputes will be resolved in civil court.
  - The Commonwealth and all 133 cities and counties share the risk under any such litigation
- All settlements reference “**Exhibit E**,” which is a list of approved uses

## OAA Awards

- 100% of the OAA’s disbursements must be spent on abatement efforts.
- No reimbursement of previous costs or supplanting allowed
- No indirect charges allowed
- Recipients must report outcomes to OAA on an annual basis and allow OAA to monitor the programs.
- Programs must be evidence-based or evidence-informed for opioid use disorder and any co-occurring substance use disorder and/or mental health conditions



# Exhibit E: Allowable Uses of Settlement Funds

## **EXHIBIT E**

### **List of Opioid Remediation Uses**

#### **Schedule A Core Strategies**

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").<sup>14</sup>

A. **NALOXONE OR OTHER FDA-APPROVED DRUG TO REVERSE OPIOID OVERDOSES**

1. Expand training for first responders, schools, community support groups and families; and
2. Increase distribution to individuals who are uninsured or whose insurance does not cover the needed service.

B. **MEDICATION-ASSISTED TREATMENT ("MAT") DISTRIBUTION AND OTHER OPIOID-RELATED TREATMENT**

1. Increase distribution of MAT to individuals who are uninsured or whose insurance does not cover the needed service;
2. Provide education to school-based and youth-focused programs that discourage or prevent misuse;
3. Provide MAT education and awareness training to healthcare providers, EMTs, law enforcement, and other first responders; and
4. Provide treatment and recovery support services such as residential and inpatient treatment, intensive outpatient treatment, outpatient therapy or counseling, and recovery housing that allow or integrate medication and with other support services.

## Nine Core Strategies

1

Naloxone distribution

5

Medication for opioid use disorders (OUD)

2

Pregnant and postpartum women

6

Expanding treatment for neonatal abstinence syndrome

3

Warm hand-off and recovery services

7

Treatment for incarcerated population

4

Prevention programs

8

Expanding syringe service programs

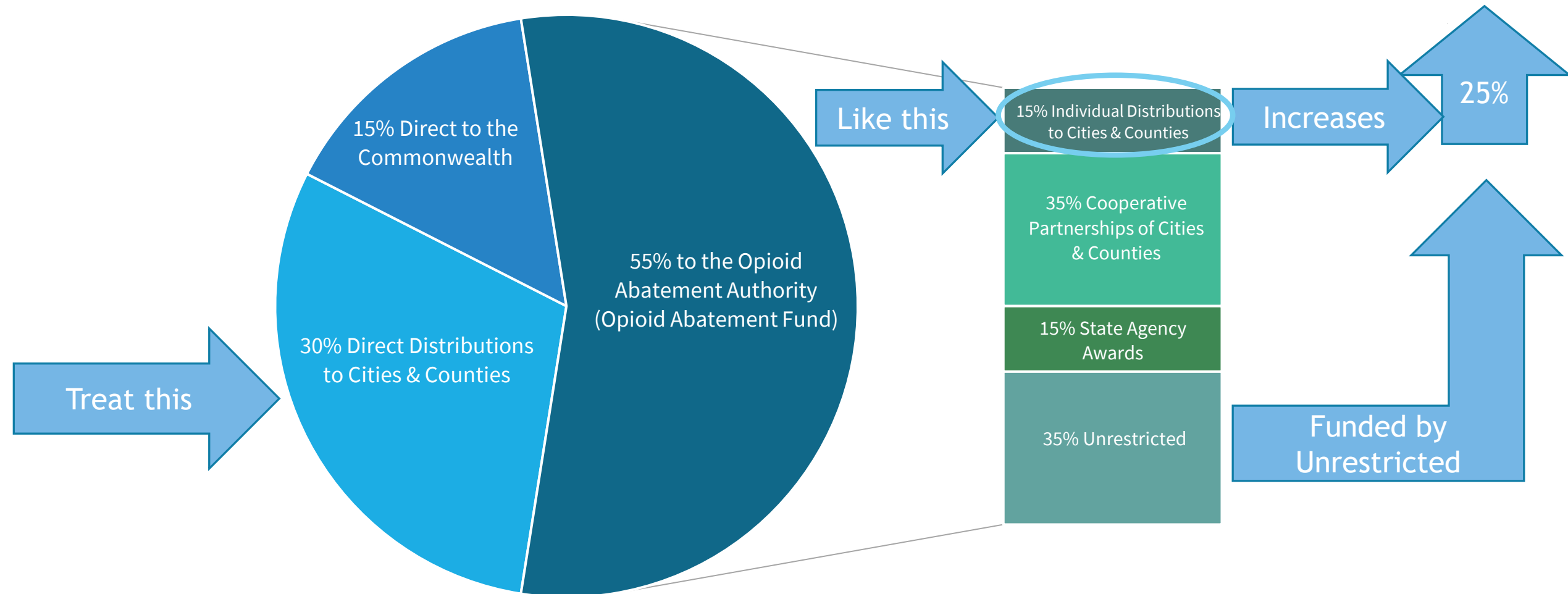
9

Data collection / research





# ★ OAA's Gold Standard Incentive ★





# Every City and County can Opt-in to the OAA's "Gold Standard" Incentive

15% Individual Distributions  
to Cities & Counties

Increases

25%

To Opt-in to the "Gold Standard" Incentive, Cities and Counties must submit a **1-time application** pledging to apply the Commonwealth's requirements to their Direct Distribution

"Gold Standard" Incentive funds can **only** be awarded to Virginia Cities and Counties. The 25% increase **is calculated on the Individual Distribution** amount each year.

"Gold Standard" Incentive funds **are not** competitive.

A completed **Direct Distribution workbook** and annual report are **required of all OAA award participants**. One report covers the requirement for Individual Distribution, Gold Standard, and Cooperative Partnerships.

There are **no additional reporting requirements** specific to the "Gold Standard".

"Gold Standard" Incentive funds can be used with Individual Distribution projects or as matching funds on Cooperative Partnership projects.

"Gold Standard" applications may be submitted anytime and do not require Grants Committee approval.

"Gold Standard" funds are not directly awarded from an application to opt-in.

Annual reporting occurs along with the OAA grant the "Gold Standard" funds are applied to.



# CSB Projects Funded with OAA Grants

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**Accomack County & Eastern Shore CSB** - Outpatient MOUD

**Arlington County CSB** – Expansion of OBOT

**Galax City & Mt. Rogers CSB** – Recovery Court Efforts, Naloxone Distribution

**Hampton City CSB** - Peer led Recovery Center, Jail based MOUD

**Henrico County CSB** – Expansion of OBOT

**Louisa County and Region 10 CSB** – SUD Clinician

**Roanoke County & Blue Ridge CSB** – ACEs training, peer recovery specialists, harm prevention efforts, naloxone distribution





# CSB Projects Funded with OAA Grants

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**PD One CSB** – IOP facility for youth in Norton, Wise, Lee, & Scott.

**Alleghany Highlands CSB** – “One-stop shop” SUD continuum of services

**Cumberland Mountain CSB** – Recovery housing

**Eastern Shore CSB** – SUD expansion for Accomack and Northampton

**Colonial Behavioral Health** – Marketing and outreach of SUD services

**Hampton-Newport News CSB**– Peer led drop off center & mobile SUD services

**Virginia Beach, Chesapeake, Norfolk, Portsmouth, and Western Tidewater CSBs**–  
Mobile SUD services across the five cities, in partnership with Sentara.



# Grants Awards Information to Date

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## City-County Awards

- Received applications that include 106 of the 133 Cities and Counties
- Awarded 100 projects
- Total awarded to date \$46 million
- 92 projects currently active

## State Agency Awards

- Received proposals from 18 agencies that included 48 projects
- Awarded 36 projects totaling \$20 million
- 32 projects currently active

## Grand Total over 15-month period

- Received funding requests for 148 projects
- **Awarded 136 projects totaling \$66 million**

# Tools and Important Resources





# City/County Look-up Tool

## Direct Distribution, OAA Individual Distribution, and OAA Gold Standard

Please note this tool tracks finalized settlements. As new settlements are achieved, this tool will be updated. The amounts listed reflect estimates, which may be subject to change prior to distribution.

As of September 2024

City or  
County:

Virginia Beach City

### City/County Estimated Settlement Funds Lookup Tool Instructions

To see the estimated amounts disbursed or to be disbursed to a specific city or county for each year of the settlements:

1. Click on cell C10, which currently reads "Choose City/County."
2. Use the drop down menu to select a city or county and the amounts below will change to show the city or county's estimated payments.

Fiscal Year (FY)	No Application to OAA		Must Apply to OAA					
	<u>Direct Distributions</u>		<u>OAA Individual Distribution</u>			<u>OAA Gold Standard Incentive</u>		
	Projected	Used as OAA Match	Eligible to Receive	Awarded / Used as Match	Balance Available	Eligible to Receive	Awarded / Used as Match	Balance Available
2022	\$197,584	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2023	\$1,250,814	\$0	\$452,610	\$0	\$452,610	\$113,153	\$0	\$113,153
2024	\$1,542,574	\$10,000	\$523,920	\$0	\$976,530	\$130,980	\$0	\$244,132
2025	\$486,870	\$10,000	\$175,228	\$0	\$1,151,758	\$43,807	\$0	\$287,939
2026	\$635,684	\$0	\$223,844	\$0	\$223,844	\$55,961	\$0	\$55,961
2027	\$675,581	\$0	\$238,473	\$0	\$238,473	\$59,618	\$0	\$59,618
2028	\$514,699	\$0	\$179,483	\$0	\$179,483	\$44,871	\$0	\$44,871
2029	\$721,355	\$0	\$255,257	\$0	\$255,257	\$63,814	\$0	\$63,814
2030	\$724,637	\$0	\$256,789	\$0	\$256,789	\$64,197	\$0	\$64,197
2031	\$678,473	\$0	\$238,818	\$0	\$238,818	\$59,705	\$0	\$59,705
2032	\$629,627	\$0	\$220,914	\$0	\$220,914	\$55,228	\$0	\$55,228
2033	\$578,832	\$0	\$202,289	\$0	\$202,289	\$50,572	\$0	\$50,572
2034	\$441,733	\$0	\$157,933	\$0	\$157,933	\$39,483	\$0	\$39,483
2035	\$441,733	\$0	\$157,933	\$0	\$157,933	\$39,483	\$0	\$39,483
2036	\$441,733	\$0	\$157,933	\$0	\$157,933	\$39,483	\$0	\$39,483
2037	\$367,016	\$0	\$130,537	\$0	\$130,537	\$32,634	\$0	\$32,634
2038	\$367,016	\$0	\$130,537	\$0	\$130,537	\$32,634	\$0	\$32,634
2039	\$256,954	\$0	\$94,217	\$0	\$94,217	\$23,554	\$0	\$23,554





# Financial Items to Remember and Consider

Each City and County will need to follow each settlement's reporting requirements for Direct Distribution

- Participating in the "Gold Standard" **does not alleviate** this requirement
- Reporting requirements not the same across all settlements

The OAA requires separate accounting of Direct Distribution, Individual Distribution, and Cooperative Partnership funds

- Each OAA grant will have an annual financial report requirement
- Some Cities/Counties may find themselves:
  - Administering multiple Direct Distribution projects
  - Administering multiple Individual Distribution grants
  - Serving as Fiscal Agent on multiple Cooperative Partnership grants
    - Including managing Individual Distribution and/or "Gold Standard" funds used as matching funds on one or more Cooperative Partnership Grants

It is strongly encouraged that City/County Finance Staff work along side program staff to ensure the financial details of applications are accurate and reasonable (especially the budget portions).




# OAA's Web-based Grants Portal – NOW LIVE!!



## Login

Hello there, login to the screen below

 Username / Email Address

 Password

Login


[Forgot password?](#)

Doesn't have an account? [Register](#)



OPIOID ABATEMENT AUTHORITY  
GRANTS MANAGEMENT

Henry County ▾


 Charlie Lintecum ▾

 Dashboard

 Grants Management

 Members

 Historical Downloads

 Estimated Funds Look-Up Tool

 COOP Partner Dashboard

## Dashboard

\$0

Amount Awarded

3

Applications Awarded

6

Opportunities Available

3

Applications Near Due Date

## Applications

In Progress (7)

Submitted (0)

Under Review (0)

Assigned Back (1)

Awarded (3)

Closed (0)

Henry County-2026-IDIC-Annual Reporting-000680 

Draft

Resume

Project Name

Best project ever part 2


Due Date

9/30/2024



OPIOID ABATEMENT AUTHORITY  
GRANTS MANAGEMENT

Henry County ▾


 Charlie Lintecum ▾

 Dashboard

 Grants Management

 Members

 Historical Downloads

 Estimated Funds Look-Up Tool

 COOP Partner Dashboard

## Grants Management

 Search Grants

OAA Individual City/County Distribution Grant - 2025

Open

Start Annual Reporting

Apply

Fiscal Year  
2025

New Application

Open Date 8/1/2024

Due Date 9/30/2024

Renewal Application

Open Date 7/29/2024

Due Date 10/16/2024

Amend Application

Open Date 7/30/2024

Due Date 10/3/2024

Annual Reporting

Open Date 7/28/2024

Due Date 11/1/2024

Purpose



# Grants Portal – Fast Facts

Where all applications, awards, reporting, communication, etc. for OAA now occurs

- [www.voaagrants.us](http://www.voaagrants.us)

Each city/county can have up to 5 users

- A city/county must first establish a primary user through completion of a template letter on city/county letter head.
- Letter is attached as part of primary user's registration request
- Primary user can then invite other users
- City/county executive can sign document outside of the system
  - Does not have to be a system user to do so

A screenshot of a web form for user registration. At the top, it says "Upload Signed Letterhead" with a red asterisk. Below this is a dashed box containing a blue button labeled "Upload Files" with a file icon, and the text "Or drop files" to its right. Below the dashed box, it says "If primary contact for city/county, please include signed letterhead stating so". Underneath this text is a blue button labeled "Download Sample letter for Primary Contact" with a download icon. At the bottom of the form is a large blue button labeled "Register". A blue arrow points from the text "Letter is attached as part of primary user's registration request" to the "Upload Files" button.

Training Opportunities

- Abatement Academy – October 10, 2024, at 10am - *Preparing your OAA grant application, Part 2: Training on the new OAA Grants Portal software.*
- Previous Training from September 25, 2024, also posted





# Additional Information

## OAA Website – [www.voaa.us](http://www.voaa.us)

- Newsletter sign up at bottom of home page

## Abatement Academy

- [www.voaa.us/abatement-academy](http://www.voaa.us/abatement-academy)
- 19 virtual webinar recordings and slide decks
  - 4 more sessions still to go in 2024

## Contact Information

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