

Frequently Asked Questions: Oregon Opioid Settlement Funds

Updated August 9, 2022

Opioid Settlement Funds

Q: Why is Oregon receiving opioid settlement money?

The State of Oregon has been a leader in major multi-state litigation and settlements that involve the opioid industry. These lawsuits hold opioid manufacturers, distributors, and retailers accountable for their role in creating and fueling the opioid epidemic and for aggressively marketing prescription opioids while also downplaying their risks to healthcare providers and the public.

The State of Oregon reached resolution with four of these companies in July 2021. The resolution consists of two agreements and is referred to as the Distributor and Janssen Settlement Agreements.

Refer to the following resources for more information:

- [National Opioid Settlement website](#)
- [Distributor Settlement Agreement](#)
- [Janssen Settlement Agreement](#)

The Purdue Bankruptcy plan and a side agreement between Oregon and the Sackler family will provide additional money to Oregon to address the opioid epidemic. However, further court approval is necessary before details are certain.

Q: How much opioid settlement money will Oregon receive?

Approximately \$333 million will be awarded to Oregon from the Distributor and Janssen Settlement Agreements over the course of 18 years, beginning in 2022. Forty-five percent (45%) of the opioid settlement funds will be allocated to a new Opioid Settlement Prevention, Treatment & Recovery fund managed by the Oregon Health Authority. Fifty-five percent (55%) will be paid directly to local jurisdictions (cities and counties with populations over 10,000).

Oregon anticipates receiving additional opioid settlement funds from other lawsuits. However, the timing, amount, and allowable uses of these funds are currently unknown.

Q: When will Oregon receive the opioid settlement funds?

The State of Oregon and qualifying cities and counties will begin receiving opioid settlement payments in 2022. Payments will occur in annual increments for 18 years, ending in 2038.

Q: How will the opioid settlement funds be used?

These funds must be used for opioid prevention, treatment, and recovery strategies that are listed in the settlement. They may not be used for other purposes.

Examples for how these funds may be used include, but are not limited to:

- Expanding access to naloxone, sterile syringes, and other harm reduction supplies
- Increasing medication-assisted treatment availability
- Providing treatment and recovery support services such as inpatient treatment, outpatient therapy, or recovery housing
- Expanding treatment and recovery services to pregnant and postpartum individuals
- Expanding treatment and recovery services to individuals within and transitioning out of the criminal justice system
- Developing opioid prevention education and training programs

Refer to [Exhibit E](#) (Pages 116-130) of the settlement agreement for the full list of how these funds may be used.

Cities and counties will decide how their funds are used. The Oregon Opioid Settlement Prevention, Treatment, and Recovery Board will determine how the State's share of the funds are used. 2022 [HB 4098](#) stipulated that the state portion of the funds must also be allocated in alignment with [Oregon's Strategic Plan for Substance Use Services](#). A portion of the State's funds must be used towards a unified and evidence-based state system for collecting, analyzing, and publishing data about the availability and efficacy of substance use prevention, treatment, and recovery services statewide.

Q: How can my organization apply to receive opioid settlement funds?

We do not have a process for this yet. The Opioid Settlement Prevention, Treatment and Recovery (OSPTR) Board will create Oregon's opioid settlement grant opportunity.

Q: Will tribes receive any of the opioid settlement funds?

Yes. Approximately \$503 million is going directly to tribes from the Distributor and Janssen Settlement Agreements. All federally recognized tribes are eligible to participate in the Tribal Opioid Settlements, regardless of whether that tribe filed an opioid lawsuit. Oregon's nine federally recognized tribes are eligible to receive a portion of the \$503 million settlement.

Refer to the Tribal Opioid Settlements webpage for more information:

www.tribalopioidsettlements.com

Subdivision Funds: Cities and Counties

Q: Which cities and counties will receive opioid settlement funds?

Cities and counties in Oregon with populations greater than 10,000 will receive opioid settlement funds. The [national opioid settlement](#) provided an allocation formula based on population and public health metrics to determine how much funding each eligible city and county would receive.

Refer to [Exhibit A](#) in the State of Oregon Subdivision Agreement for more information.

Q: What is the dollar amount going to cities and counties?

At this time, the total distribution to the Subdivision Fund is approximately \$183 million, or 55% of the Oregon settlement funds minus legal fees. Legal fees will be paid in part from a national fund and capped at no more than \$2.4M from the Subdivision Fund. Non-litigating Oregon towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of Oregon Subdivision Funds.

Please see Exhibit A, pages 9-11 of the [Oregon Subdivision Agreement](#) for allocation percentages to participating cities and counties.

Q: Are the direct payments to cities and counties similar to the payment structure for the funds paid to OHA?

Yes, cities and counties will also receive approximately 18 payments through 2038 from the Subdivision Fund.

Q: How can I find out how cities and counties are spending their funds?

Funds going to both the state and the local governments must be used for opioid prevention, treatment and recovery strategies as listed in the judgment. All local allocation decisions are made locally. Cities and counties will be required to report to the Oregon Department of Justice annually on how they have allocated funds. The annual reports will be made publicly available, and the state will host a public meeting to discuss each annual report.

Refer to [Exhibit E](#) (pages 116-130) of the settlement agreement for the full list of how these funds may be used.

Opioid Settlement Prevention, Treatment and Recovery Board

Q: What is the role of the Oregon Opioid Settlement Prevention, Treatment and Recovery (OSPTR) Board?

[House Bill 4098](#) defines the function and rules of the OSPTR Board. This bill passed in the Oregon State Legislature in March 2022.

The OSPTR Board will determine how the State's portion of the opioid settlement funds will be allocated. These funding decisions must be in alignment with approved opioid prevention, treatment, and recovery strategies listed in the settlement ([Exhibit E](#)) and [Oregon's Strategic Plan for Substance Use Services](#).

Q: Who will be on the OSPTR Board?

[House Bill 4098](#) defines the OSPTR Board membership. This bill passed in the Oregon State Legislature in March 2022.

The Governor of Oregon will appoint the 18-member OSPTR Board. The OSPTR Board will consist of the following representatives:

1. Oregon Department of Justice representative
2. Oregon Health Authority representative
3. Oregon Department of Human Services representative
4. Governor Policy Advisor representative
5. Director of the Alcohol and Drug Policy Commission
6. Chairperson of the Ballot Measure 110 Oversight and Accountability Council
7. Representative from Clackamas, Washington, or Multnomah County

8. Representative from Clatsop, Columbia, Coos, Curry, Jackson, Josephine, Lane, or Yamhill County
9. Representative from the City of Portland
10. Representative from a city with a population greater than 10,000
11. Representative from a city with a population less than 10,000
12. Representative of the Oregon Coalition of Local Health Officials
13. Representative of a community mental health program
14. Person with or representing lived experiences of substance use disorder
15. Representative of law enforcement, first responders, or jail commanders/wardens
16. Member of the Oregon House of Representatives (non-voting Board member)
17. Member of the Oregon Senate (non-voting Board member)
18. State Court Administrator (non-voting Board member)

The Advisory Board information is posted on the [State of Oregon Board and Commission Member Opportunities webpage](#).

Q: How can I apply to be on the OSPTR Board?

Visit the [State of Oregon Board and Commission Member Opportunities webpage](#) to apply to be an OSPTR Board Member. The Governor of Oregon will appoint the 18-member Board based on the OSPTR Board membership requirements defined in [House Bill 4098](#).

You may apply any time, regardless of whether there is a current opening, as resignations may occur throughout the year.

Q: When will the OSPTR Board begin meeting?

The OSPTR Board is expected to begin meeting in late Fall 2022.

Q: How can the public be involved in board meetings and board decisions?

The OSPTR Board will host a series of public meetings and will provide community members the opportunity to provide testimony and input. The Board will also establish a process for the public to provide written comments and proposals at each Board meeting.

The [Oregon Opioid Settlement Funds webpage](#) will provide information about the public process and meetings.

Project Implementation and Next Steps

Q: What is OHA's role in this project?

OHA is laying the groundwork to form the Opioid Settlement Prevention, Treatment, and Recovery (OSPTR) Board. OHA will also coordinate and administer the OSPTR Board once it is formed. These roles were mandated by [House Bill 4098](#).

OHA will have one representative on the OSPTR Board, per House Bill 4098. The agency has no specific decision-making authority to determine how the State portion of opioid settlement funds are allocated. The OSPTR Board will make these decisions.

Q: What is OHA doing to get the OSPTR Board up and running, and what is that timeline?

OHA is collaborating closely with the Governor's Office, the Oregon Department of Justice, and the Alcohol & Drug Policy Commission to implement this project. OHA will be hiring staff and contractors to support project communications, develop a project website, plan and facilitate a public input process, and establish and facilitate OSPTR Board meetings.

The OSPTR Board is expected to begin meeting in Fall 2022.