

# Opioid Settlement Update

BHAC 1/4/23



Washington State  
Health Care Authority

# AGENDA

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- ▶ Brief overview of opioid settlements
- ▶ Review of planning process that led to recommendations made to the Governor's Office
- ▶ Review of Opioid Settlement items in the Governor's budget
- ▶ What's next?

# Brief Overview of Opioid Settlements

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- ▶ There are many different settlements that have been in the news, they each have varying amounts, requirements, and payment structures.
- ▶ The recommendations made to the Governor's Office were for the first two payments of the distributor's settlement.
- ▶ For more information, please visit
  - ▶ <https://waportal.org/partners/home/washington-state-opioid-settlements>
  - ▶ <https://www.atg.wa.gov/distributors-washington-settlement>
- ▶ Questions? – Contact me! [kristopher.shera@hca.wa.gov](mailto:kristopher.shera@hca.wa.gov)

# Washington state to receive \$518M after settlement with opioid distributors

by The Associated Press, KOMO News Staff | Monday, October 3rd 2022



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## Walmart offers to pay \$3.1 billion to settle opioid lawsuits

November 15, 2022 · 9:26 AM ET

THE ASSOCIATED PRESS

### BREAKING NEWS Kevin McCarthy loses a fourth round of voting two days into historic GOP stalemate. Watch CNN

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NASDAQ	10,490.77	1.00%	▲	With its advertising b	

## Purdue Pharma and Sacklers reach \$6 billion opioid settlement agreement with states

AG Ferguson files lawsuits against three national pharmacy chains for their role in fueling the opioid crisis and announces five resolutions with drug companies totaling more than \$400 million for Washington state

FOR IMMEDIATE RELEASE:  
Dec 21 2022

Today's announcement brings Washington's total recoveries to more than \$1.1 billion to address the epidemic

SEATTLE — Attorney General Bob Ferguson filed a lawsuit today against Albertsons, Kroger and Rite Aid, whose pharmacy chains helped fuel Washington state's opioid epidemic. Ferguson asserts the pharmacies served as the last line of defense in the opioid

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# CVS, Walgreens, Teva in opioid agreements with Washington attorney general

Dec. 21, 2022 3:58 PM ET | Walmart Inc. (WMT), CVS, WBA, ABBV | KR, RAD, ACI | By: Jonathan Block, SA News Editor | 15 Comments

# Distributor Settlement Funds Available 2022-23

Date Funds Received to WA	TOTAL	5% Administrative Set Aside	TOTAL Available for allocation
December 2022	\$37,248,172	\$ (1,862,409)	\$ 35,385,763
July 15, 2023	\$16,588,206	\$ (829,410)	\$ 15,758,796
TOTAL for biennium	\$53,836,378	\$ (2,691,819)	\$ 51,144,559
level funding across biennium		\$ (1,345,910)	\$ 25,572,280

# Overview of recommendation process

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- ▶ State Opioid & Overdose Response Plan identified as a collaborative framework by which recommendations would be made
  - ▶ Workgroups submitted 3 proposals each, sponsors reviewed and approved recommendations
  - ▶ Process included 2 tribal roundtables and a Formal Consultation
  - ▶ Uses are limited to those in Exhibit E – settlement agreement approved strategies and uses
- ▶ Sponsor recommendations submitted to the Governor's Office on Oct 28, 2022.
- ▶ The State will not be able to use funds until July 1, 2023 once a final budget is approved and signed

# Governor's Budget

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- ▶ Governor's Budget recently released – settlement funded items did differ from the Executive Sponsor recommendations
- ▶ HCA settlement items are marked with a “DS.”
  - ▶ [HCA Agency Recommendation Summaries](#)
- ▶ DOH settlement items are marked with “Settlement.”
  - ▶ [DOH Agency Recommendation Summaries](#)

# What's Next?

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- ▶ We will make our way through the session and see what we have with the final budget.
- ▶ HCA/DOH will continue to work with the AGO with ongoing litigation and with tribes, stakeholders, and partners to ensure collaboration and alignment
- ▶ Keep in mind - Local Governments are receiving funds directly from this settlement that we do not control.
- ▶ There is an MOU that outlines how local governments can organize Opioid Abatement Councils to make decisions on local funds.\*
- ▶ Over the next 16 years the State and Local Governments will be receiving funds from a variety of opioid settlements

\*this is for the distributor's settlement only, other settlements have slightly different requirements



# Updating the SOORP

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- ▶ The previous process made clear limitations of the current State Opioid and Overdose Response Plan
- ▶ The plan, and thus, the settlement planning, in the future will be updated and improved.
- ▶ There will be a coordinated and resourced method of conducting community engagement and gathering input from people with lived experience.