Opioi

d Litigation

Settlement
More than **16,000** North Carolinian lives lost between 2000-2019 alone

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.
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.
NCACC convenes National Counsels, Local Counsels, County Attorneys, NC DOJ – Informational Meeting

NC DOJ reaches out to NCACC for more in-depth conversation about the NC state settlement

NC President Austin appoints special Opioid Settlement Committee (555 Cmte.)
- Committee starts meeting.

NCACC convenes special meeting – invites all 100 Counties (Chairs, Attorneys, Managers)
- Update by National Counsel, NC DOJ
- Members call for Special NCACC

Counties consider legal action

November 14, 2017: Buncombe County Files First NC Lawsuit

NCACC continues to update County Members, Stay in touch with National Counsels and NC DOJ

September 2019

May 2020

555 meets regularly. NCACC staff meetings monthly/weekly with NC DOJ team
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
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 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
• 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.