



KANSAS HEALTH INSTITUTE

OPIOID SETTLEMENT FUNDS: WHAT ARE OTHER STATES DOING

February 27, 2024

Kansas Health Institute



Who We Are



- Nonprofit, nonpartisan educational organization based in Topeka.
- Established in 1995 with a multi-year grant by the Kansas Health Foundation.
- Committed to convening meaningful conversations around tough topics related to health.



Hello!

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Presenters



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Sunflower Foundation

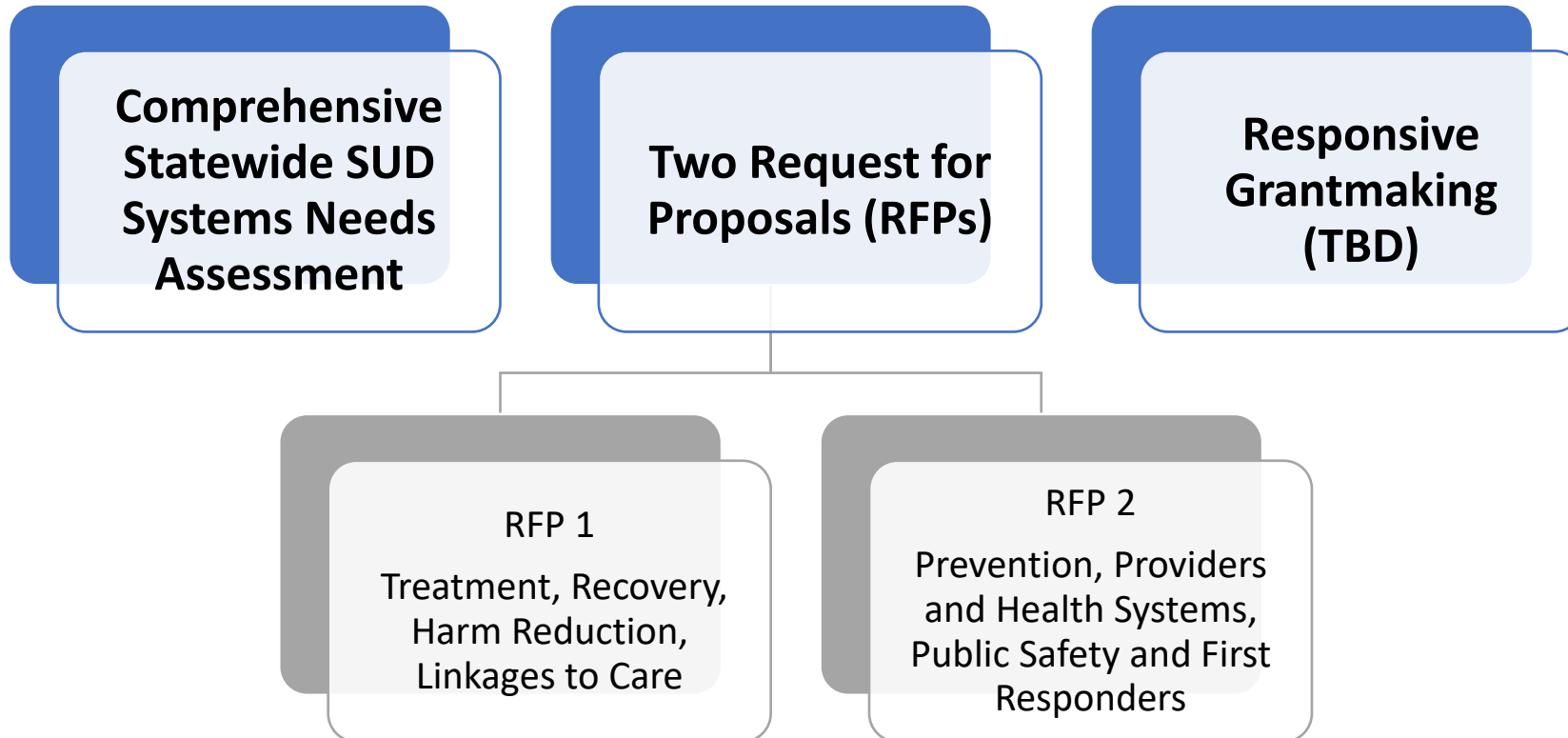
KFA Grant Administration

Krista Machado

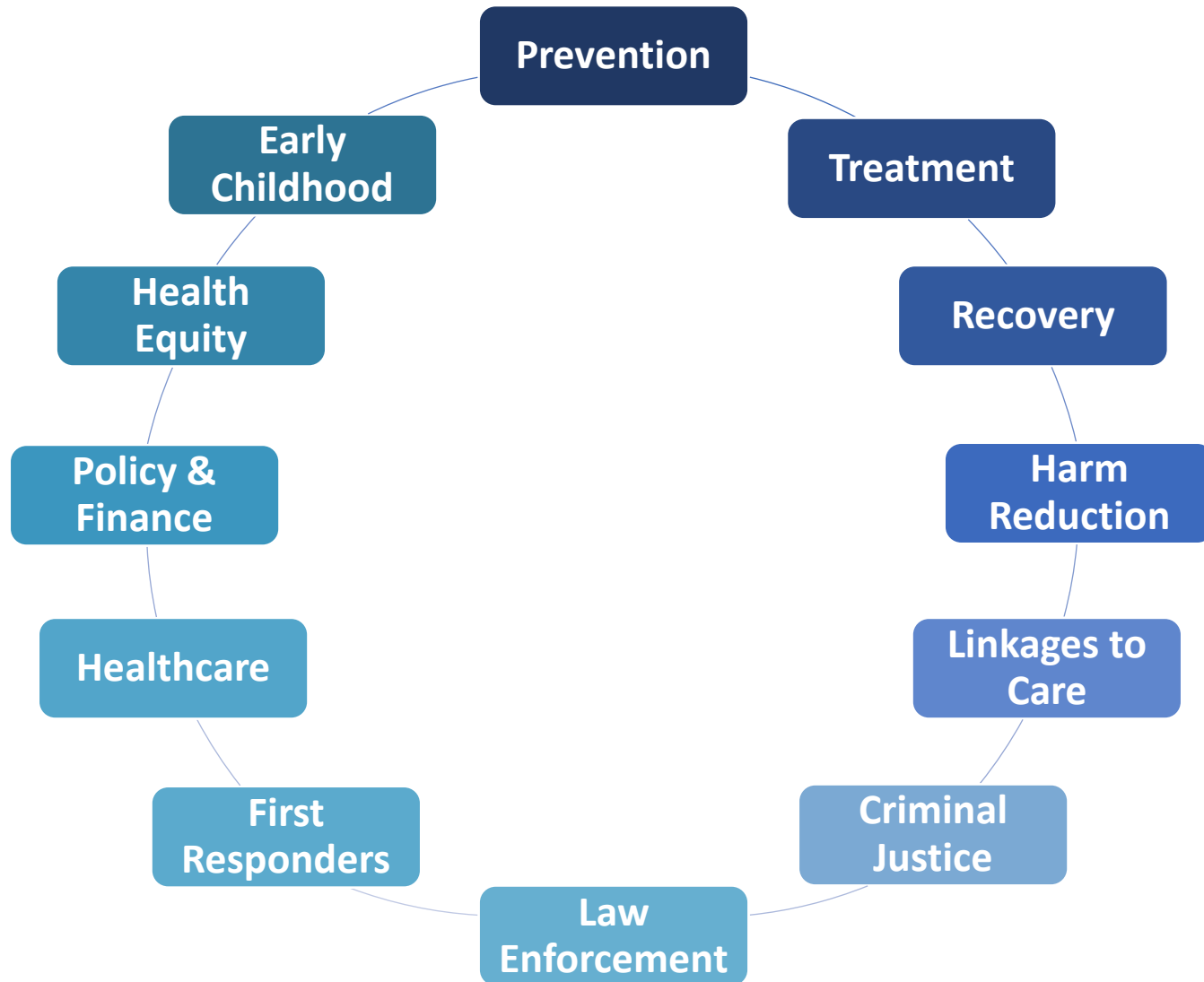
Director, Kansas Fights Addiction

Sunflower Foundation

KFAF Year One



Comprehensive Statewide Needs Assessment of SUD Systems & Related Work in Kansas



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KFA Treatment & Prevention Awards

\$6,043,795

- Treatment
- Recovery
- Harm Reduction
- Linkages to Care

\$4,079,276

- Prevention
- Providers & Health Systems
- Public Safety & First Responders

Total Awarded: \$10,123,071.00

RFP 1 – Treatment (35 Awards)

Treatment	Recovery	Harm Reduction	Linkages to Care
<ol style="list-style-type: none"> 1. Expand access to treatment for un/under insured 2. Expand MAT/MOUD services 3. MH & SUD Integration 4. Naloxone distribution in treatment centers and criminal justice settings 5. Expand telehealth SUD services 6. Coordinate a continuity of care model for high-risk populations 7. Target treatment resources to high impact, low-capacity geographical areas 8. Increase coordination across the continuum of care to mitigate gaps and barriers and ensure appropriate access, navigation, and intentional transition to the next level of care needed 9. Expand access to adolescent treatment 	<ol style="list-style-type: none"> 1. Peer recovery services 2. Expand recovery housing 3. Expand the recovery ecosystem 4. Adolescent recovery services 5. Target recovery resources to high impact, low-capacity geographical areas (rural/frontier) 	<ol style="list-style-type: none"> 1. Targeted naloxone distribution 2. Expand social detoxification services 3. Expand access to HIV and HCV/HBV testing and treatment 4. Condom distribution/safe sex education among IV drug users 	<ol style="list-style-type: none"> 1. Expand and coordinate overdose/behavioral health outreach teams 2. Post-overdose linkage to care policies in hospitals/EDs 3. Community health worker/peer navigation for those with SUD 4. Implement SUD screening and referral processes 5. Implement/expand referral management systems

RFP 2 – Prevention (24 Awards)

Prevention	Providers & Health Systems	Public Safety & First Responders
<ol style="list-style-type: none"> 1. Universal primary prevention strategies 2. Expand public awareness of drug overdose epidemic and state/local resources 3. Expand implementation of school-based programming 4. Expand state and local polysubstance use prevention initiatives 5. Expand medication disposal interventions 6. Community-level strategic planning 7. Youth-led prevention activities 8. Enhance partnerships between providers and prevention 	<ol style="list-style-type: none"> 1. Facilitate patient’s continuity of care by increasing service integration between health care disciplines 2. Expand telehealth services for SUD treatment services, including MAT/MOUD 3. Expand implementation of CDC opioid prescribing guidelines 4. Expand provider and preprofessional education opportunities 5. Implement clinical quality improvement initiatives 6. Training and provision of trauma-informed care 7. Screen for fentanyl in routine clinical toxicology testing 8. Expand implementation of best practices for treating women of childbearing age 9. Expand utilization of K-TRACS 10. Increase the number of providers treating MAT/MOUD patients 11. Identify & disseminate best practices for prescribing psychotropic medication 12. NAS/NOWS education and resources 	<ol style="list-style-type: none"> 1. Expand law enforcement/first responder access to naloxone 2. Enhance efforts to reduce illicit drug supply/interdiction 3. Enhance public safety collaboration with community-based organizations 4. Expand behavioral health & drug courts 5. Expand diversion programs 6. Expand implementation of CIT 7. Increase capacity of law enforcement and first responders to effectively respond to individuals with SUD 8. Implement standardized SUD screening, treatment, care coordination and continuity services into the criminal justice system 9. Expand first responder/public safety use of ODMAP

Estimated Impact* – 59 Initial KFA Awards



37,142 estimated served.



27 new recovery houses opened.



7,234 naloxone kits distributed.



28 new SUD residential beds opened.



4,000 fentanyl test strips distributed.

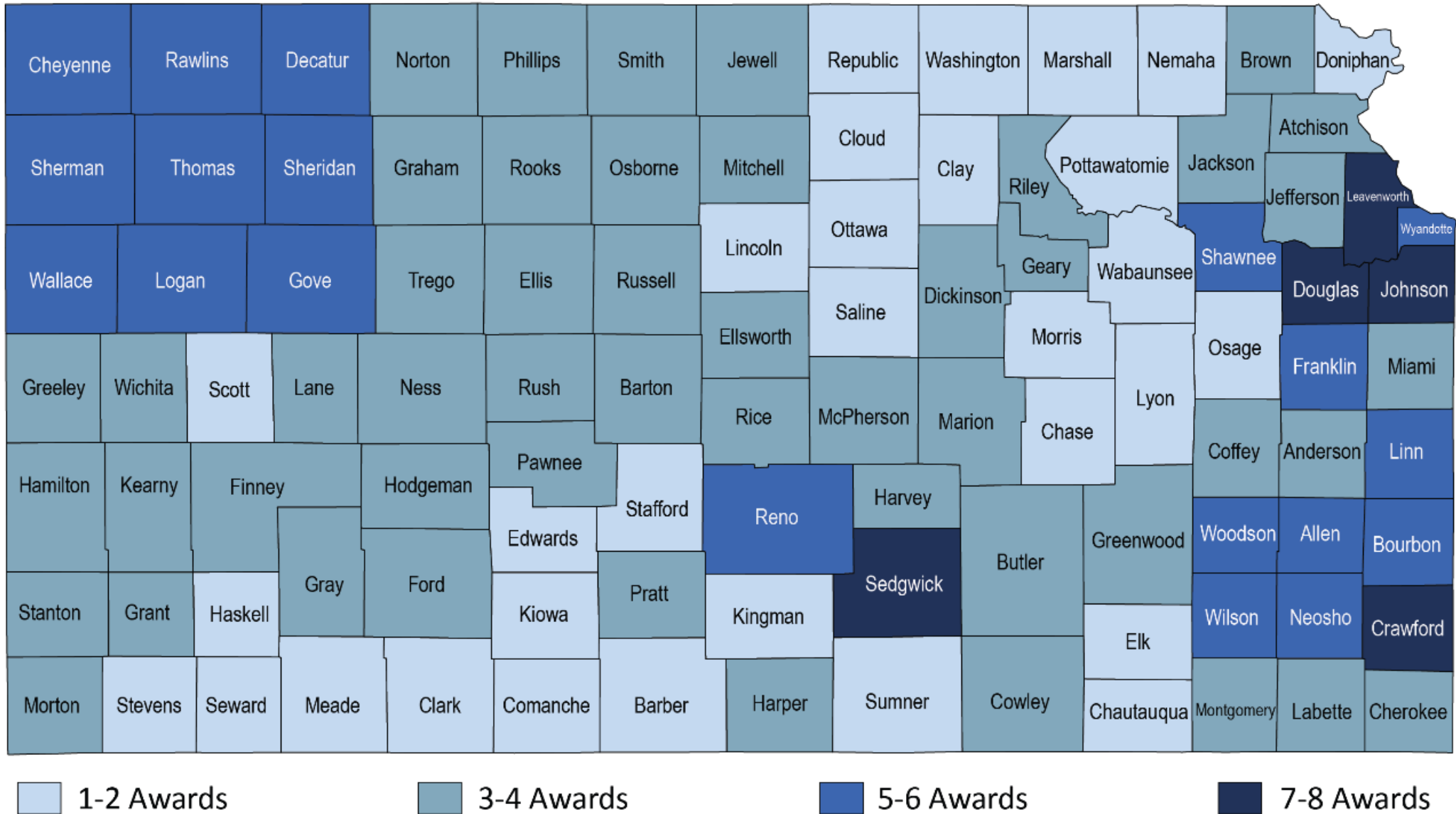


22,000 medication disposal bags distributed.

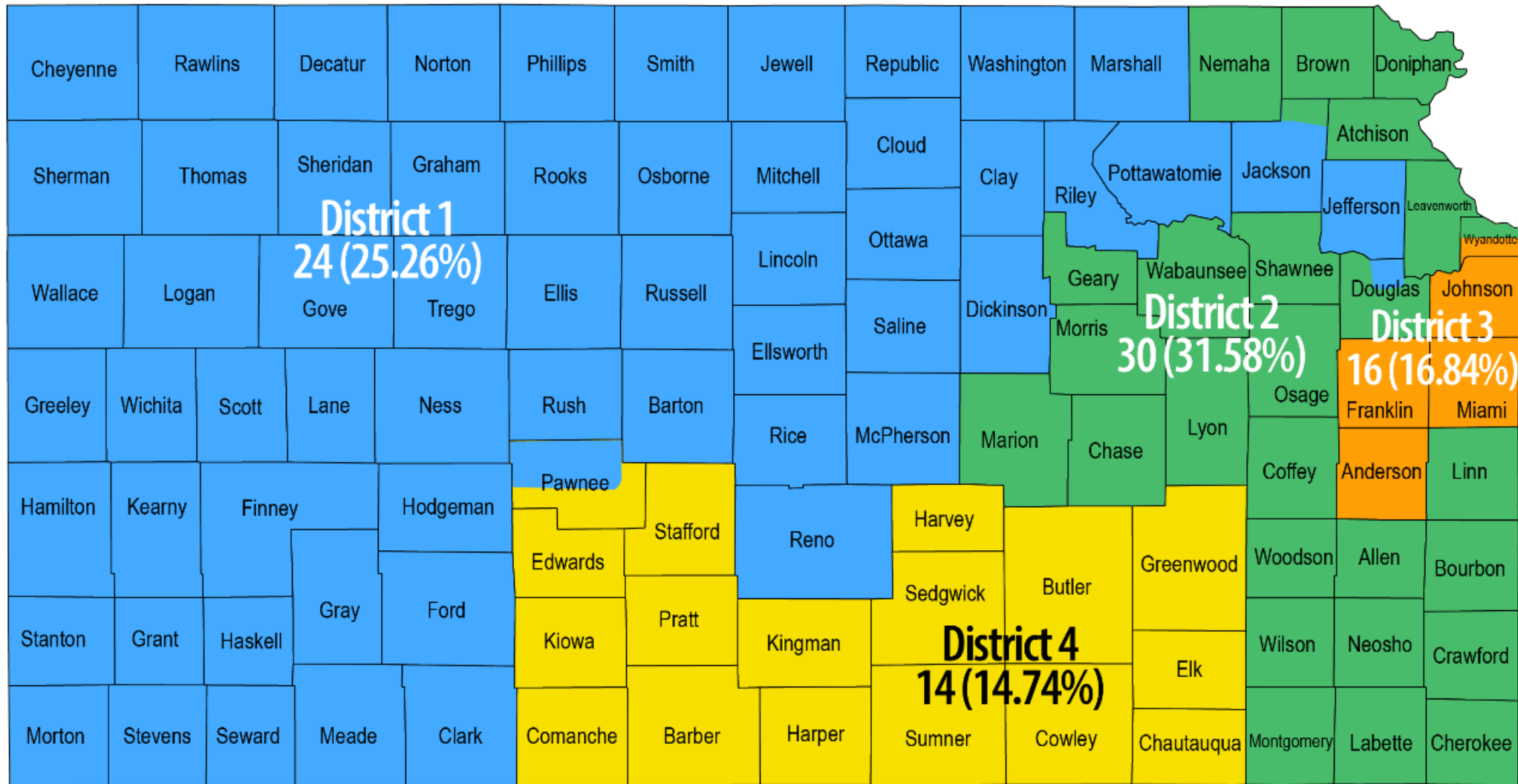
Number (%) of Awards Addressing Each Priority Area

Treatment	Recovery	Harm Reduction	Linkages to Care	Prevention	Providers & Health Systems	Public Safety & First Responders
33 (26.2%)	21 (16.7%)	15 (11.9%)	18 (14.3%)	17 (13.5%)	13 (10.3%)	9 (7.1%)

Kansas Counties the 59 KFA Awards Proposed to Serve

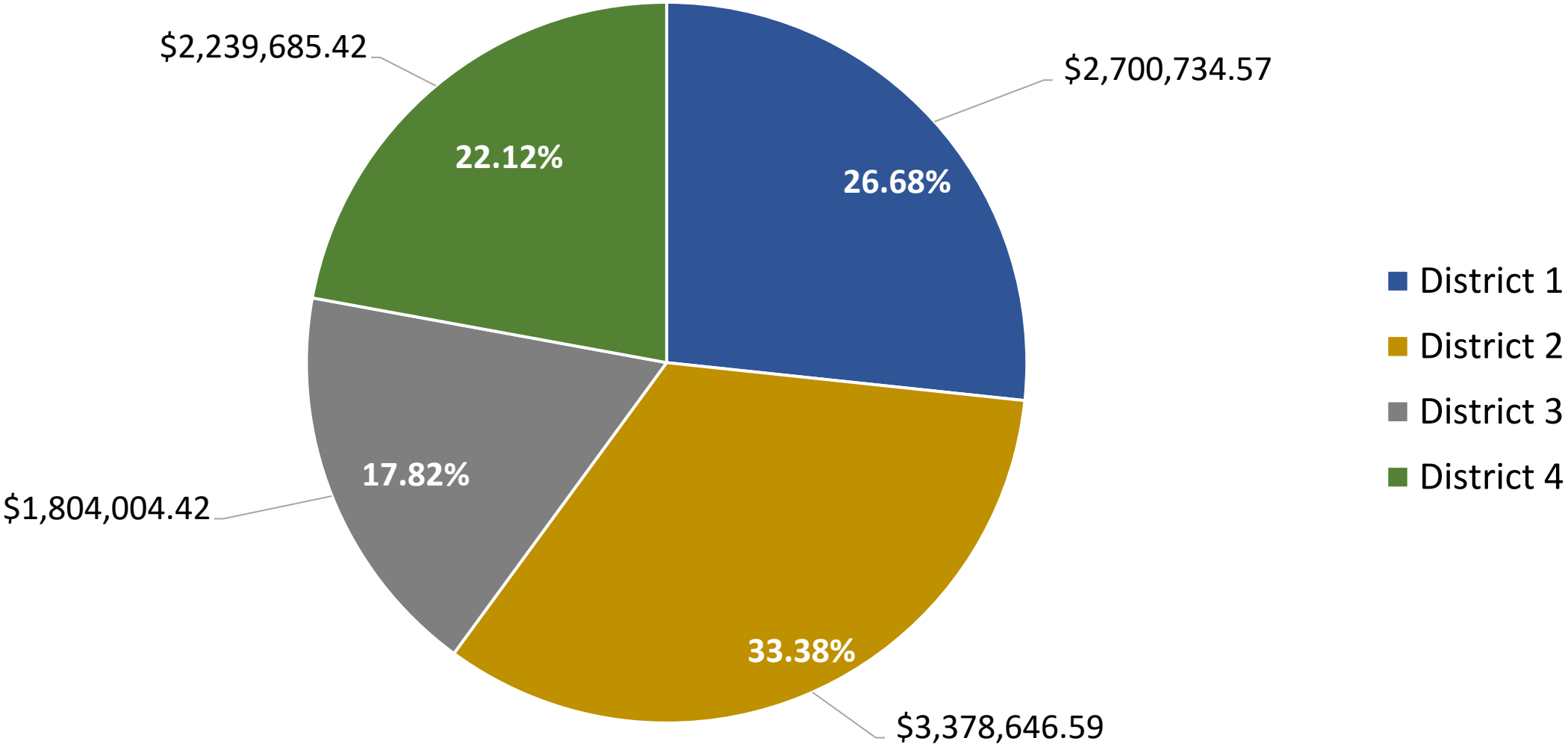


Kansas Congressional Districts the 59 KFA Awards Proposed to Serve



11 Statewide Awards (11.58%)

Funding Allocated by Congressional District Proposed to Serve 24 Prevention & 35 Treatment Awards Combined*





KANSAS ATTORNEY GENERAL

KRIS W. KOBACH

A Brief Overview of the Opioids Settlements

Christopher Teters

Assistant Attorney General, Office of the Kansas Attorney General



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About Me

- ▶ Assistant Attorney General
- ▶ Admitted to the Bar in 2016
- ▶ Joined the AG's Office 2019
- ▶ Primary Role is Opioid Litigation and Settlement Implementation
- ▶ Subject-Matter Expert on Opioid Litigation, NOT Opioid Abatement Best Practices

**See disclaimer



Outline

- ▶ Kansas Fights Addiction Act
- ▶ Overview of Announced Settlements
- ▶ Kansas Fight Addiction Grant Review Board
- ▶ Municipalities Fight Addiction Fund
- ▶ Recent Progress

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Kansas Fights Addiction Act (K.S.A. 75-775 to -781)

- ▶ Adopted to create a unified approach to utilize opioid litigation recoveries from a variety of different settlements, bankruptcies, and trust funds
- ▶ Established the Kansas Fights Addiction Fund and the Municipalities Fight Addiction Fund
 - ▶ 75% of all recovery goes to the KFAF
 - ▶ 25% of all recovery goes to the MFAF
- ▶ Established the Grant Review Board
- ▶ Directs All Recovery to Opioid and Substance Use Abatement
- ▶ Allowed for Contracting the Sunflower Foundation for Support and Financial Management
 - ▶ Includes temporary investment of opioid funds to maximize potential for additional resources
- ▶ Directs \$200 thousand each year to the Kansas prescription drug monitoring program (K-TRACS)

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Kansas Fights Addiction Act Structure

Opioid Recoveries

KS Fights Addiction
Fund (75%)

Municipalities Fight
Addiction Fund (25%)

KTRACS
(\$200K)

Grant
Program

City
Share
(50%)

County
Share
(50%)



Announced Opioid Recoveries

- ▶ Caveat
 - ▶ All Amounts are Approximate and Contingent
 - ▶ Subject to modification from prepayment, administrator expenses, and future financial troubles
- ▶ Totals
 - ▶ Announced: Approximately \$340M over the next 16 years
 - ▶ Received To Date: \$58 million
- ▶ Manufacturers
 - ▶ Teva: \$28 million, with \$10 million in product
 - ▶ Allergan: \$16.9 million
 - ▶ Johnson & Johnson/Janssen: \$35 million, most up front
 - ▶ *Mallinckrodt: Approximately \$2.5 million, all paid.*
- ▶ Distributors
 - ▶ A joint settlement with Cardinal, McKessen, and f/k/a AmerisourceBergen
 - ▶ \$153 million
 - ▶ Two defendants prepaying, will lower topline amount.
- ▶ Retailers
 - ▶ CVS: \$37 million
 - ▶ Walgreens: \$40.6 million
 - ▶ Walmart: \$21.1 million, one payment.
- ▶ Marketers
 - ▶ McKinsey & Co.: \$4.8 million
 - ▶ Publicis: \$2.6 million
- ▶ Unknown/Contingent
 - ▶ Purdue Pharma: Bankruptcy
 - ▶ Endo: Bankruptcy



Grant Review Board

- ▶ K.S.A. 75-778 & -781
- ▶ 11 member board appointed by a variety of stakeholders
 - ▶ 6 votes necessary to approve each grant
 - ▶ Members from each congressional district
- ▶ May adopt rules and procedures for operation, conduct hearings, receive testimony, and gather information to assist its decision making powers, duties, and functions.
- ▶ Annual Report
 - ▶ By March 1 of each year
 - ▶ To the Speaker, President of the Senate, Governor, and AG
 - ▶ Includes
 - ▶ Accounting of moneys deposited into and expended from the KFAF
 - ▶ Summary of each approved grant
 - ▶ Explanation of compliance
 - ▶ Any other relevant information

**See disclaimer



Grant Evaluation Guidelines

- ▶ K.S.A. 75-778
- ▶ The Board shall consider 5 factors when evaluating grants
 - ▶ Not less than 1/8 of the total amount of moneys granted each calendar year is in each congressional district
 - ▶ Consider science- and data-driven substance abuse prevention, reduction, treatment, or mitigation strategies
 - ▶ Consult with the Kansas Prescription Drug and Opioid Advisory Committee, the Kansas Department of Health and Environment, the Kansas Insurance Department, and other appropriate public and private entities to ensure coordination of drug abuse and addiction prevention and mitigation efforts
 - ▶ Approve grants to qualified applicants for projects and activates that prevent, reduce, treat or mitigate the effects of substance abuse and addiction
 - ▶ Consider the sustainability of any programming after grant funds are exhausted

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Grant Evaluation Guidelines

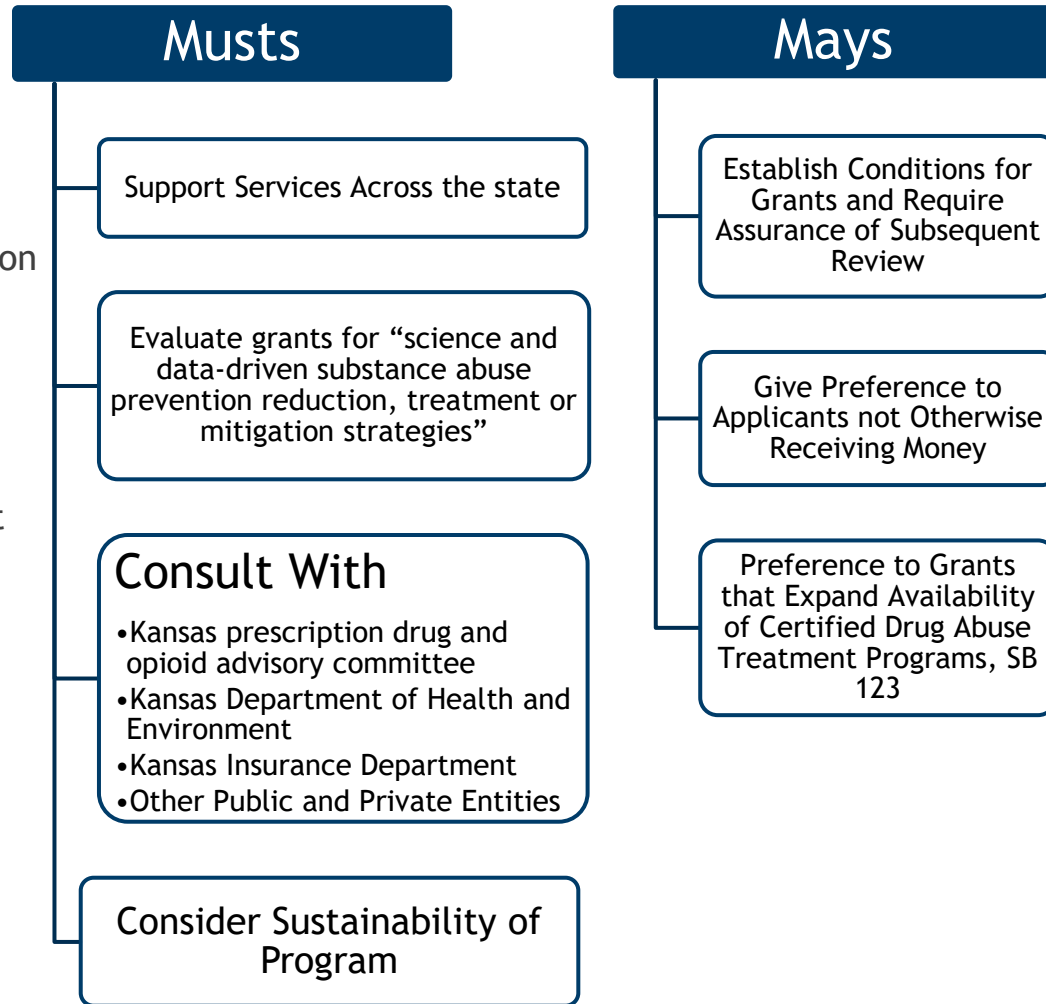
- ▶ When evaluating grants, the Board may:
 - ▶ Establish conditions for the award of grants and require assurance and subsequent review to ensure such conditions are satisfied
 - ▶ Give preference to qualified applicants that are not otherwise seeking or receiving funds from opioid litigation
 - ▶ Give preference to grants that expand availability of certified drug abuse treatment programs authorized by K.S.A. 2021 Supp. [21-6824](#)
 - ▶ Nonprison sanction to a certified drug abuse treatment program

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Kansas Fights Addiction Grant Review Board

- ▶ 11 Members
- ▶ “Require expertise in prevention, reduction, treatment, or mitigation of the effects of substance abuse and addiction”
- ▶ Grant Evaluation Considerations:
- ▶ Employ Sunflower Foundation for Grant Making Expertise and Grant Program Management



Municipalities Fight Addiction Fund

- ▶ K.S.A. 75-777(d)
- ▶ Cities and Counties that chose to participate in the Municipalities Fight Addiction Fund shall receive their share of any opioid recovery received by the state
- ▶ Over 200 municipalities, representing over 85% of the Kansas population chose to participate
- ▶ These payments are to be in addition to any payment a city or county seeks as part of a grant from the Board

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Distribution Process

- ▶ Receive Payment from Settlement Administrator or Trustee
 - ▶ AG's Office will receive all distributions from settling defendants, administrators, and trustees. The AG's office will split payments between the Kansas Fights Addiction Fund and the Municipalities Fight Addiction Fund according to the statute.
 - ▶ AG's Office will produce an allocation chart and distribute the chart to the Kansas Association of Counties and the League of Kansas Municipalities.
 - ▶ The Kansas Association of Counties and the League of Kansas Municipalities will distribute the allocation chart to members.
 - ▶ After a reasonable time for review, AG's Office will initiate distribution of the payment through the Kansas SMART system. Payments will occur either by direct deposit or through a mailed check, depending on the choice of the subdivision.

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Distribution Chart

Title:	Municipalities Fight Addiction Fund - Distribution Tool	Amount Received:	\$ 4,188,953.45	Settlement:
Year:	2022	Amount of Standard Distribution:	\$ 4,188,953.45	
Description:	This tool will calculate the distribution for each participating subdivision in Kansas. Users of the tool will input the amount received from any distribution and select settlement providing the distribution to the state. The tool will calculate percentage shares and exact dollar amounts that each participating subdivision shall receive pursuant to the Kansas Fights Addiction Act Memorandum of Understanding between the Kansas Attorney General's Office, the League of Kansas Municipalities, and the Kansas Association of Counties.	Amount of Maximizing Distribution:	\$ -	
		MFAF Share:	\$ 1,047,238.36	
		Std. County Share:	\$ 523,619.18	
		Std. City Share:	\$ 523,619.18	
		Max. County Share:	\$ -	
		Max. City Share:	\$ -	

County Name	Std. Dist	Lit. Max. Dist	Total Dist.:	Payment Share:
Allen County	\$ 2,318.82	\$ -	\$2,318.82	0.4428%
Anderson County	\$ 1,486.60	\$ -	\$1,486.60	0.2839%
Atchison County	\$ 2,995.08	\$ -	\$2,995.08	0.5720%
Barber County	\$ 815.02	\$ -	\$815.02	0.1557%
Barton County	\$ 4,798.48	\$ -	\$4,798.48	0.9164%
Bourbon County	\$ 2,699.59	\$ -	\$2,699.59	0.5156%
Brown County	\$ 1,773.29	\$ -	\$1,773.29	0.3387%
Butler County	\$ 12,528.64	\$ -	\$12,528.64	2.3927%
Chase County	\$ 483.63	\$ -	\$483.63	0.0924%
Cherokee County	\$ 3,680.68	\$ -	\$3,680.68	0.7029%
Clay County	\$ 1,500.81	\$ -	\$1,500.81	0.2866%
Coffey County	\$ 1,525.68	\$ -	\$1,525.68	0.2914%
Comanche County	\$ 316.06	\$ -	\$316.06	0.0604%
Cowley County	\$ 6,476.02	\$ -	\$6,476.02	1.2368%
Crawford County	\$ 7,243.17	\$ -	\$7,243.17	1.3833%
Dickinson County	\$ 3,416.05	\$ -	\$3,416.05	0.6524%

City Name	Std. Dist
Abilene	\$ 1,500.00
Andover	\$ 3,000.00
Anthony	\$ 4,000.00
Arkansas City	\$ 2,000.00
Atchison	\$ 2,500.00
Augusta	\$ 2,200.00
Baxter Springs	\$ 900.00
Bel Aire	\$ 2,000.00
Belleville	\$ 4,000.00
Beloit	\$ 8,000.00
Bently	\$ 3,000.00
Benton	\$ 2,000.00
Bonner Springs	\$ 1,500.00
Burlingame	\$ 2,000.00
Burrton	\$ 2,000.00
Caney	\$ 4,000.00



KFAB - 2023 Update

- ▶ Started work on a new needs assessment
 - ▶ Evaluate what services are available
 - ▶ Identify holes in service network across the state
 - ▶ Foundation of strategic plan for future funding priorities
- ▶ Immediate Needs Funds
 - ▶ Awarded over \$10m in 2 RFPs
 - ▶ Employed the State Strategic Plan to identify target areas broadly in (a) Treatment and (b) Prevention
 - ▶ Awarded over 50 grants
- ▶ Future Plans
 - ▶ Looking at another immediate need grant program for 2024
 - ▶ Focus on innovative solutions

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MFAF - 2023 Update

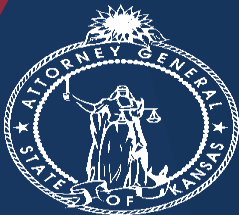
- ▶ Distributed approximately \$13 million to over 200 participating cities and counties.
- ▶ Most Cities and Counties have not spent funds
- ▶ City and County Expenditure Common Examples:
 - ▶ Naloxone
 - ▶ Training for first responders
 - ▶ Technology to enable first responders to detect and respond to overdose and tainted drug supplies
 - ▶ Establishing or growing local drug courts
 - ▶ Establishing or growing local sober living facilities
 - ▶ Coordinated recovery efforts between participating cities and counties
- ▶ KFAB is developing more specific guidance to cities and counties to increase utilization of available funds



Questions?

- ▶ Happy to talk off-line.
- ▶ Contact Information
 - ▶ Phone: (785) 368-8429
 - ▶ Email: chris.teters@ag.ks.gov

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THANK YOU!

Any Questions?



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