

Frequently Asked Questions: Oregon Opioid Settlement Funds

Updated January 4, 2023

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 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 \$325 million is being 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 are being allocated to a new Opioid Settlement Prevention, Treatment & Recovery fund managed by the Oregon Health Authority. Fifty-five percent (55%) is being 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 began 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 are deciding how their funds are used. The Oregon Opioid Settlement Prevention, Treatment, and Recovery (OSPTR) Board will determine how the State's share of the funds are used. The OSPTR Board will meet monthly beginning in November 2022 to make these funding decisions.

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 federally recognized tribes and Alaskan tribal health organizations 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. The nine federally recognized tribes with lands located inside Oregon's borders 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 are receiving opioid settlement funds directly from the Oregon Department of Justice. 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 \$178 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: How were dollar amounts for cities and counties determined?

The National Opioid Settlement developed a model to determine how to allocate settlement funds to states and local jurisdictions. The model was intended to allocate settlement funds proportionately to where the opioid crisis has caused harm.

The allocation model used the following national data points, adjusting for population:

1. The amount of opioids shipped to the state
2. The number of opioid-related deaths that occurred in the state
3. The number of people who suffered opioid use disorder in the state

Additional adjustments were made to reflect the severity of impact because the oversupply of opioids had more damaging effects in some jurisdictions than in others.

Visit the [National Opioid Settlement website](#) for more information about the allocation model.

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

Yes, cities and counties are also receiving 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 receiving Subdivision Fund allocations 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 membership, 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. The OSPTR Board will meet monthly beginning in November 2022 to make these funding decisions. These decisions must be aligned 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 is on the OSPTR Board?

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

Governor Kate Brown appointed the 18-member OSPTR Board. The inaugural OSPTR Board is made up of the following representatives:

1. A policy advisor to the Governor
Temporarily Vacant
2. A representative of the Department of Justice
David Hart, Sr. Assistant Attorney General, Department of Justice
3. A representative of the Oregon Health Authority
John W. McIlveen, PhD, LMHC, State Opioid Treatment Authority, Oregon Health Authority
4. A representative of the Department of Human Services
Tami Kane-Suleiman, MSW, Child Fatality Prevention & Review Program Manager, Oregon Department of Human Services
5. The Director of the Alcohol and Drug Policy Commission
Reginald C. Richardson, PhD, LCSW, Executive Director of the Oregon Alcohol and Drug Policy Commission
6. The chairperson of the Oversight and Accountability Council established in ORS 430.388
Blue Valentine, CHW, Measure 110 Oversight and Accountability Council; Harm Reduction Outreach Specialist, Benton County Health Department
7. An individual representing Clackamas, Washington, or Multnomah County
Nicholas Ocón, LCSW, Behavioral Health Division Manager, Washington County Department of Health and Human Services
8. An individual representing Clatsop, Columbia, Coos, Curry, Jackson, Josephine, Lane, or Yamhill County

Laurie Trieger, Lane County Commissioner

9. An individual representing the City of Portland
Skyler Bocker-Knapp, BA, MA, JD. Senior Policy Advisor to Portland Mayor
10. An individual representing a city with a population above 10,000 residents as of July 21, 2021
Temporarily Vacant
11. An individual representing a city with a population at or below 10,000 residents as of July 21, 2021
Julia Hajduk, Community Development Director, City of Stayton
12. A representative of the Oregon Coalition of Local Health Officials
Carrie Brogoitti, Director of Public Health, Union County Center for Human Development
13. A representative of a community mental health program
Rick Treleaven, LCSW, Chief Executive Officer, BestCare Treatment Services, Inc.
14. An individual who has experienced a substance use disorder or a representative of an organization that advocates on behalf of individuals with substance use disorders
Fernando Peña, Executive Director, NW Instituto Latino
15. An individual representing law enforcement, first responders or jail commanders or wardens
Captain Lee Eby, Jail Commander of the Clackamas County Sheriff's Office
16. A member of the House of Representatives appointed by the Speaker of the House of Representatives (nonvoting)
Maxine Dexter, MD, Oregon State Representative
17. A member of the Senate appointed by the President of the Senate (nonvoting)
Lew Frederick, Oregon State Senator
18. The State Court Administrator (nonvoting)
Ann Lininger, BA, JD, Clackamas County Circuit Court Judge

Q: What are the OSPTR Board membership terms?

OSPTR Board members will serve four-year terms. Board members are eligible for reappointment after their four-year term.

Ex-officio members will serve on the OSPTR Board based on the mandated member representation. For example, if there is a newly appointed Director of the Alcohol and Drug Policy Commission, the individual serving in this position will also serve on the OSPTR Board.

Before a member's term expires, OHA shall appoint a successor whose term will begin on January 1 of the following term. If there is a vacancy on the board for any cause, OHA shall make an appointment to become effective immediately.

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

The Governor of Oregon appointed the inaugural OSPTR Board in August 2022. However, you may apply to serve on the Board at any time, regardless of whether there is a current opening, as resignations may occur throughout the year. Visit the [State of Oregon Board and Commission Member Opportunities webpage](#) to apply to be an OSPTR Board Member.

Q: When will the OSPTR Board begin meeting?

The OSPTR Board will meet virtually on the following dates. Meetings begin at 10:00am and end at approximately 1:00pm.

2022: November 2, December 7

2023: January 4, February 1, March 1, April 5, May 3, June 7

Note: The board will decide a meeting schedule for the 2023-2024 biennium beginning July 1, 2023.

Visit the [OSPTR Board webpage](#) for more information about upcoming meetings and an archive of past meeting materials and recordings.

Q: Will OSPTR Board meetings be open to the public?

Yes. The OSPTR Board will meet virtually over Zoom, and these meetings will be open to the public. You may download and import board meetings into your calendar system using [this link](#).

Meeting Information

- [Zoom Link](#)
- Call in: 1-669-254-5252 (US)
- Meeting ID: 161 528 1501
- Passcode: 720243

OHA welcomes all participants. If you have any questions about accommodations or need any assistance to participate, please contact the Oregon Opioid Settlement team at 971-678-1036 or OHA.OpioidSettlement@dhsosha.state.or.us at least 48 hours before the meeting. Every effort will be made to provide services to requests received at least 48 hours in advance, however submitting your request as early as possible is greatly appreciated.

Visit the [OSPTR Board webpage](#) for more information about upcoming meetings and an archive of past meeting materials and recordings.

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.

If you would like to submit a letter or statement to the OSPTR Board, please send it to Lisa.m.shields@dhsosha.state.or.us. Visit the [Oregon Opioid Settlement Funds webpage](#) for information about the public process and meetings.

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

OHA is coordinating and administering the OSPTR Board. These roles were mandated by [House Bill 4098](#).

OHA has one representative on the OSPTR Board, as specified by 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.