Opioid Settlement Toolkit for Community-Based Organizations
INTRODUCTION

In the 1990s, health care professionals began prescribing opioid pain medications with false reassurance from pharmaceutical companies that the opioids were not habit forming. The resulting misuse, addiction, and overdoses has been devastating. Prevention and treatment services are essential in addressing this public health crisis and this toolkit is designed to help community-based organizations understand how to access the funds available through recent settlements with pharmaceutical companies.

After a lengthy legal process, 47 states have settled with opioid manufacturers, pharmaceutical distributors, and pharmacies for $26 billion. Separate opioid settlements are in process or concluded in the remaining states as well as additional localities. Funds resulting from these settlements will be used to address the opioid crisis, and it is critical that community-based organizations begin preparing now to ensure that these funds are used not just for treatment, but also for prevention.

The settlement funds, to be disbursed over the next 18 years and frontloaded at the beginning, will go to states and localities for the purpose of addressing the opioid epidemic. As these funds flow to entities across the nation in the coming months, community-based organizations must have a seat at the table when deciding how these funds are spent locally. These will be significant investments in the kinds of services our sector provides. The deep impact of the opioid epidemic has made it clear that a major part of the solution will be strengthening communities with upstream resources and supports. This guide offers tools and resources to help community-based organizations navigate the complex legal and legislative process.

Organizations should reach out to relevant stakeholders immediately, as these decisions are being made now in many states.

GETTING STARTED

1. **Contact your state’s office of the attorney general** because attorneys general have the primary responsibility for setting the amount and broad parameters of state opioid settlement funds.
2. **Contact your state legislature’s judiciary chair** and/or the chairs of committees that oversee related services, such as substance use, mental health, or children’s services. In many states, judiciary committees are responsible for deciding how the money is spent or creating the taskforce that makes these decisions. Committees that oversee related services offer expertise and provide input into the process as well.
The following are recommendations for preparing to meet with key state decisionmakers:

1. Review the state-by-state tracker to learn more about your state’s process. You can see how each state is making decisions and disbursing funding. This is helpful background information.

2. Consider the Johns Hopkins principles and how they can be used to frame your conversation around funding distribution.

3. Identify and communicate the benefits your organization can bring to the process. What related experience does your organization have and how can you demonstrate that value to policymakers? Your experience doesn’t have to be specifically in substance use treatment, since eligible services include prevention, community supports, and more.

4. Consider positioning yourself, as a leader in your organization, or a person from your community with lived experience, for relevant taskforces or committees that are helping to advise funding decisions. It’s important to have a seat at the table in these discussions. Communicate your organization’s expertise and ask about opportunities to leverage those resources.

TOOLS

States’ Opioid Settlement Allocation Plans: State-by-State

The nuances and flexibilities of these funds vary by state given the policy decisions made by each state’s legislature and taskforces. This tracker provides a state-by-state breakdown of how they plan to spend opioid settlement funds. The tracker is updated periodically by state legislators, attorneys general, and opioid task forces, among other entities. The website also provides an FAQ on the opioid settlements and includes information on the best evidence-based abatement programs and services.

Example of Fund Utilization from Alabama: Attorney General Steve Marshall is designating the use of money from the state’s recent $9 million opioid crisis settlement with McKinsey & Company. Marshall’s office said $1.5 million will be distributed to the Alabama Department of Child Abuse and Neglect Prevention, or ADCANP. The money will allow the department to invest in reducing adverse childhood experiences driven by parental addiction to opioids. Marshall’s office said data suggests that a large percentage of children enter foster care in Alabama due to parental substance abuse and that child neglect accounts for over 60 percent of child removals from the home. “Children are the invisible victims of the opioid epidemic. Not only does parental substance abuse often lead to the abuse and neglect of children, but abused and neglected children tend to grow up to be substance-dependent adults,” Director Sallye Longshore said. “Our goal at ADCANP is to break this cycle and we have developed the evidence-based programs to do just that.” The state’s settlement with McKinsey, the first multistate opioid settlement to result in substantial payment to the states to address the crisis, totals $9 million. About $7.6 million is being paid this year. See here for more information.

Opioid Settlements in States Webinar Recording

This webinar, held in September 2021, featured a discussion with Brett Beckerson of the National Council for Mental Wellbeing and Dr. Josh Rising from Rising Health Strategies.
They provided an overview of the opioid settlements and how states are navigating their opioid settlement funds.

The conversation also included a look at how these settlements were developed, principles for the use of these dollars, and insights on how community and local organizations can be involved in those discussions. The webinar was held through a collaboration between Prevent Child Abuse America chapters, Healthy Families America sites, and Social Current.

**Principles for the Use of Funds From the Opioid Litigation**

This guide from the Bloomberg School of Public Health at Johns Hopkins University recommends that five principles guide the decision-making process: 1) spend money to save lives; 2) use evidence to guide spending; 3) invest in youth prevention; 4) focus on racial equity; and 5) develop a fair and transparent process for deciding where to spend the funding. We recommend bringing this tool with you to conversations with key decisionmakers in your state to frame your perspective on the way funds should be spent.

**How Not to Spend an Opioid Settlement**

This publication from the JAMA Network outlines five potential mistakes in the use of opioid settlement funds: Using funds to repay past spending or replace current funds; spending the funds right away; spending funds on programs that are ineffective; ignoring predominantly nonwhite communities that have been deeply harmed by the “War on Drugs;” and spending funds without evaluation or monitoring.

**Settlement Agreement Language**

Read the original language of the settlement agreement.

**ADDITIONAL RESOURCES**

*From the War on Drugs to Harm Reduction: Imagining a Just Overdose Crisis Response*

FXB Center for Health and Human Rights at Harvard University compiled a series of policy responses that approaches the opioid epidemic from a health equity standpoint. The report points policymakers toward structural changes that will create a policy environment conducive to the adoption of effective and equitable policy.

*Evidence-Based Strategies for Abatement of Harms from the Opioid Epidemic*

The Legal Action Center presents the most effective programs for both prevention and treatment, based on meticulous, evidence-based research.

*Social Current’s Policy, Advocacy and Communications Toolkits*

Social Current offers two toolkits to help leaders in the social sector engage on policy with elected officials, the media, and the wider public. The toolkits include tips on how to run an effective meeting with legislators (virtually or in person), and how to develop a compelling impact story about your organization and the families you serve.