



Office of Addiction Services and Supports

KATHY HOCHUL
Governor

CHINAZO CUNNINGHAM, MD
Commissioner

Opioid Settlement Fund Advisory Board

July 18, 2022

Administrative Items

- Meetings are being recorded and live streamed
- Facilities
- Breaks



Review and Approval of June 28, 2022 Minutes



Review and Approval of Revised Bylaws

Review and Adoption of Board Charter



Lunch

Financial Overview

Opioid Settlements

- Settlement agreements have been reached between the State and each defendant separately, with distinct terms for each agreement.
- Moneys go either directly to recipients or to the State Opioid Settlement Fund (OSF). The Board is responsible for making recommendations on moneys in the OSF.
- Settlement agreements include payment schedules that vary from 1-18 years.
- The following settlement agreements have been reached and are included in the tables:
 - **Allergan** (\$200M) - \$20M reimburses litigation costs. Of the remaining \$180M, 62% of payments go directly to local governments (including litigation costs incurred by Nassau and Suffolk), with 38% going to the OSF.
 - **Johnson & Johnson (J&J)** (\$230M) - 46% of payments go directly to local governments, with 54% going to the OSF.
 - **Endo** (\$50M) - 79% of payments go directly to local governments (including litigation costs), with 21% going to the OSF.
 - **Distributors** (\$1.2B) - \$121M reimburses litigation costs. Of the remaining \$1.1B, 45% of payments go directly to local governments, with 55% going to the OSF.



Opioid Settlements

- The following settlements are not included:
 - **McKinsey** (\$32.1M) - Note that this precedes the creation of the OSF and is excluded statutorily. The funds are going to opioid treatment and have been appropriated to Medication Assisted Treatment (MAT) in State correctional facilities.
 - **Mallinckrodt** (\$41.1- \$58.5M) - This was recently announced by the AG and the total amount will be determined by the payment schedule Mallinckrodt chooses by December 2023. This will be included in tables once more information is known.

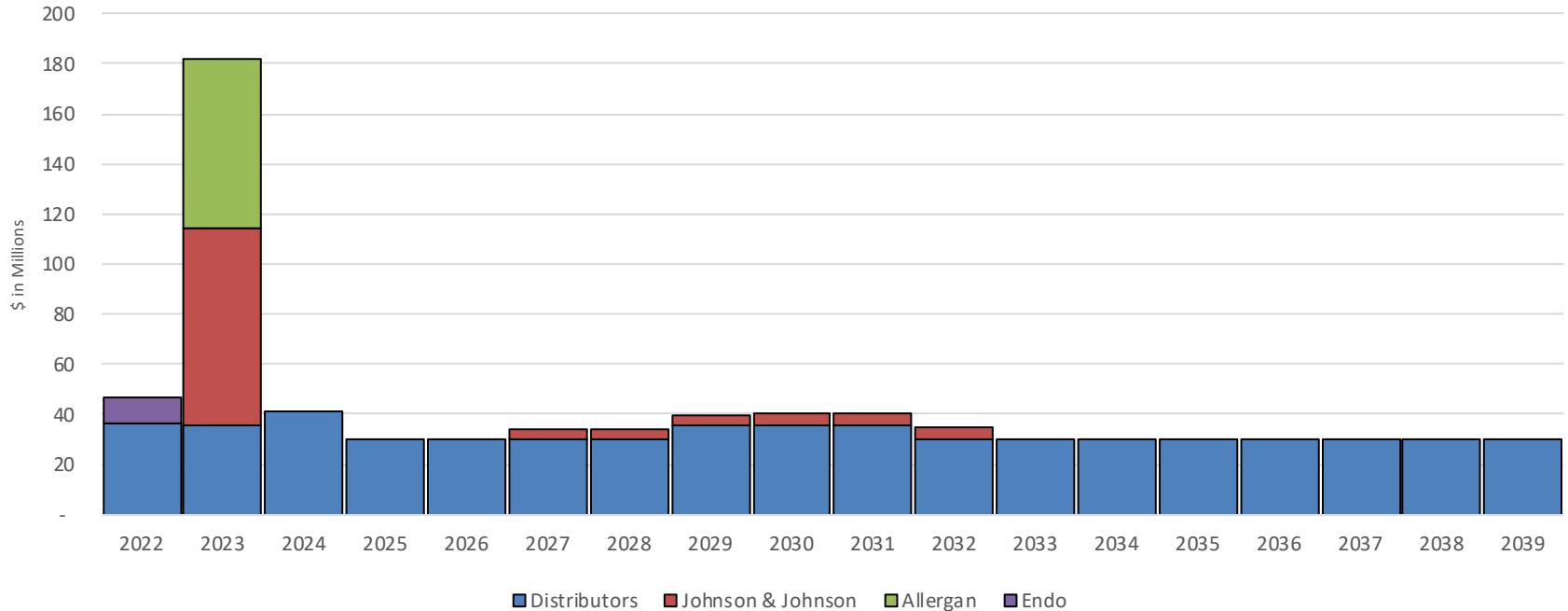


Opioid Settlements

- Glossary of Terms Used in Opioid Settlement Tables
 - LGUs - local government units
 - Abatement - must be used for specified purposes, referred to as “Approved Uses” in the actual settlements or identified in OSF statute
 - Subdivisions - counties
 - Unrestricted - not restricted to a specific purpose; however, statute defines eligible uses for OSF moneys
 - Qualified Settlement Fund (QSF) – a trust account controlled by the third-party administrator.
- Organization of the Opioid Settlement Tables
 1. FY 2023 summary of receipts by source and use
 2. Multi-year detail of receipts by source and use
 3. FY 2023 summary of direct payments to LGUs
 4. Multi-year detail of direct payments to LGUs
 5. Multi-year detail of funds available to LGUs for abatement through the Opioid Settlement Fund.



Opioid Settlement Fund Receipts by State Fiscal Year



Opioid Settlements

5-Year Summary of Opioid Settlements (\$ in thousands)

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	5-Year Total
Direct Payments to Local Governments	279,214	28,748	25,914	25,914	29,810	389,601
Payments to Opioid Settlement Fund	241,717	41,371	30,287	30,287	34,840	378,501
FY 2023 Enacted Budget Investments	83,820	-	-	-	-	83,820
Available for Future Investments	157,897	41,371	30,287	30,287	34,840	294,681
<i>Designated for Local Government Initiatives</i>	64,006	7,535	9,431	9,431	10,848	101,250
<i>State-Led Initiatives</i>	93,891	33,836	20,856	20,856	23,991	193,431
Total	520,932	70,119	56,201	56,201	64,650	768,102



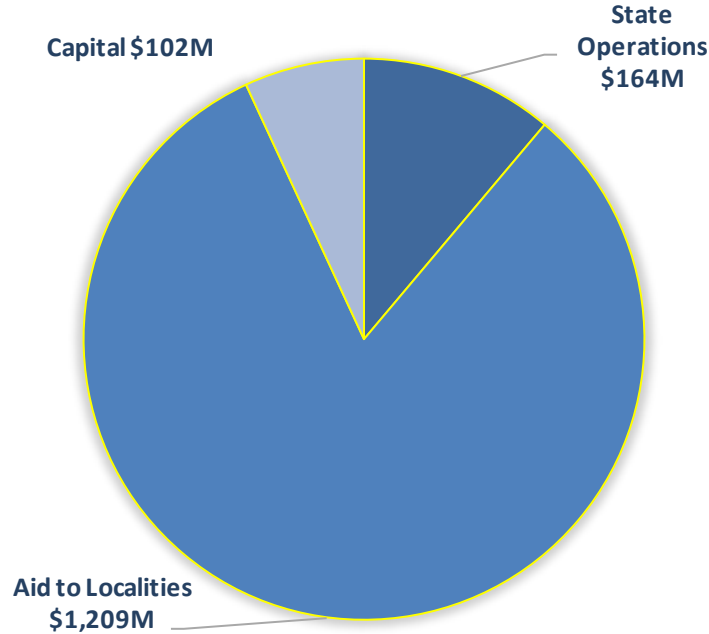
Opioid Settlements

Summary of Anticipated Opioid Settlement Receipts Through FY 2023 (\$ in thousands)

	Distributors Payment 1	Distributors Payment 2	J&J Payment 1	Allergan	Endo	Total
Direct Payments to Local Governments	27,744	20,704	79,031	112,077	39,658	279,214
Direct Payments to LGUs from OAG Escrow Account	27,744	20,704	79,031	57,791	11,958	197,229
Direct Payments to Co-Litigants	-	-	-	54,286	27,700	81,986
Payments to Opioid Settlement Fund	36,268	35,200	92,366	67,542	10,342	241,717
Available to LGUs for Abatement	7,169	7,535	28,760	20,542	-	64,006
State Investments	29,099	27,666	63,605	47,000	10,342	177,711
Total	64,012	55,904	171,397	179,619	50,000	520,932



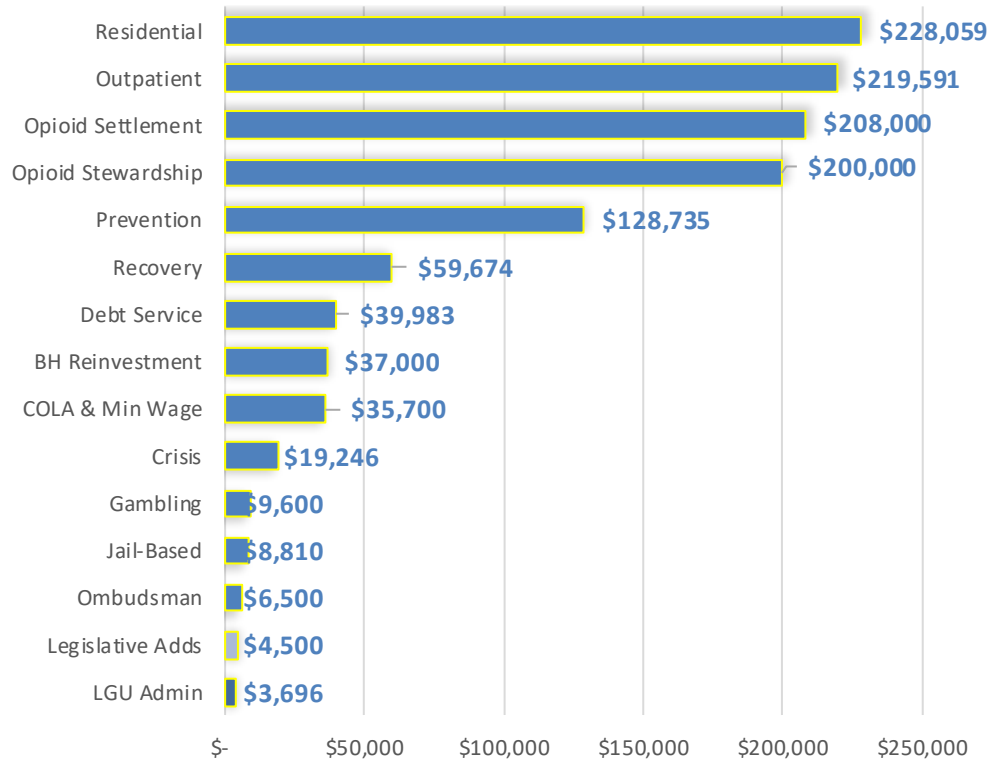
OASAS 2022-23 Appropriations



Total: \$1,476 M



OASAS ATL APPROPRIATIONS (000'S)



Funds are provided as State Aid to non-profit community and local government providers of Substance Use Disorder (SUD) and problem gambling services, as well as transferred to DASNY for capital bond payments and to DOH for Medicaid-eligible SUD-related services



SUD Funding Outside OASAS

- Medicaid/Medicaid Managed Care for all SUD services
 - \$1.29 Billion in CY 2021
- DOCCS for MAT in State prisons
 - \$11 Million in FY 2023
 - \$11 Million reappropriation from FY 2022
 - \$11 Million planned to be appropriated in FY 2024



Opioid Settlement Fund Appropriations

State Operations - \$100,000

- For administration of programs and activities supported by the opioid settlement funds

Aid To Localities - \$208 million

- Up to \$900,000 may be available for payments reserved for other litigating entities, pursuant to a plan drafted by the Office of the Attorney General and approved by the Office of Addiction Services and Supports, which are in accordance with the settlement agreements
- At least \$59 million shall be made available for payments reserved for local governments, pursuant to a plan approved by the Office of Addiction Services and Supports, which are in accordance with the settlement agreements.

Capital - \$10 million

- For the acquisition of property, design, construction, and rehabilitation of facilities for the purpose of expanding access to addiction treatment services associated with implementing the opioid settlement agreements



OSF Investments

FY 2023 Opioid Settlement Fund Scorecard (\$ in thousands)			
	FY 2023 Enacted	Change	Updated June 2022
Receipts	208,161	33,556	241,717
Additional Restitution	17,290	0	17,290
State Abatement - Regional	54,906	8,090	62,996
State Abatement - Lead Agency	72,515	9,872	82,387
State Direct - Unrestricted	63,450	8,638	72,088
Cost to State		6,956	6,956
Disbursements	184,544	8,282	192,826
Reserved for Municipalities	55,724	8,282	64,006
Allocated Payments	818	618	1,436
State Abatement - Regional Shares	54,906	7,664	62,570
State Investments	128,820	-	128,820
Expansion of Treatment Services (OASAS)	60,000	-	60,000
Statewide Transportation Initiative (OASAS)	1,000	-	1,000
Transitional Housing Initiative (OASAS)	2,300	-	2,300
MATTERS Program Expansion Initiative (DOH/OASAS)	8,000	\$83,820	8,000
NYS Overdose Prevention Program (DOH)	8,520	-	8,520
MAT in DOCCS Facilities (DOCCS)	-	-	-
Addiction Workforce College Credit Scholarship (OASAS)	4,000	-	4,000
Unallocated - to be allocated after Advisory Board Recommendations are made	45,000	-	45,000

- In the FY 2023 Enacted Budget, funds were appropriated with details in a scorecard.
- This is a crosswalk between the original scorecard and the updated numbers.
- There are \$158M in FY 2023 receipts for future opioid investments.

Potential Opioid Settlement Fund Uses

- Evidence-based prevention education and campaigns, including school-based prevention services;
- Statewide public education campaigns to increase awareness of services and decrease stigma;
- Substance use disorder treatment and early recovery programming, including programs aimed at addressing co-occurring disorders, expanding access to medication for addiction treatment, expanding services in correctional settings and other services across the service delivery spectrum;
- Harm reduction services to address the adverse health consequences associated with substance use;
- Housing services;
- Community-based services that reduce the likelihood of criminal justice involvement;
- Programs geared toward pregnant and parenting persons; and/or
- Vocational and educational training for individual with or at risk of substance use disorder



Board Recommendations