

Opioid Settlement Fund

Victor Isler

Assistant County Manager for Successful People

August 4, 2022



Overview

- Background and National Settlement
- North Carolina's Local Government MOA & Tiered System
- Research on Polysubstance and Dual Diagnose
- Identify Essential Action Items & Processes
- Taskforce Framework Considerations
- Recommendation

What is the U.S. Opioid Epidemic

- In the late 1990s, pharmaceutical companies reassured the medical community that patients would not become addicted to opioid pain relievers and healthcare providers began to prescribe them at greater rates.
- Increased prescription of opioid medications led to widespread misuse of both prescription and non-prescription opioids before it became clear that these medications could indeed be highly addictive.
- Devastating consequences of the opioid epidemic include increases in opioid misuse and related overdoses, as well as the rising incidence of newborns experiencing withdrawal syndrome due to opioid use and misuse during pregnancy.
- An estimated 40% of opioid overdose deaths involved a prescription opioid. From 2000-2020 more than 28,000 North Carolinians lost their lives to drug overdose.

What is the U.S. Opioid Epidemic

THE OPIOID EPIDEMIC BY THE NUMBERS



70,630

people died from drug overdose in 2019²



10.1 million

people misused prescription opioids in the past year¹



1.6 million

people had an opioid use disorder in the past year¹



2 million

people used methamphetamine in the past year¹



745,000

people used heroin in the past year¹



50,000

people used heroin for the first time¹



1.6 million

people misused prescription pain relievers for the first time¹



14,480

deaths attributed to overdosing on heroin (in 12-month period ending June 2020)³



48,006

deaths attributed to overdosing on synthetic opioids other than methadone (in 12-month period ending June 2020)³

SOURCES

1. 2019 National Survey on Drug Use and Health, 2020.
2. NCHS Data Brief No. 394, December 2020.
3. NCHS, National Vital Statistics System. Provisional drug overdose death counts.

 HHS.GOV/OPIOIDS

National Settlement

- Two nationwide settlement agreements have been reached that would resolve all opioid litigation brought by state and local governments against the three largest drug distributors, McKesson, Cardinal Health and AmerisourceBergen, and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson.
- The proposed settlements require that the distributors and J&J pay **\$26 billion** over 18 years, with approximately **\$22.7 billion** available to state and local governments to address the opioid epidemic.

North Carolina's Involvement

- The State of North Carolina approved and signed the settlements, making North Carolina local governments eligible to participate.
- North Carolina stands to receive approximately **\$750 million**.
- North Carolina's share of settlement funds will be distributed among state and local governments as outlined in a Memorandum of Agreement that the state and more than 80 local governments.
 - 15% to the state, which the General Assembly would appropriate to address the epidemic.
 - 80% to local governments, including all 100 counties and 17 municipalities.
 - An additional 5% to an incentive fund to encourage counties and large- and medium-size municipalities to sign on to the agreement.

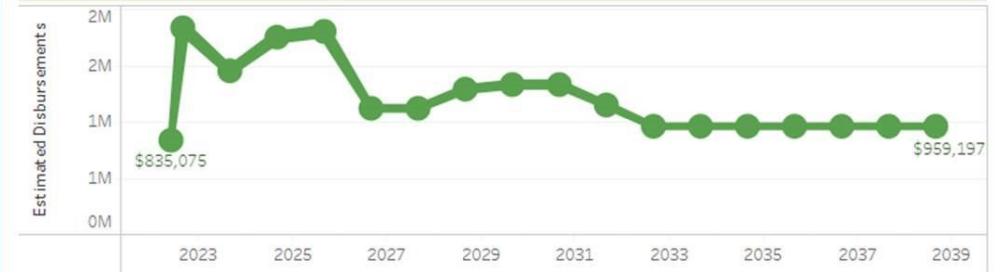
Guilford County

- Guilford County will receive **\$21.7 million**
 - Funds will be distributed over 18 years
 - Payments in the first 3 years will be higher than the average annual payment to make funding available sooner to local governments to remedy the opioid problems
- Greensboro will receive **\$3.4 million** and High Point will receive **\$1.3 million** over 18 years
- Board approved a special revenue fund in May 2022 to separately account for funds
- In FY22, Guilford County already received **\$835,075** and budgeted **\$300,000** with the FY23 Budget
- Guilford County will receive an additional **\$1,836,491** by September 2022

18 Year Payment to Guilford during 2022-2038:

\$21,735,653

Payments Over Time - Guilford



Payment Table - Guilford

Year	Season	Amount
2022	Spring	\$835,075
	Summer	\$1,836,491
2023	Summer	\$1,453,478
2024	Summer	\$1,753,046
2025	Summer	\$1,804,675
2026	Summer	\$1,119,142
2027	Summer	\$1,119,142
2028	Summer	\$1,290,016
2029	Summer	\$1,330,700
2030	Summer	\$1,330,700
2031	Summer	\$1,148,812
2032	Summer	\$959,197
2033	Summer	\$959,197
2034	Summer	\$959,197
2035	Summer	\$959,197
2036	Summer	\$959,197
2037	Summer	\$959,197
2038	Summer	\$959,197

Essential Action Items & Processes



CDC and SAMHSA Research

Opioid use disorders are complex and are often associated with other substance use and/or mental health challenges:

- **Many individuals with opioid and other substance use disorders (SUDs) have co-occurring mental disorders and comorbid conditions** that providers recognize need concurrent treatment.
- In 2019, **9.5 million adults had both an SUD and a co-occurring mental illness**, and of these individuals 3.6 million had a serious mental illness.

Substance Abuse and Mental Health Services Administration, Center for Behavioral Health Statistics and Quality. (2020b). Key substance use and mental health indicators in the United States: Results from the 2019 National Survey on Drug Use and Health (Figures 56 and 58). HHS Publication No. PEP20-07-01-001, NSDUH Series H-55. [https:// www.samhsa.gov/data/sites/default/files/reports/rpt29393/2019NSDUHFFRPDFWHTML/2019NSDUHFFR090120.htm](https://www.samhsa.gov/data/sites/default/files/reports/rpt29393/2019NSDUHFFRPDFWHTML/2019NSDUHFFR090120.htm)



Purpose of Funds

- To provide treatment
- To support recovery
- To support harm reduction
- Provide other life-saving programs and services
- Serve persons with opioid use disorder or any co-occurring substance use disorder or mental health condition as permitted under **Option B**

CDC and SAMHSA Recommendations

1. **Know your epidemic, know your response** – have a wholistic understanding of the causes and characteristics at a local level
2. **Make collaboration your strategy** – bring all community entities to the table and ensure they can fulfill their roles
3. **Nothing about us without us** – get the direction and input of the people who will be affected by policy and programs
4. **Meet people where they are** – understand the experience of the person we are trying to reach in order to help them

Centers for Disease Control and Prevention. Evidence-Based Strategies for Preventing Opioid Overdose: What's Working in the United States. U.S. Department of Health and Human Services, 2018. Accessed 7/22/22 from <http://www.cdc.gov/drugoverdose/pdf/pubs/2018-evidence-based-strategies.pdf>



Memorandum of Agreement

Section E-7 requires local governments to select one of two options for using settlement funds:

Option A

- Funds may be spent on one or more strategies from a shorter, more defined list of evidence-based, high-impact opioid abatement **only** strategies (MOA Ex. A)

Option B

- Funds may be spent on a longer more open-ended list of categories, including those allowed in Option A, after a voluntary, collaborative, **non-binding** priority & action planning process with a broad array of stakeholders (MOA Ex. B)

Option A & B Considerations

Option A

- Collaborative Strategic Planning
- Medication-Assisted Treatment (MAT) & Opioid Use Disorder Treatment (OUD)
- Recovery Support
- Recovery Housing for those receiving MAT
- Employment Related Services
- Early Intervention
- Naloxone Distribution
- Post-overdose Response Team
- Syringe Service Program
- Justice Diversion Programs
- Addiction Treatment for Incarcerated Persons
- Reentry Programs

Option B

- Treatment for co-occurring substance use disorder or Mental Health
- Telehealth & mobile intervention
- Treatment for uninsured women 12mos postpartum
- Trauma informed services & family members
- Scholarships and supports for behavioral health practitioners
- Wrap-around and/or warm hand-off services
- Continuum of care & recovery services (supportive housing, community navigators, etc.)
- Recovery housing to include maternity care, mitigation of foster care
- Recovery support in high schools
- Recovery & Treatment Courts
- Critical Time Interventions (CTI)
- Brief Intervention & Referral to Treatment (SBIRT)

Benefits of Strategic Planning & an Opioid Response Taskforce

- **Better understand and meet the needs of the community**
 - Provide community members the opportunity to provide input including those with lived experience
 - Identifies priorities & interest
- **Facilitate coordination with key partners and agencies**
 - Maximize resources and efforts, both existing and new
 - Ensure that services are not duplicated
- **Build community-wide support**
 - Engage stakeholders that reflect the diversity of the community
 - Meet the variety of needs of individuals with opioid and other substance use disorders including medical, employment and housing

The taskforce will be focused on community level coordinating and planning, not on providing direct services itself.

Opioid Taskforce Framework...

Framework Considerations

Healthcare
Solutions

Education &
Prevention

Housing &
Workforce
Development

Public Safety &
Justice

Treatment &
Recovery

Awareness,
Advocacy &
Stigma

Existing County's with an Opioid Taskforce

- Wake County (est. 2015)
- Forsyth County (2017)
- Mecklenburg County (2017)
- New Hanover County (2017, by NH Regional Medical Center)
- Durham County (2018)
- Rockingham County
- Craven County (2018)
- Granville County (2018)
- Johnston County (2022)

Recommendation

Based on research, the identified considerations and benefits, staff recommend MOA Option B and request that the Board:

- Approve MOA “Option B” as required by the MOA to engage in a collaborative strategic planning process to prioritize and then fund a broad range of abatement and remediation strategies to support long-term infrastructure development and essential service delivery provisions specific to the Guilford Community
- Approve an Opioid Community Engagement & Taskforce Coordinator position to coordinate the priority & action planning process as outlined in MOA Exhibit C, engagement of the taskforce, and of the broader community

Revisiting the Essential Action Items & Processes & Q&A

