



Opioid Litigation Settlement

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

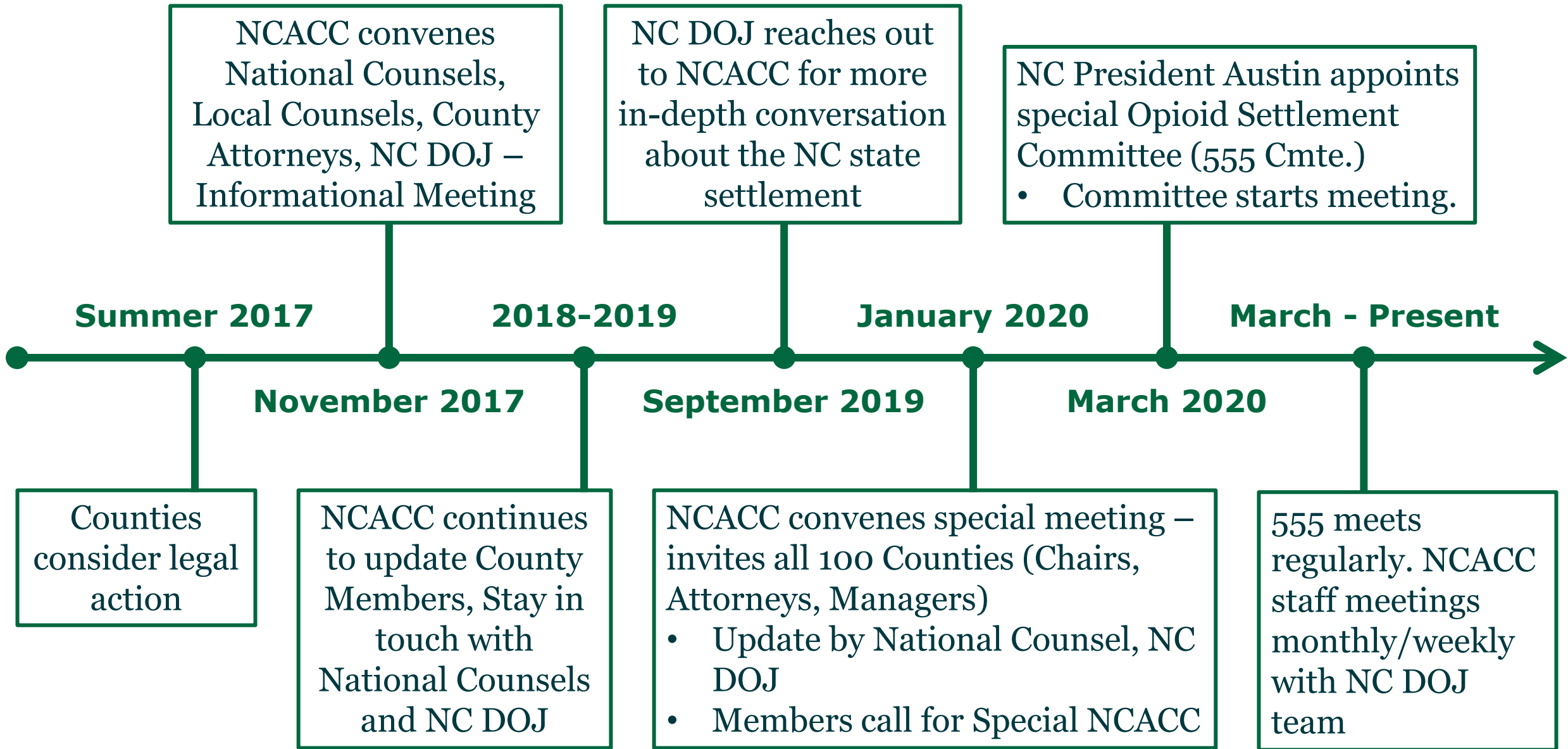
- Counties are on the **frontlines**
- Local governments have spent untold amounts of money on **opioid-related costs** for healthcare, criminal justice and social services

Opioid Litigation

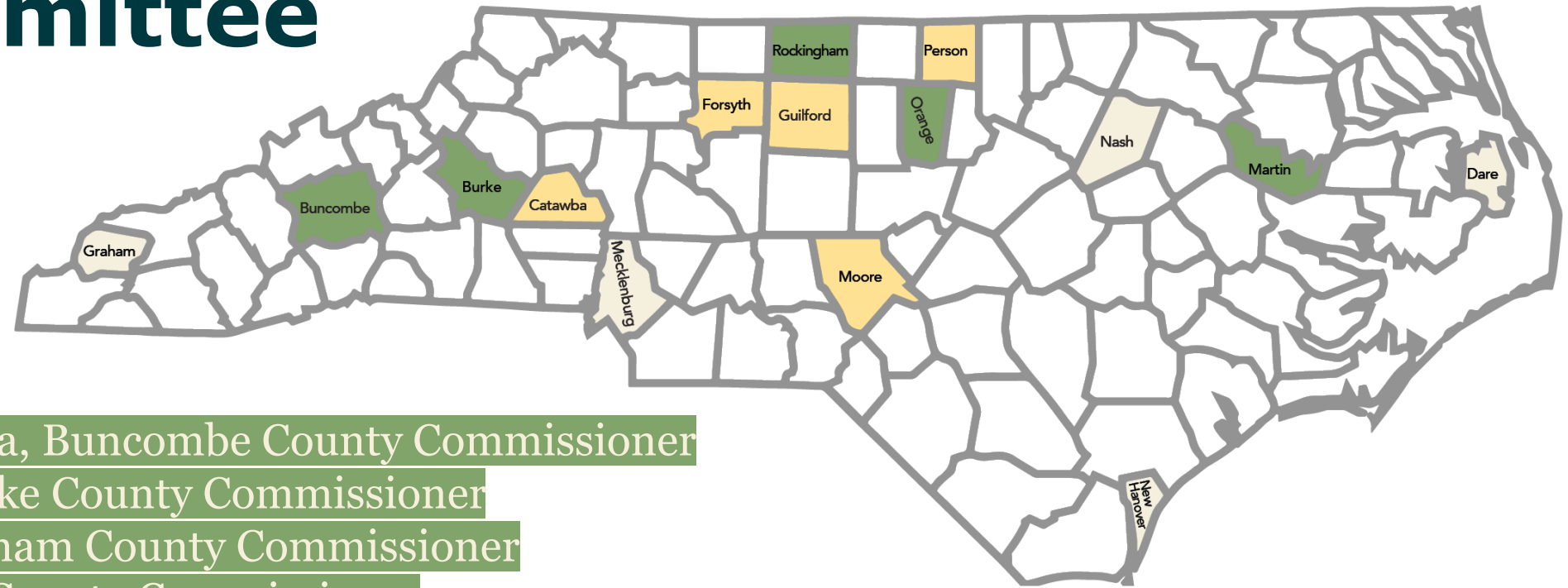
- State of NC, 76 counties and 8 municipalities filed lawsuits in federal court to hold accountable several companies involved in manufacturing, marketing, promoting, and distributing prescription opioid drugs
- These federal cases along with thousands of others across the country were consolidated into **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



555 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

Next Steps

- Discuss MOA in detail
- Follow-up email to come Friday
- Confer with municipal counterparts
- Be in touch with questions –
communications@ncacc.org



Memorandum of Agreement

MOA:

Allocation Model

Opioid settlement funds received in NC will be allocated as follows:

- 80% will go to Local Governments listed in the MOA
- 15% will go to the State of North Carolina
- 5% will be used for County Incentive Fund

MOA:

Allocation Details

- **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 and Purdue Pharma 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:

Importance 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