



An Opioid Allocation Agreement in North Carolina: One State's Positive Experience

Your Presenters



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Opioid Epidemic: Human Toll

- More than **16,000** North Carolinian lives lost
- COVID-19 pandemic caused a **new wave** of isolation, despair, drug misuse and overdose deaths

Opioid Epidemic: Role of Local Governments

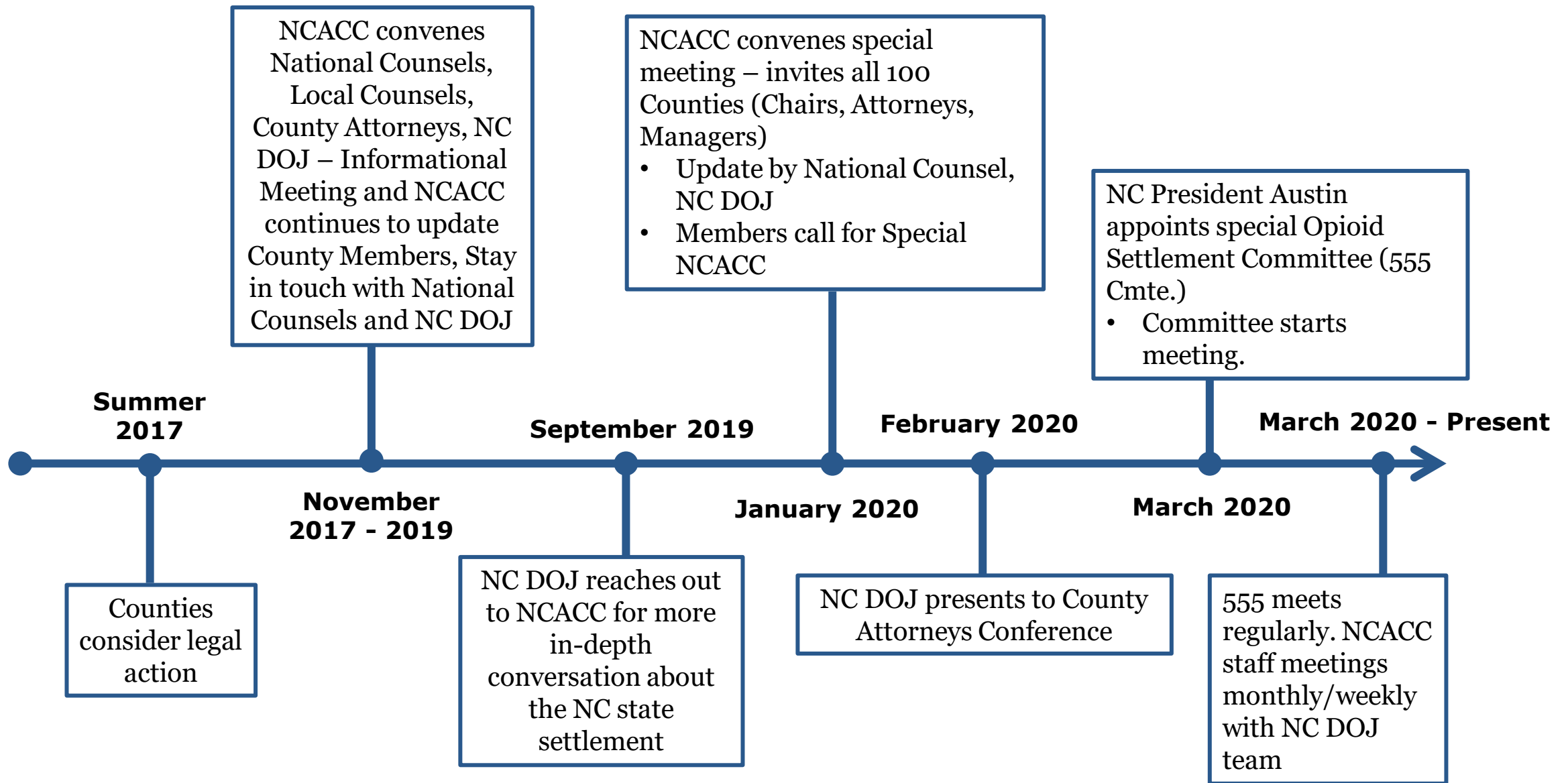
- Counties are on the **frontlines**
- Local governments have spent untold amounts of money on **opioid-related costs** for healthcare, criminal justice and social services

Opioid Litigation

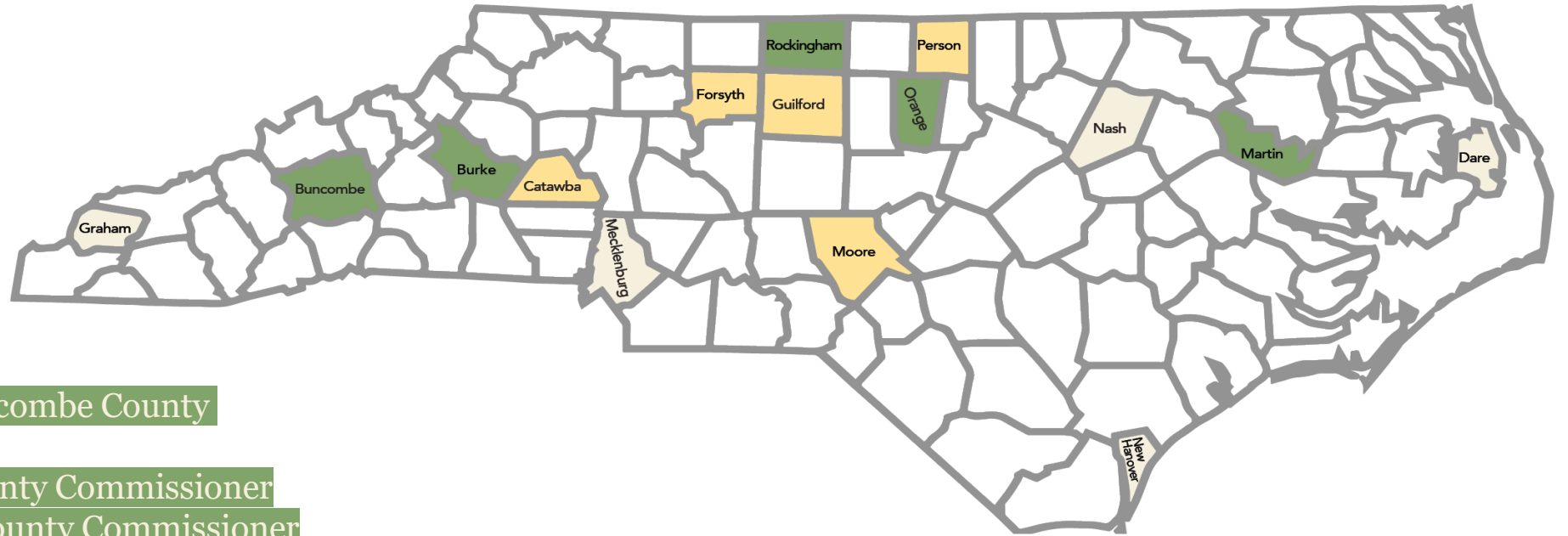
- State of NC, 76 counties and 8 municipalities filed lawsuits in federal court to hold accountable several companies involved in manufacturing, marketing, promoting, and distributing prescription opioid drugs
- These federal cases along with thousands of others across the country were consolidated into **Multi-District Litigation (MDL)**
- State and local governments hopeful a National Settlement Agreement will be forthcoming

Preparing for National Settlement Agreement

- NC DOJ and NCACC collaborated to define **settlement fund allocation model**
- Goal is to **maximize NC's share** of settlement funds to ensure resources reach communities as quickly, effectively, and directly as possible



"5-5-5" Committee



Jasmine Beach-Ferrara, Buncombe County
Commissioner

Johnnie Carswell, Burke County Commissioner

Reece Pyrtle, Rockingham County Commissioner

Sally Greene, Orange County Commissioner

Ronnie Smith, Martin County Commissioner

Debra Bechtel, Catawba County Attorney

Gordon Watkins, Forsyth County Attorney

Ron Aycock, Special Counsel-Person County

Misty Leland, Moore County Attorney

Mark Payne, Guilford County Attorney

Becky Garland, Graham County Manager

Dena Diorio, Mecklenburg County Manager

Zee Lamb, Nash County Manager

Chris Coudriet, New Hanover County
Manager

Bobby Outten, Dare County Manager

Memorandum of Agreement for Allocation of Settlement Funds Between State and Local Government Entities



MOA: Allocation Model

- **15% to State:** General Assembly would have authority to appropriate on a wide range of strategies to address the epidemic
- **80% to Local Governments:** Will go to all 100 counties and 17 municipalities, allocated according to a formula developed by attorneys representing local governments in national litigation
- **5% to County Incentive Fund:** Will go to any county and any municipality in that county receiving settlement funds, in which the county and every municipality with at least 30,000 residents in the county signs the NC MOA

MOA: Settlement Funds & Allocation Estimates

- National settlement, along with Purdue Pharma and Mallinckrodt bankruptcy could provide up to **\$850 million** to NC for opioid remediation
 - To be allocated over the course of **18 years**, with funds being front-loaded
- Funds **allocated proportionally** based on where the opioid crisis is most severe, and is based on number of pills dispensed, number of opioid overdose deaths and number of people suffering from opioid use disorder

MOA: Opioid Remediation Activities

- MOA offers local governments two options:
 - Option A: a local government may fund one or more strategies from a shorter list of evidence-based, high-impact strategies to address the epidemic
 - Option B: a local government may fund one or more strategies from a longer list of strategies after engaging in a collaborative strategic planning process involving a diverse array of stakeholders at the local level

MOA: Coordination Group

Five Local Government Representatives

Four Experts Appointed by DHHS

One Expert Appointed by Attorney General

Two Experts Appointed by Legislative Leaders

MOA: Transparency & Reporting

Annual financial and impact reporting and audit requirements

Statewide opioid settlement dashboard

MOA: Important of Signing

- National settlement agreement expected to provide **highest benefits** to state and local governments that have **100% participation** in signing state agreements
- All North Carolinians and all communities stand to gain by local governments signing MOA and demonstrating solidarity in response to opioid epidemic

Questions?



Thank you!

Have additional questions? Feel free to reach out!



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