



Opioid Settlements Update

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Opioid Settlements

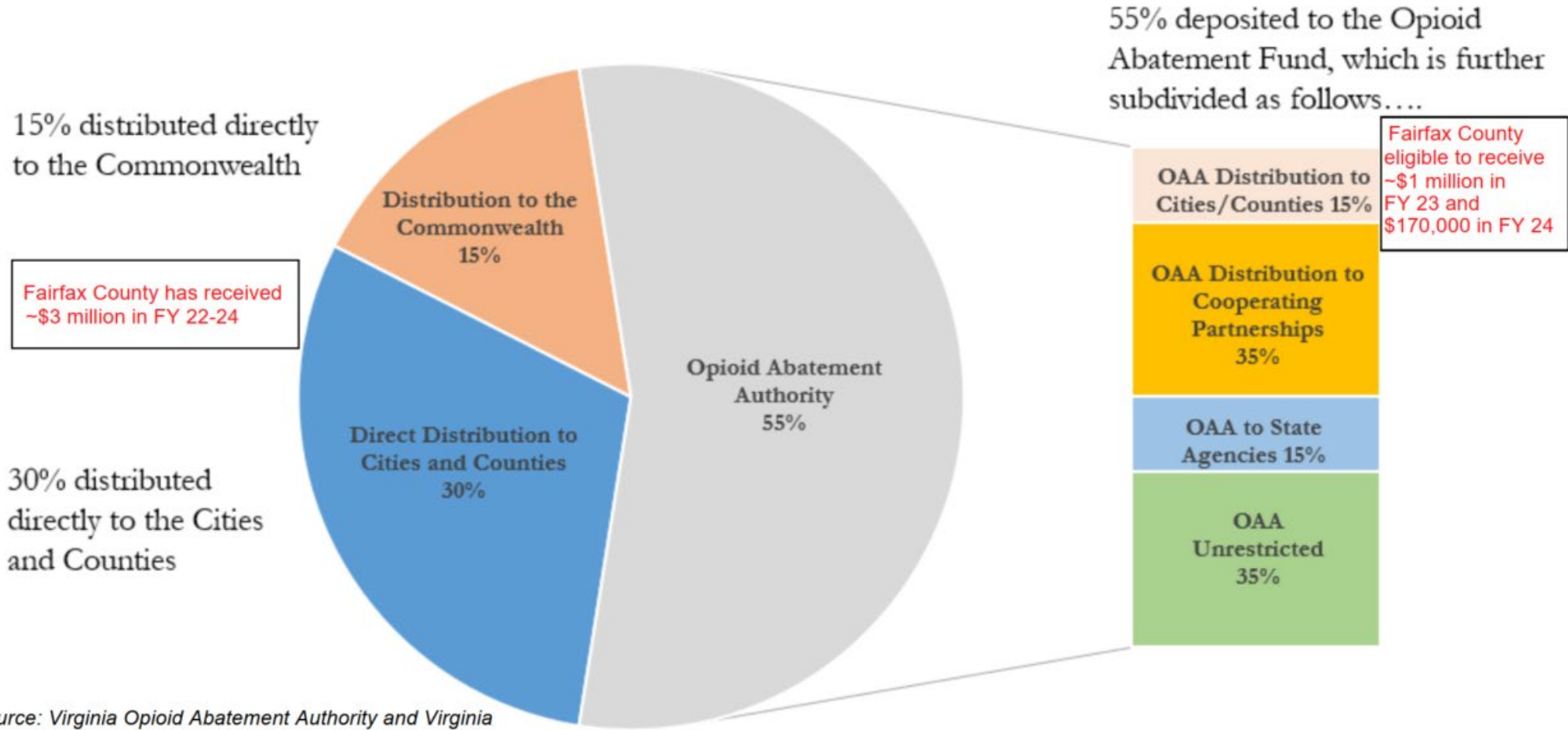
- Refers to settled lawsuits brought by states/localities against numerous organizations in the pharmaceutical supply chain, including manufacturers, distributors, and pharmacy benefit managers, for their role in the opioid epidemic
- Three Components Form Virginia's Guidance for Opioid Settlement Fund Distribution
 - Virginia's MOU with cities and counties
 - Code of Virginia and in particular Title 2.2, Chapter 22, Article 12
 - Settlement Agreements
- Three settlements are currently in the payment phase, with many lawsuits still pending
- Virginia Opioid Abatement Authority (OAA) is the state entity administering funds
- Evolving landscape due to multiple factors

Opioid Settlements

- Funds generally must be used for abatement purposes:
 - Efforts to treat, prevent, or reduce opioid use disorder or the misuse of opioids, or to otherwise abate or remediate the opioid epidemic
- Fairfax County is receiving funds directly and also is eligible to receive funds from the OAA
 - Direct Distributions (funds received directly)
 - Individual OAA Distribution (noncompetitive, but must apply)
 - Cooperative Projects (competitive; must include at least two cities or counties)
 - Planning Grants (competitive)



Virginia's Settlement Distribution Agreement



Source: Virginia Opioid Abatement Authority and Virginia Office of the Attorney General, updated March 2023

Fairfax County
Estimated Opioid Settlement Fund Distributions
FY 2022 - FY 2039
as of August 29, 2023

Local match for first year of regional youth detox/residential treatment project (OAA cooperative partnership award)

	Citites/Counties Direct Share			From Opioid Abatement Authority				Annual Total
	Non-Competitive/Direct Distribution			Non-Competitive/ Needs Approval		Competitive Cooperative Partnerships	Competitive Planning Grants	
	Distributors	Janssen	Mallinckrodt	Individual OAA Share	25% Incentive			
FY 2022	\$352,634	\$0	\$0	\$0	\$0			\$352,634
FY 2023	\$611,679	\$1,529,926	\$90,760	\$807,787	\$201,947			\$3,242,099
FY 2024	\$370,601	\$0		\$135,887	\$33,972			\$540,460
FY 2025	\$463,860	\$0		\$170,082	\$42,520			\$676,462
FY 2026	\$463,860	\$0		\$170,082	\$42,520			\$676,462
FY 2027	\$463,860	\$71,204		\$196,190	\$49,048	TBD based on OAA final award for regional youth detox/residential treatment services and other potential future applications submitted/awards received		\$780,302
FY 2028	\$463,860	\$71,204		\$196,190	\$49,048			\$780,302
FY 2029	\$545,555	\$71,204		\$226,145	\$56,536		TBD based on applications submitted and awards received	\$899,440
FY 2030	\$545,555	\$90,656		\$233,277	\$58,319			\$927,807
FY 2031	\$545,555	\$90,656	Still being determined	\$233,277	\$58,319			\$927,807
FY 2032	\$458,594	\$90,656		\$201,391	\$50,348			\$800,989
FY 2033	\$458,594	\$0		\$168,151	\$42,038			\$668,783
FY 2034	\$458,594	\$0		\$168,151	\$42,038			\$668,783
FY 2035	\$458,594	\$0		\$168,151	\$42,038			\$668,783
FY 2036	\$458,594	\$0		\$168,151	\$42,038			\$668,783
FY 2037	\$458,594	\$0		\$168,151	\$42,038			\$668,783
FY 2038	\$458,594	\$0		\$168,151	\$42,038			\$668,783
FY 2039	\$458,594	\$0		\$168,151	\$42,038			\$668,783
Total	\$8,495,771	\$2,015,506	TBD	\$3,747,365	\$936,843	TBD	TBD	\$15,195,485

FY 2022 and FY2023 amounts are confirmed, but each subsequent year amounts are estimates and likely to vary based on adjustments that occur at the national level prior to distribution to the various states.

Source: Virginia Office of the Attorney General and the Virginia Opioid Abatement Authority, updated March 2023

Update on Local Implementation

Spring 2023 Cooperative Partnership OAA Application

- In Spring 2023, the NOVA Community Services Boards (CSBs) applied for an OAA cooperative partnership grant for funds to bring youth withdrawal management (detox)/residential services to NOVA.
- The OAA recently voted to fund this project.
- Planned for a vendor to provide this service, but no responsive proposals were received through RFP process.
- The CSBs/Northern Virginia Regional Projects Office are currently strategizing the most efficient path forward.

Summer/Fall 2023 Fairfax Process

- County agencies/FCPS recently had an opportunity to submit requests for settlement funds for opioid-related projects.
- The requests are currently being reviewed by the Opioid Settlement Executive Committee, which will determine a funding strategy/recommendations.

Guiding Principles for Using Opioid Settlement Dollars

- Align with the County's FY 23-25 Opioid Response Plan
- Fill critical system gaps (i.e. youth treatment services)
- Optimize existing programs/projects
- Invest in system transformation
- Balance timely use of funds with fiscal responsibility
- Utilize evidence-based/informed approaches
- Continue to leverage existing funding sources where possible

