



## Substance Misuse and Addiction Resource for Tennessee

AN INITIATIVE OF THE UT INSTITUTE FOR PUBLIC SERVICE

Dr. Jennifer Tourville, Executive Director



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# Opioid Abatement Solutions

TCSA Legislative Conference  
May 24, 2023  
Gatlinburg, TN

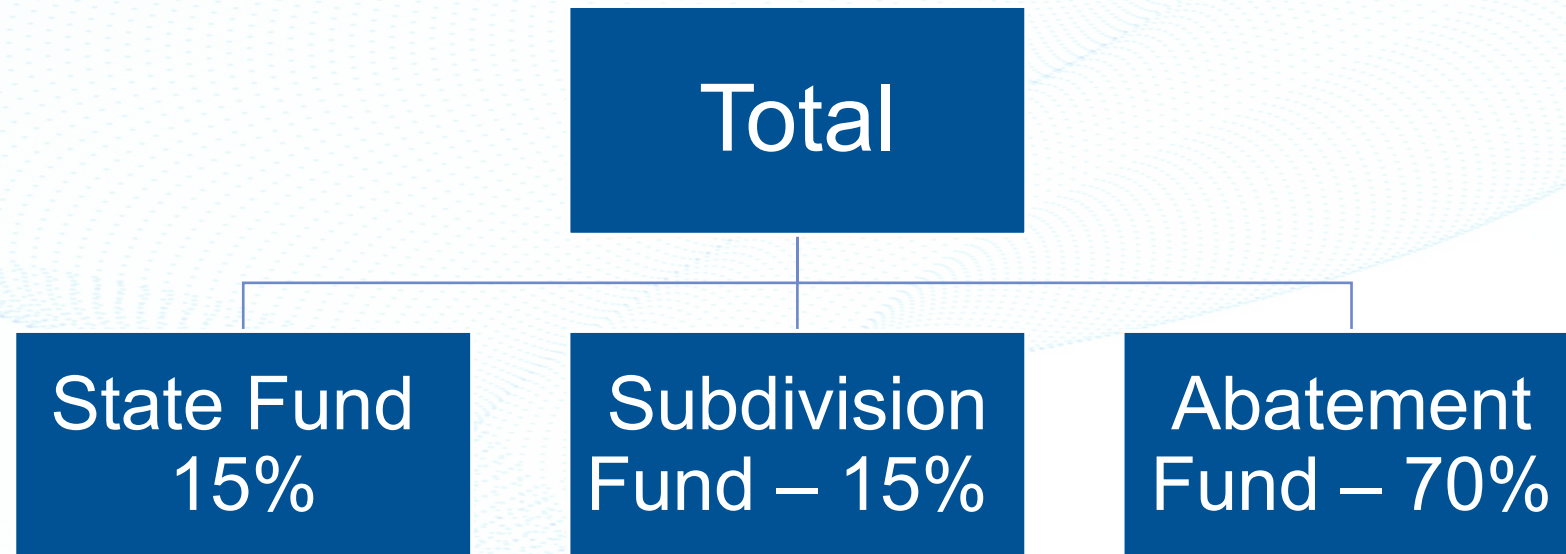


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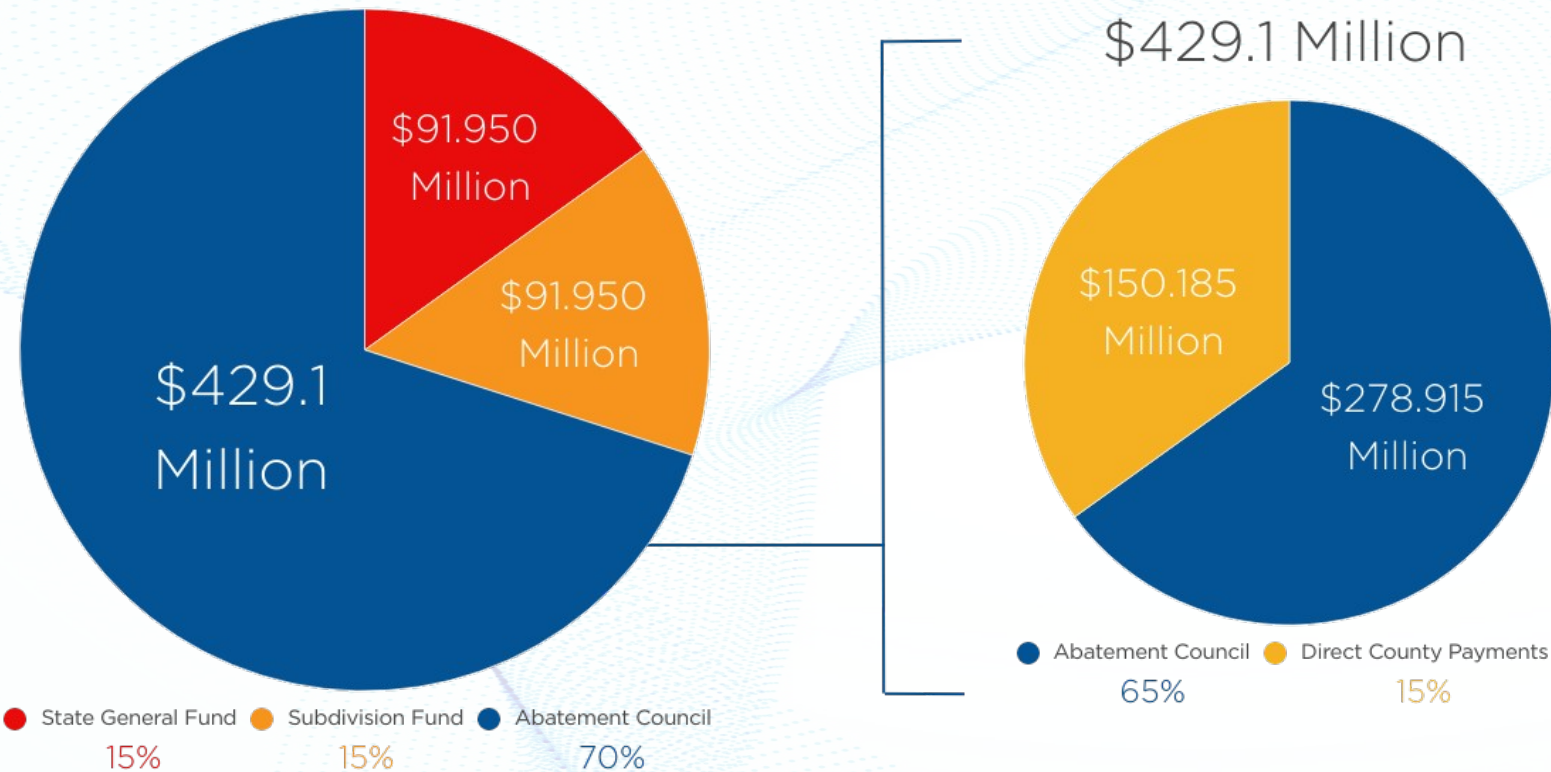


# The “Three Buckets”



# Total Current Settlement Amounts

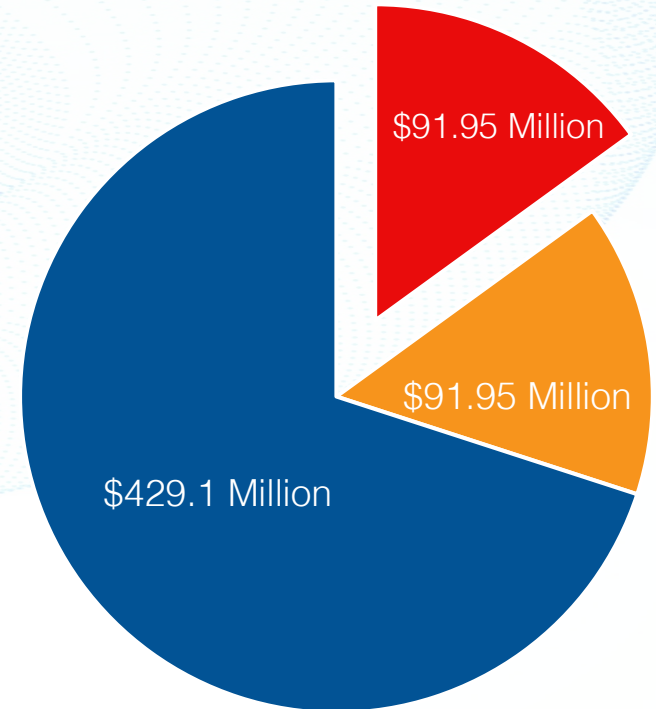
*Total of \$613 million over 18 years*





# State Funds

- 15% of all settlements will go directly into the State General Fund to be used for opioid remediation.
- Maximum total: \$91.950
  - Distributors - \$74.8 million over 18 years
  - J&J/Janssen - \$17.1 million over 10 years



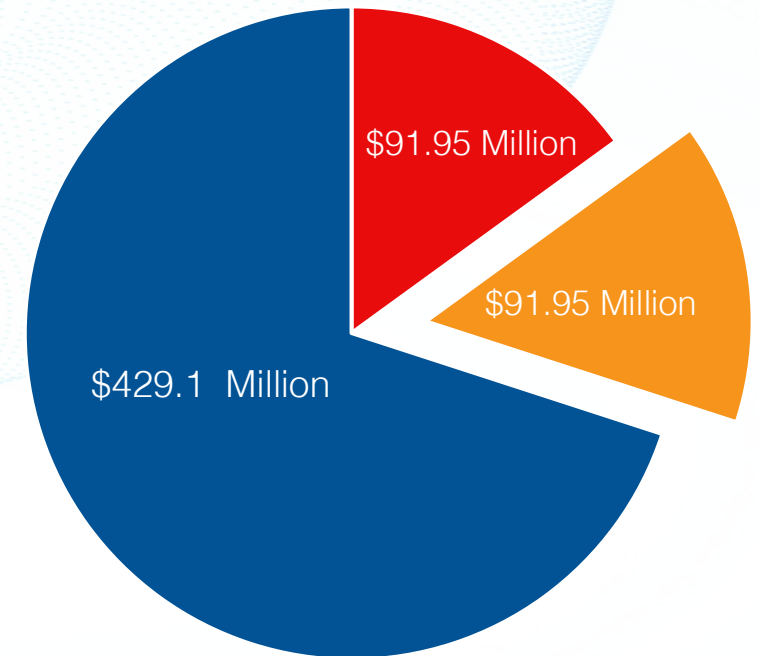
# Subdivision Funds

- 15% of all settlements will be distributed among all subdivisions that signed onto the litigations
- Allocations were set by the Plaintiff's Executive Committee based on impact and health expenditure metrics and will not change over time
- Funds must be used for:
  - Future opioid remediation
  - Reimbursement for past remediation expenditures
  - Reasonable related administrative expenditures
- Reporting – every 6 months to BrownGreer, only required if funds are spent on non-remediation purposes (first due March 31, 2023, if required)

Total maximum: **\$91.950 million**

Distributors - \$74.8 million over 18 years

J&J Janssen - \$17.1 million over 10 years





# Distributed Subdivision Funds - 2022

## Distributor 2022 Subdivision Fund Payments

Payment Number	Payment Year	TN Subdivision Fund Payment Amount
1	2022	\$3,195,990.41
2	2022	\$3,358,830.11
<b>Total</b>		<b>\$6,554,820.52</b>

## J&J/Janssen 2022 Subdivision Fund Payment

Payment Numbers	Payment Year	TN Subdivision Fund Payment Amount
1-5	2022-2025	\$12,794,968.73
<b>Total</b>		<b>\$12,794,968.73</b>



# Future Subdivision Funds – Distributor

**Distributor 2023-2038 Maximum Subdivision Fund Payments**

Payment Number	Payment Year	TN Subdivision Fund Payment Amount
3	2023	\$3,358,830.11
4	2024	\$4,204,051.68
5	2025	\$4,204,051.68
6	2026	\$4,204,051.68
7	2027	\$4,204,051.68
8	2028	\$4,944,471.29
9	2029	\$4,944,471.29
10	2030	\$4,944,471.29
11	2031	\$4,156,327.12
12	2032	\$4,156,327.12
13	2033	\$4,156,327.12
14	2034	\$4,156,327.12
15	2035	\$4,156,327.12
16	2036	\$4,156,327.12
17	2037	\$4,156,327.12
18	2038	\$4,156,327.12
<b>Total</b>		<b>\$68,259,067.66</b>



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Source: <https://www.tn.gov/content/dam/tn/attorneygeneral/documents/foi/opioids-settlements/guide.pdf>



# Future Subdivision Funds – J&J/Janssen

**J&J/Janssen 2023-2031 Maximum Subdivision Fund Payments**

Payment Number	Payment Year	TN Subdivision Fund Payment Amount
3	2023	Paid in 2022
4	2024	Paid in 2022
5	2025	Paid in 2022
6	2026	\$645,338.82
7	2027	\$645,338.82
8	2028	\$645,338.81
9	2029	\$821,629.19
10	2030	\$821,629.20
11	2031	\$821,629.20
<b>Total</b>		<b>\$4,400,904.03</b>



# Opioid Abatement Council Act – 2021

*PC No. 491: To establish the fund and assemble the council*

## Funds

70% of all settlement monies

- Total max of \$429.1 million
- 35% - \$150 million directly to counties to be used for future opioid remediation
- **65% - \$278 million distributed through competitive grants**
- Council / abatement expenses

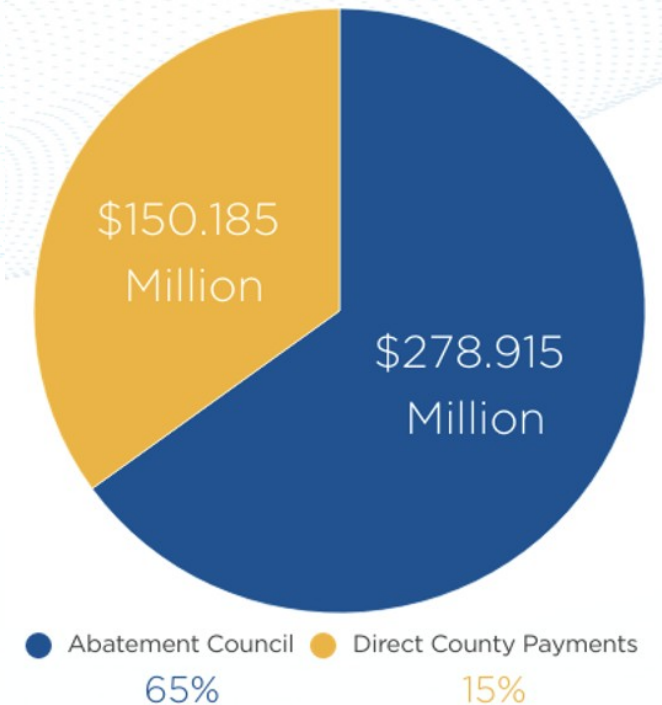
## Council

15 voting members and 1 nonvoting member

Appointments:

- Governor (4)
- Speaker of the house (4)
- Speaker of the senate (4)
- TCSA (2)
- TML (1)

\$429.1 Million



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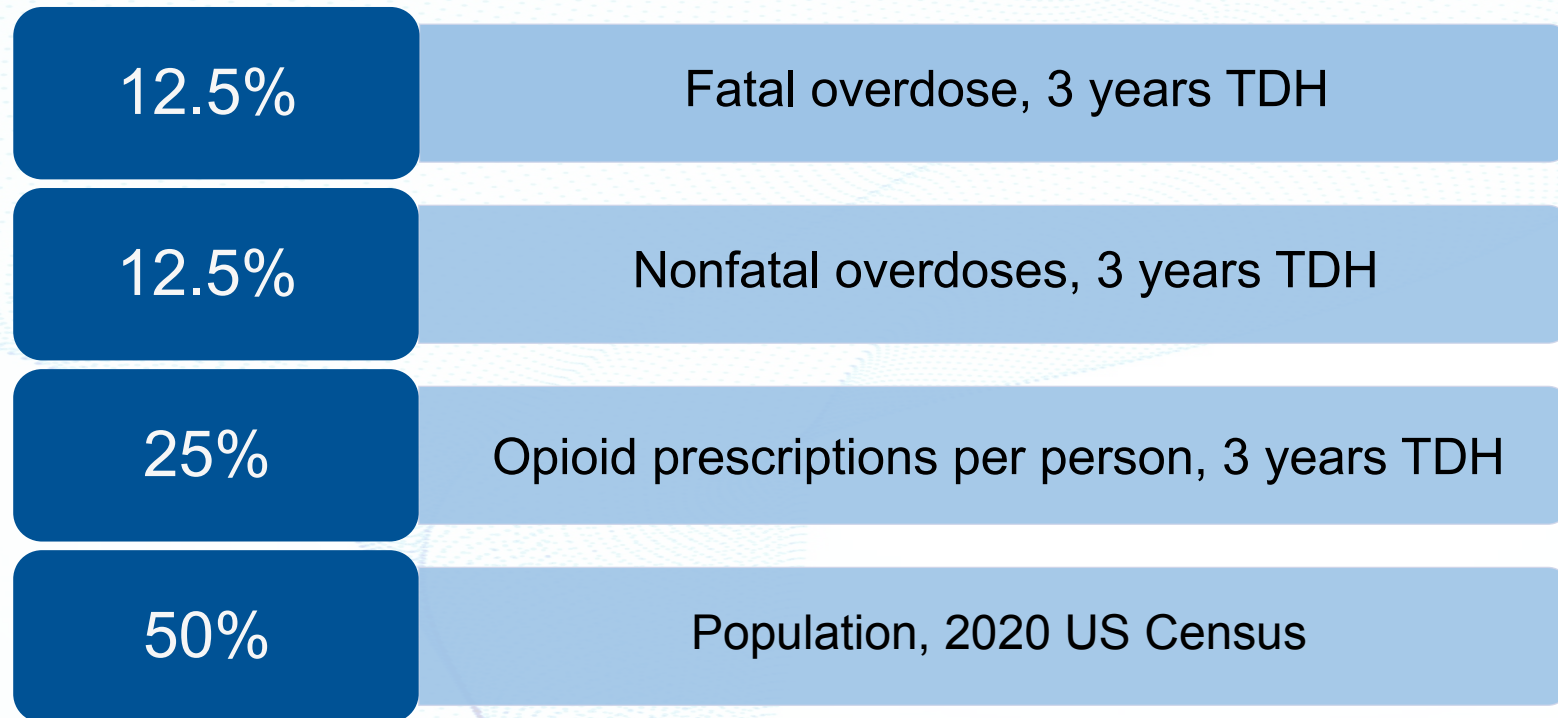


Source: [PC No. 491](#)



# Abatement Funds - County Allocations

*In calculating the county allocation percentages, the data shall be weighted as follows:*



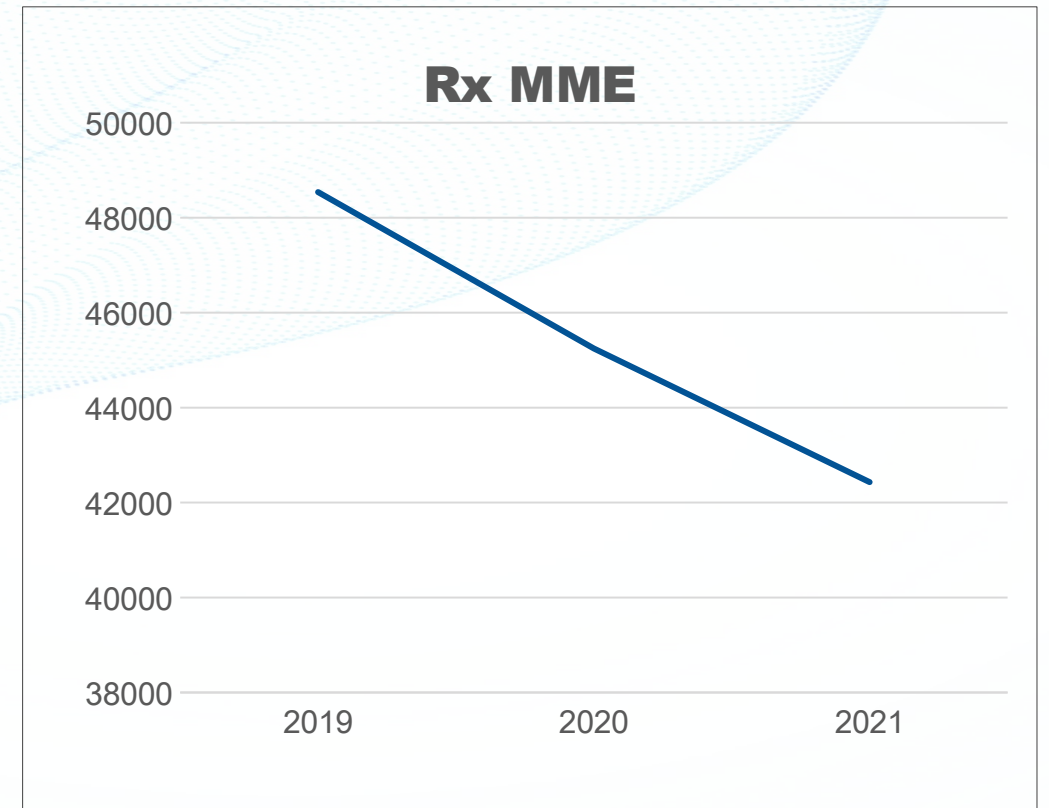
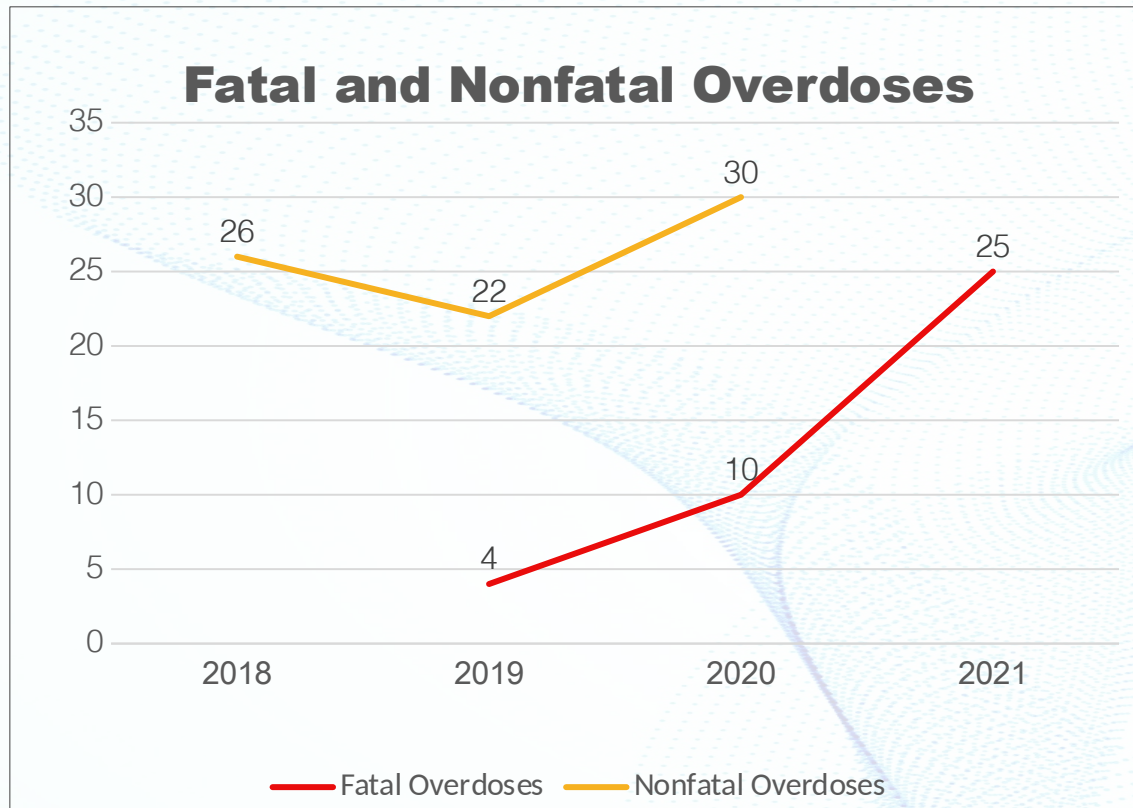
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Source: [TN state-subdivision opioid abatement agreement](#)

# County Allocation Data

## Population 35,999



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Source: <https://www.tn.gov/health/health-program-areas/pdo/pdo/data-dashboard.html>



# County Allocations

## Recalculating

Per the 2021 Opioid Abatement Council Act the allocation percentages will be updated every 4 years using the same data points.

Next calculation prior to 2027 payment

## 2% Holdback

Because it is possible that the data may not represent the scope of the problem in very small counties, 2% of the total county abatement funds will be held back for possible appeals



# County Abatement Payments - 2023

*Total of \$31,425,152.80 distributed*

COUNTY	PAYMENT	COUNTY	PAYMENT	COUNTY	PAYMENT	COUNTY	PAYMENT
Anderson	\$425,159.28	Grainger	\$111,992.42	Marshall	\$168,177.75	Trousdale	\$63,825.94
Bedford	\$224,617.91	Greene	\$333,802.75	Maury	\$432,614.55	Unicoi	\$91,472.71
Benton	\$80,407.37	Grundy	\$84,137.96	McMinn	\$257,267.25	Union	\$105,224.89
Bledsoe	\$69,943.58	Hamblen	\$291,338.60	McNairy	\$110,484.44	Van Buren	\$28,073.08
Blount	\$645,269.14	Hamilton	\$1,503,939.60	Meigs	\$59,871.66	Warren	\$203,353.57
Bradley	\$460,332.09	Hancock	\$34,836.41	Monroe	\$212,353.13	Washington	\$530,036.46
Campbell	\$235,452.32	Hardeman	\$104,548.87	Montgomery	\$979,728.66	Wayne	\$78,591.73
Cannon	\$88,943.16	Hardin	\$134,687.30	Moore	\$29,878.28	Weakley	\$146,450.16
Carroll	\$120,839.64	Hawkins	\$289,569.96	Morgan	\$123,002.53	White	\$138,834.73
Carter	\$255,604.99	Haywood	\$61,363.14	Obion	\$134,458.21	Williamson	\$779,781.87
Cheatham	\$290,618.82	Henderson	\$122,274.62	Overton	\$118,602.77	Wilson	\$681,677.30
Chester	\$68,026.24	Henry	\$149,090.40	Perry	\$44,026.61		
Claiborne	\$170,037.35	Hickman	\$151,344.58	Pickett	\$24,376.08		
Clay	\$43,876.41	Houston	\$49,596.30	Polk	\$77,858.63		
Cocke	\$202,800.72	Humphreys	\$91,215.23	Putnam	\$350,535.48		
Coffee	\$292,030.12	Jackson	\$69,200.45	Rhea	\$161,002.42		
Crockett	\$52,023.89	Jefferson	\$243,322.97	Roane	\$306,045.15		
Cumberland	\$294,694.36	Johnson	\$69,766.52	Robertson	\$380,839.01		
Davidson	\$3,425,336.82	Knox	\$2,513,123.68	Rutherford	\$1,513,354.86		
Decatur	\$56,065.09	Lake	\$35,533.44	Scott	\$106,528.48		
DeKalb	\$119,163.55	Lauderdale	\$101,371.99	Sequatchie	\$77,048.53		
Dickson	\$305,873.27	Lawrence	\$210,827.69	Sevier	\$495,612.05		
Dyer	\$150,185.21	Lewis	\$66,836.90	Shelby	\$3,579,148.36		
Fayette	\$164,339.53	Lincoln	\$149,529.49	Smith	\$108,942.96		
Fentress	\$115,421.46	Loudon	\$244,608.12	Stewart	\$81,312.23		
Franklin	\$193,718.11	Macon	\$117,650.45	Sullivan	\$735,949.15		
Gibson	\$202,432.00	Madison	\$368,569.86	Sumner	\$901,622.77		
Giles	\$140,164.76	Marion	\$143,371.14	Tipton	\$266,360.30		



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Source: [https://www.tn.gov/content/dam/tn/mentalhealth/documents/OAC\\_2023\\_County\\_Funding.pdf](https://www.tn.gov/content/dam/tn/mentalhealth/documents/OAC_2023_County_Funding.pdf)



# Future Abatement Payments – J&J/Distributor

**Maximum Distributor and J&J/Janssen Abatement Fund Payments 2023-2031**

Payment Number	Payment Year	Distributor Maximum TN Abatement Fund Payment	J&J/Janssen Maximum TN Abatement Fund Payment	Total Maximum Abatement Fund Payment	County 35% Share of Maximum Payment
3	2023	\$15,674,540.51	---	\$15,674,540.51	\$5,486,089.18
4	2024	\$19,618,907.85	---	\$19,618,907.85	\$6,866,617.74
5	2025	\$19,618,907.85	---	\$19,618,907.85	\$6,866,617.74
6	2026	\$19,618,907.85	\$3,011,581.17	\$22,630,489.02	\$7,920,671.16
7	2027	\$19,618,907.85	\$3,011,581.14	\$22,630,488.99	\$7,920,671.15
8	2028	\$23,074,199.35	\$3,011,581.11	\$26,085,780.46	\$9,130,023.16
9	2029	\$23,074,199.35	\$3,834,269.58	\$26,908,468.93	\$9,417,964.13
10	2030	\$23,074,199.35	\$3,834,269.59	\$26,908,468.94	\$9,417,964.13
11	2031	\$19,396,193.24	\$3,834,269.58	\$23,230,462.82	\$8,130,661.99
12	2032	\$19,396,193.24	---	\$19,396,193.24	\$6,788,667.63
13	2033	\$19,396,193.24	---	\$19,396,193.24	\$6,788,667.63
14	2034	\$19,396,193.24	---	\$19,396,193.24	\$6,788,667.63
15	2035	\$19,396,193.24	---	\$19,396,193.24	\$6,788,667.63
16	2036	\$19,396,193.24	---	\$19,396,193.24	\$6,788,667.63
17	2037	\$19,396,193.24	---	\$19,396,193.24	\$6,788,667.63
18	2038	\$19,396,193.24	---	\$19,396,193.24	\$6,788,667.63
<b>Total</b>		<b>\$318,542,315.88</b>	<b>\$20,537,552.17</b>	<b>\$339,079,868.05</b>	<b>\$118,677,953.81</b>



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Source: <https://www.tn.gov/content/dam/tn/attorneygeneral/documents/foi/opioids-settlements/guide.pdf>

# Abatement Funds – County Reporting

## Biannual Reporting

- Reporting required directly to OAC
  - What remediation strategies the county funded
  - Total amount spent on each strategy
  - When the funds were spent
  - Number of people served





# Approved Remediation Uses

*Core Strategies*

*In settlement agreements and approved by TN OAC in 2022*

Naloxone or other FDA-approved drugs to reverse overdose

Medication assisted treatment

Services for pregnant and postpartum women

Expand treatment for NAS

Expand warm hand-offs and recovery services

Treatment for incarcerated population

Prevention programs

Expanding syringe service programs

Data collection and research analysis of abatement strategies



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Source: [TN OAC Approved Remediation List](#)

# 2<sup>nd</sup> Wave Settlements – \$490 Million

*Subdivisions had to sign on by April 18<sup>th</sup>, 2023*

## Distributors and Pharmacies

- Allergan - \$57 million over 7 years
- Teva - \$96 million over 13 years
- CVS - \$127 million over 10 years
- Walgreens - \$138 million over 15 years
- Walmart - \$72 million in one payment

## 2023 introduced legislation

HB1367/SB0637

- Adds these five additional companies to the statewide opioid settlement agreement.
- Amends TCA so that the second wave monies will be subject to the same rules as the first wave and will be distributed in the same way.



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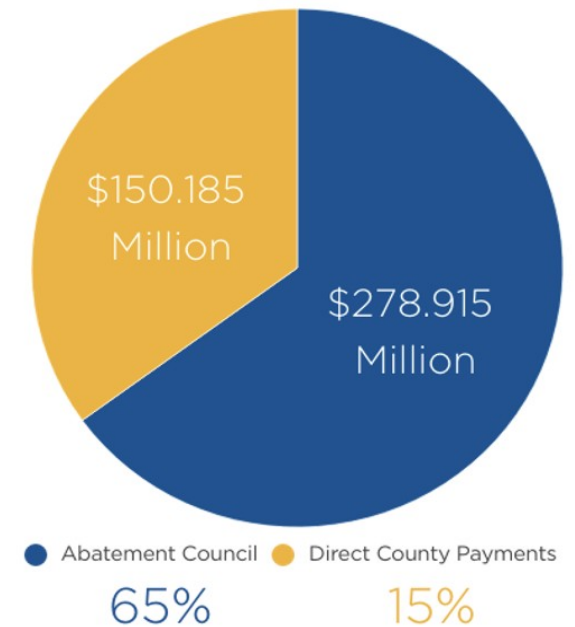
Source: [TN AG site](#), [HB1367](#)



# Abatement Funds – Community Grants

Per the Abatement Act: The council shall disburse the remaining 65% of such proceeds for statewide, regional, or local opioid abatement and remediation purposes

- 2023: \$72 million available for distribution
- Approved remediation uses the same as county
- Hoping to accept applications fall 2023
- Reporting to be determined by OAC



# Endo Bankruptcy: Pending

No action need from counties at this time

The TN Attorney General's office will provide additional information as it becomes available

It is possible that a proof of claim will be needed from counties at a later date



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# Assemble a Task Force 5-7 Reps

Local elected officials

Reps from diverse populations

Service providers

County agency leaders

People with lived experience

University Reps



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# Johns Hopkins Five Guiding Principles

Spend money to save lives

Use evidence to guide spending

Invest in youth prevention

Focus on racial equity

Develop a fair and transparent process



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Source: [Johns Hopkins Guiding Principles](#)



# Conduct a Local Needs Assessment

*Determine how to disburse limited resources for maximum impact*

## What?

- Systematic process for identifying health needs and assets – which interventions save the most lives

## Who?

- Often health department in partnership with other organizations

## When?

- SAMSHA recommends conducting every three years

## Why?

- To ensure settlement funds create a sustainable, long-term reduction in substance use disorder



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Source: [NACO/JH Guide for conducting a needs assessment](#)

Use funds to leverage funds

Collaborate with other counties when possible

Evaluate programs

Transparency and talking to the public



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# IPS SMART Consultants

*Starting July 2023 in each grand division*

Plans for opioid settlement funds

Program implementation

Education for community stakeholders

Grant writing and management

Program evaluation



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[SMART.Tennessee.edu](https://SMART.Tennessee.edu)  
[SMART@Tennessee.edu](mailto:SMART@Tennessee.edu)



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