

How CSBs are using opioid settlement funds to expand and create new services to fight the opioid and substance use epidemic

VA ASSOC OF COMMUNITY SERVICE BOARDS on Of Dards, Inc. getter Description Of OCTOBER 2-4, 2024





Today's Presentation

Introductions

Examples of CSB efforts being funded with OAA grants

Refresher on opioid settlement funds & OAA grants

Introducing the OAA's new web-based grants portal

Trends and challenges with grant applications

Advice to CSBs interested in partnering for OAA grants

General Advice to OAA grant applicants

Questions and discussion

Today's Presenters and Participants



Abateme



Executive Director



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Eastern Region Outreach Coordinator



Kat Dupre

Northern Region Outreach Coordinator

OAA Regions

Abatemen







Accomack County & Eastern Shore CSB - Outpatient MOUD

Arlington County CSB – Expansion of OBOT

Galax City & Mt. Rogers CSB – Recovery Court Efforts, Naloxone Distribution

Hampton City CSB - Peer led Recovery Center, Jail based MOUD

Henrico County CSB – Expansion of OBOT

Louisa County and Region 10 CSB – SUD Clinician

Roanoke County & Blue Ridge CSB – ACEs training, peer recovery specialists, harm prevention efforts, naloxone distribution



All CSBs in Region 2 – Residential facility for youth

Horizon Behavioral Health – Crisis receiving center for Lynchburg and Campbell County

Harrisonburg-Rockingham CSB – Expand crisis response and CITAC, wrap-around services, harm reduction efforts.

Rappahannock Area CSB – Mobile MOUD for multiple jurisdictions

Prince William CSB – Expansion of OBOT

New River Valley Community Services – Expand recovery "ecosystem" for multiple jurisdictions

Mt. Rogers CSB – expand OBOT, recovery housing, mobile treatment



PD One CSB – IOP facility for youth in Norton, Wise, Lee, & Scott.

Alleghany Highlands CSB – "One-stop shop" SUD continuum of services

Cumberland Mountain CSB – Recovery housing

Eastern Shore CSB – SUD expansion for Accomack and Northampton

Colonial Behavioral Health – Marketing and outreach of SUD services

Hampton-Newport News CSB – Peer led drop off center & mobile SUD services

Virginia Beach, Chesapeake, Norfolk, Portsmouth, and Western Tidewater CSBs– Mobile SUD services across the five cities, in partnership with Sentara.



Refresher on Opioid Settlement Funds and OAA Grants

Opioid Litigation Involving States & Subdivisions

In late 2017 a federal judicial panel consolidated all Federal opioid related litigation into single multi-district litigation (MDL).



Judge Dan Aaron Polster



Carl B. Stokes United States Court House Cleveland, Ohio

"the biggest and most complicated civil case in U.S. history . . . " - Washington Post



Virginia's Approach

Obtaining the participation of all 133 cities and counties in Virginia

Creation of the Virginia Opioid Abatement Fund and the Statewide Allocation MOU

- Negotiated by attorneys representing local governments, the Office of the Attorney General, with input from numerous interest groups
- Establishes the methods and formulas for distribution of funds
- Establishes the Opioid Abatement Authority and its composition/duties
- Creates allowable uses and requirements for funds distributed by OAA

General Assembly passed a statute in 2021 based on the key elements of the agreement. *Code of Virginia*, Article 12 (§ 2.2-2365 et seq.) of Chapter 22 of Title 2.2.

Parties agree to file consent motions in Virginia court of record (Richmond Circuit Court) for each national settlement agreement

Virginia Opioid Abatement Authority's Structure and Governance



OAA Board of Directors

Senator Todd Pillion (Chair)	Psych Pharn	Thomason liatric nacist Chair)	Roano Atto	bencer ke City rney etary)	Jim Holland Chesterfield County Board of Supervisors (Treasurer)		
Delegate Briana Sewell		Thompson Center Medicine)		oe Baron lk City	Mike Tillem Journey House (Recovery Community)		
Pie Commu	n Buckman dmont nity Services d (Rural)	Fairfax C Service	ashington ommunity es Board ban)	Humar Jane \	ry of Health & n Resources /estal Kelly -Officio)	T	
	Represen House of Finance/Ap Comm	r Senate propriation	Appointed b Governo				



Virginia's Projected Total = \$1,000,000,000

(of which, 55% is directed to the OAA and deposited to the Opioid Abatement Fund)

Settlement Payments by Company

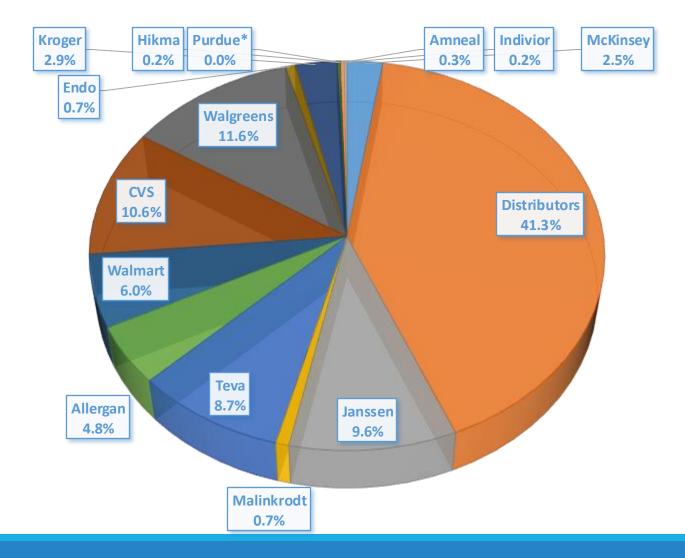
Estimated total settlement payments to the OAA through FY 2039: \$558.3 million.

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Pmt Duration	Status	Company	
4 years	Finalized	McKinsey	\$13,681,773
18 years	Finalized	Distributors	\$230,340,573
10 years	Finalized	Janssen	\$53,480,976
2 years	Finalized	Malinkrodt	\$4,176,031
13 years	Finalized	Teva	\$48,556,857
7 years	Finalized	Allergan	\$26,747,326
1 year	Finalized	Walmart	\$33,633,644
10 years	Finalized	CVS	\$59,393,544
15 years	Finalized	Walgreens	\$64,584,259
10 years	Finalized	Endo	\$3,740,000
11 years	Finalized	Kroger	\$16,174,809
TBD	Announced	Hikma	\$1,260,050
18 years	Announced	Purdue*	\$0
10 years	Announced	Amneal	\$1,464,132
TBD	Announced	Indivior	\$1,078,000

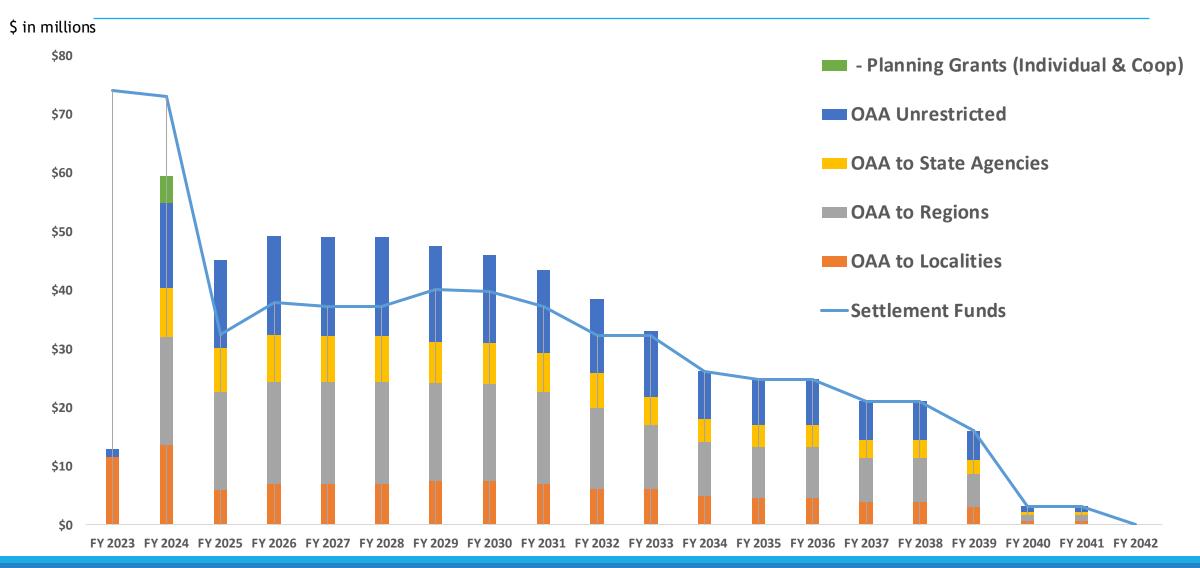
Total \$558,311,975

*US Supreme Court vacated the bankruptcy court's approval of the reorganization plan and settlement. Mediation is currently underway.

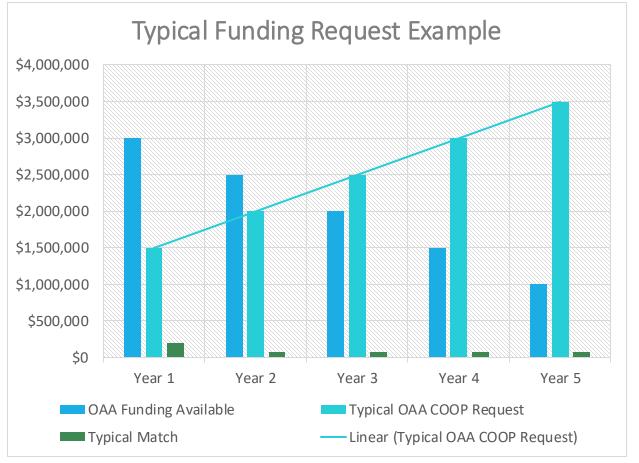


Budgeted OAA Settlement Revenues & Expenses

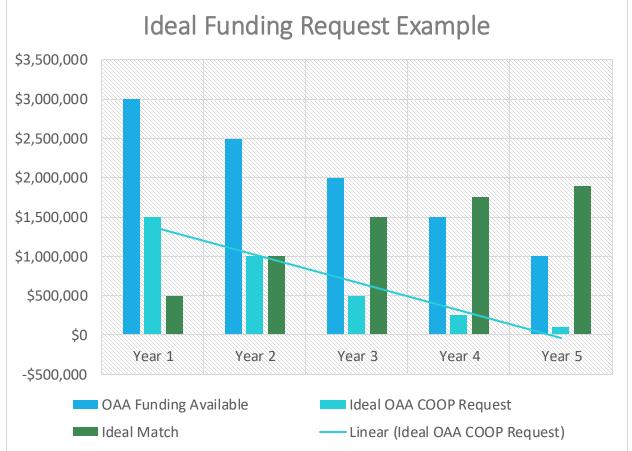
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Funding Requests for Cooperative Projects



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Requirements for Use of Settlement Funds

"National" Settlements

- Each settlement is slightly different from the others.
- Varying rules about future versus past spending, supplanting, abatement vs. nonabatement use
- Enforcement and reporting is not always clear.
- Disputes will be resolved in civil court.
 - The Commonwealth and all 133 cities and counties share the risk under any such litigation
- All settlements reference "**Exhibit E**," which is a list of approved uses

OAA Awards

- 100% of the OAA's disbursements must be spent on abatement efforts.
- No reimbursement of previous costs or supplanting allowed
- No indirect charges allowed
- Recipients must report outcomes to OAA on an annual basis and allow OAA to monitor the programs.
- Programs must be evidence-based or evidenceinformed for opioid use disorder and any cooccurring substance use disorder and/or mental health conditions



Exhibit E: Allowable Uses of Settlement Funds

EXHIBIT E

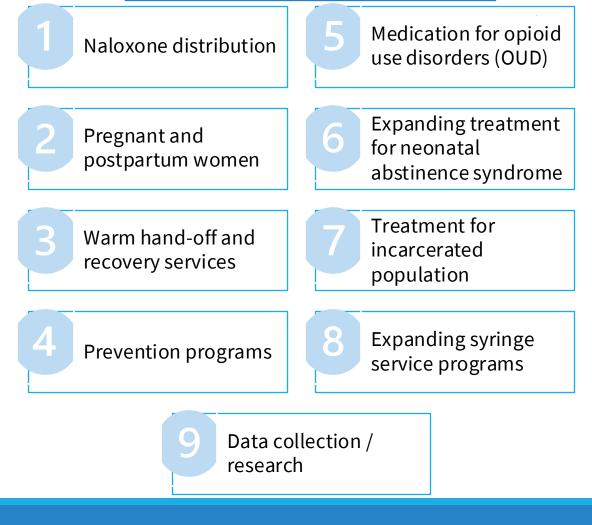
List of Opioid Remediation Uses

Schedule A Core Strategies

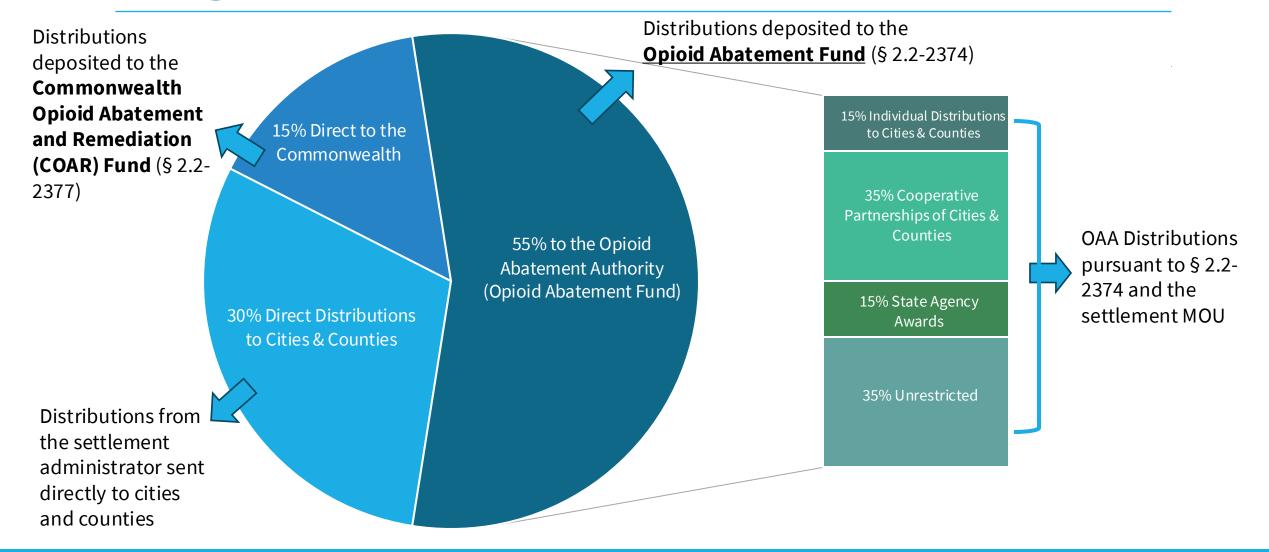
States and Qualifying Block Grantees shall choose from among the abatement strategies listed in Schedule B. However, priority shall be given to the following core abatement strategies ("*Core Strategies*").¹⁴

- A. <u>NALOXONE OR OTHER FDA-APPROVED DRUG TO</u> <u>REVERSE OPIOID OVERDOSES</u>
 - Expand training for first responders, schools, community support groups and families; and
 - 2. Increase distribution to individuals who are uninsured or whose insurance does not cover the needed service.
- B. <u>MEDICATION-ASSISTED TREATMENT ("MAT")</u> <u>DISTRIBUTION AND OTHER OPIOID-RELATED</u> <u>TREATMENT</u>
 - Increase distribution of MAT to individuals who are uninsured or whose insurance does not cover the needed service;
 - 2. Provide education to school-based and youth-focused programs that discourage or prevent misuse;
 - Provide MAT education and awareness training to healthcare providers, EMTs, law enforcement, and other first responders; and
 - Provide treatment and recovery support services such as residential and inpatient treatment, intensive outpatient treatment, outpatient therapy or counseling, and recovery housing that allow or integrate medication and with other support services.

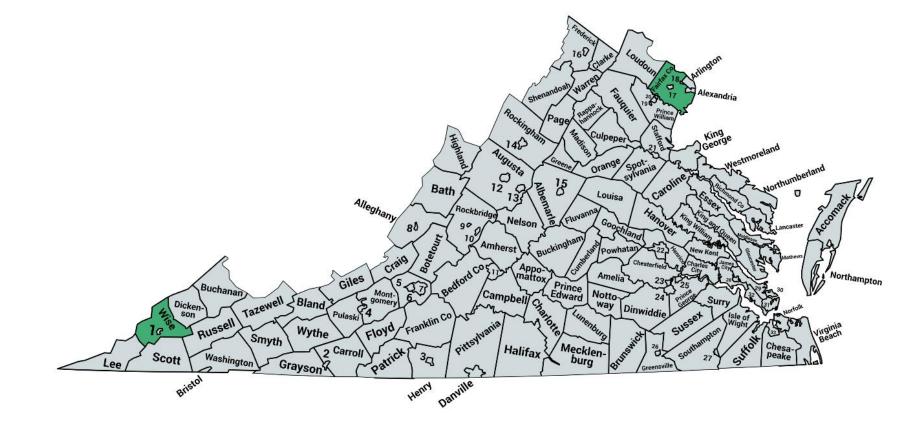
Nine Core Strategies



Virginia's Settlement Distribution Model



Cities and Counties Distribution



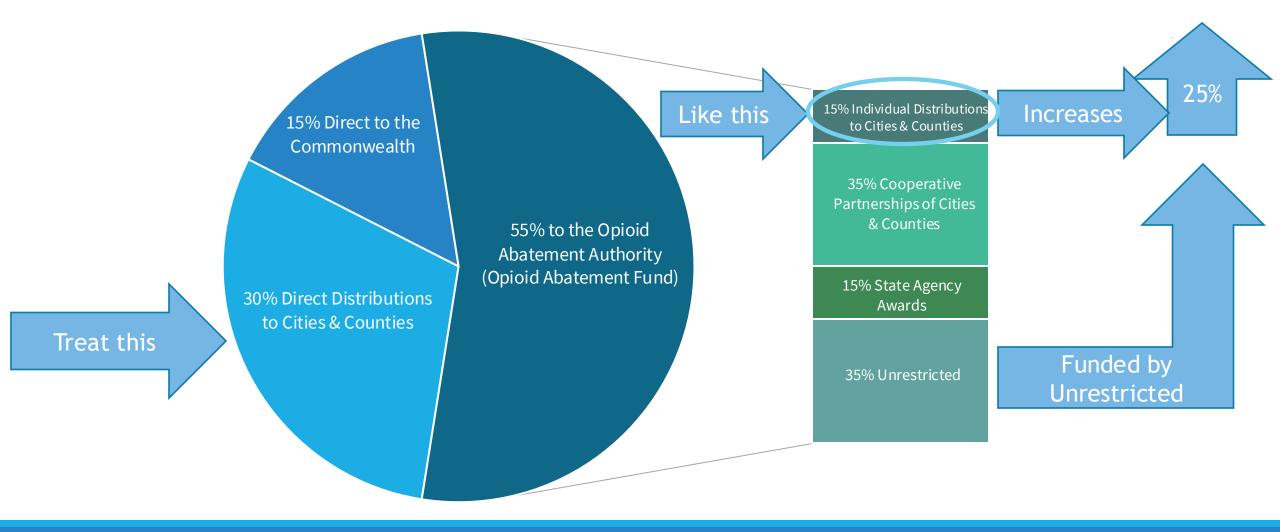
<u>Wise County</u> % of Population = 0.41% % of Allocation = 1.76%

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Fairfax County % of Population = 13.11% % of Allocation = 8.67%







City/County Look-up Tool

(Updated version will be posted to the OAA website on or before 10/1)



VIRGINIA OPIOID ABATEMENT AUTHORITY CITY/COUNTY ESTIMATED SETTLEMENT FUNDS LOOK-UP TOOL FY2022-FY2039

701 East Franklin Street, Suite 803, Richmond, Virginia 23219 804-500-1810 info@voaa.us www.voaa.us

Direct Distribution, OAA Individual Distribution, and OAA Gold Standard

Please note this tool tracks finalized settlements. As new settlements are achieved, this tool will be updated. The amounts listed reflect <u>estimates</u>, which may be subject to change prior to distribution.

As of April 2024

Powhatan County

City or

County:

City/County Estimated Settlement Funds Lookup Tool Instructions

To see the estimated amounts disbursed or to be disbursed to a specific city or county for each year of the settlements:

1. Click on cell C10, which currently reads "Choose City/County."

Use the drop down menu to select a city or county and the amounts below will change to show the city or county's estimated payments.

	No Applicat	tion to OAA	Must Apply to OAA													
	Direct Dis	tributions	OAA In	dividual Distri	bution	OAA Go	OAA Gold Standard In									
Fiscal Year	Projected	Used as OAA	Eligible to	Awarded /	Balance	Eligible to	Awarded /	Balance								
(FY)	Flojetteu	Match	Receive	Used as Match	Available	Receive	Used as Match	Available								
2022	\$10,654	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
2023	\$67,445	\$0	\$24,405	\$0	\$24,405	\$6,101	\$0	\$6,101								
2024	\$83,176	\$17,572	\$28,250	\$28,510	\$24,145	\$7,063	\$0	\$13,164								
2025	\$26,252	\$0	\$9,448	\$0	\$33,593	\$2,362	\$0	\$15,526								
2026	\$34,276	\$0	\$12,070	\$0	\$12,070	\$3,017	\$0	\$3,017								
2027	\$36,428	\$0	\$12,859	\$0	\$12,859	\$3,215	\$0	\$3,215								
2028	\$27,753	\$0	\$9,678	\$0	\$9,678	\$2,419	\$0	\$2,419								
2029	\$38,896	\$0	\$13,764	\$0	\$13,764	\$3,441	\$0	\$3,441								
2030	\$39,073	\$0	\$13,846	\$0	\$13,846	\$3,462	\$0	\$3,462								
2031	\$36,584	\$0	\$12,877	\$0	\$12,877	\$3,219	\$0	\$3,219								
2032	\$33,950	\$0	\$11,912	\$0	\$11,912	\$2,978	\$0	\$2,978								
2033	\$31,211	\$0	\$10,908	\$0	\$10,908	\$2,727	\$0	\$2,727								
2034	\$23,818	\$0	\$8,516	\$0	\$8,516	\$2,129	\$0	\$2,129								
2035	\$23,818	\$0	\$8,516	\$0	\$8,516	\$2,129	\$0	\$2,129								
2036	\$23,818	\$0	\$8,516	\$0	\$8,516	\$2,129	\$0	\$2,129								
2037	\$19,790	\$0	\$7,039	\$0	\$7,039	\$1,760	\$0	\$1,760								
2038	\$19,790	\$0	\$7,039	\$0	\$7,039	\$1,760	\$0	\$1,760								
2039	\$13,855	\$0	\$5,080	\$0	\$5,080	\$1,270	\$0	\$1,270								
Total	\$590,587	\$17,572	\$204,721	\$28,510	\$176,211	\$51,180	\$0	\$51,180								

Every City and County Receives Direct Distribution Settlement Payments

30% Direct Distributions to Cities & Counties Direct Distributions *are not grants*. Cities and Counties *do not apply* to the OAA to use them. Direct Distributions are settlement payments made to the City/County in order to settle public nuisance claims brought by the Commonwealth and localities. Direct Distribution payments are made directly to the City/County by the settlement administrator (Brown Greer) and do not flow through the state budget or a state agency in any manner.

Separate payments by each of the settlements at different times of year

Cities and Counties may elect to create a reserve with Direct Distributions to help fund projects in future years when payments decline

Direct Distributions may be used as matching funds for Cooperative Partnership projects.

Reporting usage of Direct Distribution to the OAA is required for participation in any OAA Grants.

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Every City and County has OAA Individual Distribution Funds Allocated

15% Individual Distributions to Cities & Counties

Individual Distributions *are OAA grants.* Cities and Counties *must apply* to the OAA with a specific abatement project compliant with §2.2-2370 and OAA's term and conditions to receive.

Individual Distribution grants can **only** be awarded to Virginia Cities and Counties. Towns, Schools Districts, Constitutional Officers, CSBs, etc. can only be a partner or sub-recipient Individual Distribution grants are not competitive and are awarded for one year at a time. Compliant project renewals are at the city or county's discretion based on funds available.

Payments will be sent to the awarded City or County through OAA's fiscal agent (DBHDS) Awarded projects may include RFPs, sub-recipients, vendors, etc. <u>however the City or County</u> is ultimately responsible.

Individual Distributions may be used as matching funds for Cooperative Partnership projects.

Annual Application Period October 1 – April 1

Annual Award Performance Period July 1 – June 30

Annual Report due September 1

Every City and County can Opt-in to the OAA's "Gold Standard" Incentive



"Gold Standard" applications may be submitted anytime and do not require Grants Committee approval. "Gold Standard" funds are not directly awarded from an application to opt-in.

Annual reporting occurs along with the OAA grant the "Gold Standard" funds are applied to.

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Cities and Counties can Partner Together for Cooperative Partnership Grants

35% Cooperative Partnerships of Cities & Counties Cooperative Partnerships **are OAA grants.** Cities and Counties **must apply** to the OAA with a specific abatement project compliant with §2.2-2370 and OAA's term and conditions to receive.

Cooperative Partnerships grants can only be awarded to Virginia Cities and Counties. Towns, Schools Districts, Constitutional Officers, CSBs, etc. can only be a partner or sub-recipient.

Cooperative Partnership grants are competitive (OAA required to prioritize certain elements) and are awarded for one year with up to four optional renewal years.

The partnership must select a city or county to be the fiscal agent who will complete and submit the application and receive and administer any awarded cooperative funds.

Awarded projects may include RFPs, sub-recipients, vendors, etc. <u>however the City or County</u> is ultimately responsible.

Minimally requires two cities and/or counties from the same behavioral health district.

Annual Application Period October 1 – April 1

Annual Award Performance Period July 1 – June 30

Annual Report due September 1

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Prioritization of Competitive Awards

- Geographical distribution based on the five Department of Behavioral Health and Development Services (DVHDS) regions
- Opioid-related harm per capita (during the time the harm was alleged to have been caused by the defendant companies).
- Economically disadvantaged communities.
- Programs run by organizations with a record of success.
- Programs and efforts that are evidence-based.
- Local cash match, with more priority given for higher matching amounts.

More about the "Local Match"

- Must be cash not "in-kind" services
- Must be in addition to current levels of expenditures
- Can come from the one or more of the city or county's
 - Direct Distributions
 - Individual Distributions
 - "Gold Standard" Incentive Funds
 - General Funds
 - Other Grants
 - Funds provided on behalf of

Separate Application not required. Process to allocate included in Cooperative Partnership Application

Grants Awards Information to Date

City-County Awards

- Received applications that include 106 of the 133 Cities and Counties
- Awarded 100 projects
- Total awarded to date \$46 million
- 92 projects currently active

State Agency Awards

- Received proposals from 18 agencies that included 48 projects
- Awarded 36 projects totaling \$20 million
- 32 projects currently active

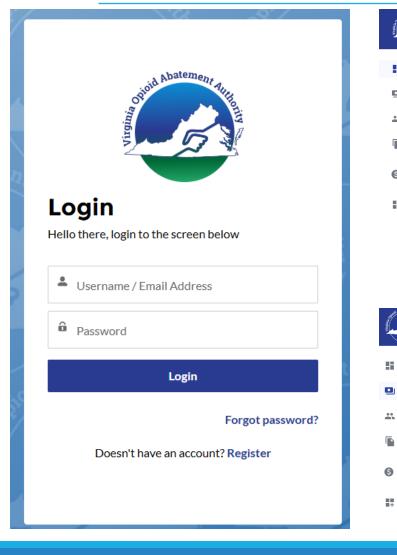
Grand Total over 15-month period

- Received funding requests for 148 projects
- Awarded 136 projects totaling \$66 million



OAA's New Web-based Grants Portal

OAA's Web-based Grants Portal – NOW LIVE!!



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Virginia O

OPIOID ABATEMI GRANTS MANAGE				Henry County - O Charlie Lintecum -
Dashboard	Dashboard			
Grants Management				
Ambers	\$0 Amount Awarded	3 Applications Awarded	6 Opportunities Available	3 Applications Near Due Date
Historical Downloads	Aniount/Wardod		opportantido Available	
S Estimated Funds Look-Up Tool	Applications			
COOP Partner Dashboard	In Progress (7) Submitted (0)	Under Review (0) Assigned Back (1)	Awarded (3) Closed (0)	
	Henry County-2026-IDIC-Annual Report	ng-000680 o		Draft
	Project Name		Resume	
	Best project ever part 2	9/30/2024		
OPIOID ABATEMEN GRANTS MANAGEI				Henry County 🗸 💿 Charlie Lintecum 👻

Dashboard Grants Management	Grants	Management				Q. Search Grants
Members	OAA Indi	vidual City/County Distrit	oution Grant - 2025	1		Start Annual Reporting Apply
Estimated Funds Look-Up Tool	Fiscal Year 2025	New Application Open Date 8/1/2024 Due Date 9/30/2024				
	Purpose	Due Date 9/30/2024	Due Date 10/16/2024	Due Date 10/3/2024	Due Date 11/1/2024	

Grants Portal – Fast Facts

Where all applications, awards, reporting, communication, etc. for OAA now occurs

• <u>www.voaagrants.us</u>

Each city/county can have up to 5 users

- A city/county must first establish a primary user through completion of a template letter on city/county letter head.
 - Letter is attached as part of primary user's registration request
 - Primary user can then invite other users
 - City/county executive can sign document outside of the system
 - Does not have to be a system user to do so

Training Opportunities

- Abatement Academy October 10, 2024, at 10am Preparing your OAA grant application, Part 2: Training on the new OAA Grants Portal software.
- Previous Training from September 25, 2024, also posted





Trends and Challenges with Grant Applications



Trends and Challenges

Many Cities and Counties are not applying for their "Individual Distribution" grants

- The OAA Board of Directors has adopted a policy for cities and counties to apply for their Individual Distribution amounts *within five consecutive application periods* from when the funds were made available.
 - Individual Distribution funds available in FY2023 must be applied for by April 1, 2028
 - For FY2024, applied for by April 1, 2029, as so on

Implementation of the proposed programs/efforts – realistic timeframes needed

Sustainability of OAA-funded efforts frequently not addressed.

Lack of clarity about partners/subcontractors involved: CSBs, Non-profits, Private providers

State and local procurement laws and policies still must be met!!!



Trends and Challenges

The amount of planning and research into a proposed program is evident

- Well planned programs have more partners and supporters
- Well planned programs tend to "sell" themselves better

Some otherwise very good applications have the math all wrong

• STRONGLY recommends that experienced budget department staff assist with the planning and writing of grants !!!!!

Proposed performance measures and implementation timeline are important!

We often receive applications that are incomplete or have problems but no one has called us for assistance or to review prior to submission.



Advice to CSBs Interested in Partnering for OAA Grants

Advice to CSBs Interested in OAA Funding

You need to partner with the cities and/or counties you serve.

- If requesting a Cooperative Partnership award, they will all have to sign on to it.
 - One will have to be the fiscal agent

Do you have capacity/expertise in grant writing and management on your staff?

- Offering to take the bulk of the processes on for the cities/counties can often help
- The recipient/fiscal agent city or county is still ultimately responsible
- Involve as many partners as you can from the community/region

Does your CSB only serve a few cities/counties?

• Consider partnering with other CSBs and their jurisdictions

Advice to CSBs Interested in OAA Funding

Be realistic and honest with your proposal

• Proposed performance measures and implementation timeline need to be realistic and achievable

Long-term projects need to be self-sustaining without OAA funds

- Increasing matching funds
- Leverage generated revenues
- Combining with other grant funds

Start early in the process

- It takes time to pull everything together and get approval from governing bodies
- Don't wait until 2 weeks before the deadline to start working on the application itself

Involve budget/finance staff along with program staff

- You want to submit a project that is both programmatically and financially sound
- Include finance/budget staff from your organization and the cities and counties you are working with



General Advice to Grant Applicants



General Advice to Grant Applicants

Collect feedback from the community including stakeholders

Define your problem and your proposed solution

Start early in the process and submit well ahead of deadline

• Contact OAA to discuss your idea and get feedback on how to formulate the application

Develop a short and long term plan that accounts for all the city/county opioid settlement funding pots: *(ie, get help from the fiscal agent's budget/finance office*)

- Direct
- Individual
- Gold Standard
- Cooperative



Consider reviewing the webinar featuring Ms. Virginia Lovell, Director of Finance for the City of Newport News, accessible on the OAA website under the "Abatement Academy" tab.

September 12

Financial management of opioid settlement funds (including grants) for Virginia cities and counties. Virginia Lovell (Director of Finance, City of Newport News), Adam Rosatelli (OAA Director of Finance) Video

Presentation

APA Guidance

www.voaa.us/abatement-academy/

Example of Long-Term OAA Projects Budget Courtesy of Virginia Lovell, Director of Finance City of Newport News

				-				_		_		_		_		 	_		 	
	Total Anticipated Revenue	\$	863,254	\$	196,503	\$ 159,677	\$ 159,677	\$	184,189	\$	134,688	\$	212,311	\$	219,006	\$ 219,006	\$	189,071	\$ 157,865	\$ 3,642,43
Rev	venue Budget																			
	OAA Individual Award Request			\$	-	\$ 348,307	\$ 50,184	\$	57,888	\$	42,330	\$	66,726	\$	68,830	\$ 68,830	\$	59,422	\$ 49,615	\$ 1,109,82
	OAA Carry Forward Request					\$ (52,557)	\$ 52,557												\$ -	\$ -
	Direct Funds + Interest On Direct Funds	\$	624,909	\$	136,725	\$ 109,493	\$ 109,493	\$	126,301	\$	92,358	\$	145,585	\$	150,176	\$ 150,176	\$	129,649	\$ 108,250	\$ 2,532,61
	Direct Distribution Use (Reserve)	\$	(624,909)	\$	(136,725)	\$ (104,493)	\$ 88,516	\$	116,561	\$	166,062	\$	88,439	\$	(18,256)	\$ (18,256)	\$	11,679	\$ 61,626	\$ (
	Interest																			
	Available Budget (Rev + Cfwd)	\$	-	\$	-	\$ 300,750	\$ 300,750	\$	300,750	\$	300,750	\$	300,750	\$	200,750	\$ 200,750	\$	200,750	\$ 219,491	\$ 3,642,43
Exp	penses																			
	Newport News Jail			\$	-	\$ 195,750	\$ 195,750	\$	195,750	\$	195,750	\$	195,750	\$	195,750	\$ 195,750	\$	195,750	\$ 195,750	\$ 2,936,25
	Commonwealth Atty - Mental Health Docket					\$ 5,000	\$ 5,000	\$	5,000	\$	5,000	\$	5,000	\$	5,000	\$ 5,000	\$	5,000	\$ 5,000	\$ 75,00
	Unallocated/Contingency																		\$ 18,741	\$ 131,18
	Peer Recovery Oriented System (Match for Coop)					\$ 60,000	\$ 60,000	\$	60,000	\$	60,000	\$	60,000							\$ 300,00
	Mobile Medication Services (Match for Coop)			\$	-	\$ 40,000	\$ 40,000	\$	40,000	\$	40,000	\$	40,000							\$ 200,00
	Total Anticipated Expenses	\$	-	\$	-	\$ 300,750	\$ 300,750	\$	300,750	\$	300,750	\$	300,750	\$	200,750	\$ 200,750	\$	200,750	\$ 219,491	\$ 3,642,43
		1																		





General Advice to Grant Applicants

Cooperative Partnership applications are becoming extremely competitive.

- Consider significant percentage of matching funds.
- The percentage is not prescribed by OAA or in the *Code of Virginia*, however a higher matching amount receives a higher score

Utilize your Regional Resource Coordinators and OAA Staff

Utilize the optional OAA draft review prior to the application deadline

Additional Information

OAA Website – <u>www.voaa.us</u>

• Newsletter sign up at bottom of home page

Abatement Academy

- <u>www.voaa.us/abatement-academy</u>
- 19 virtual webinar recordings and slide decks
- 4 more sessions still to go in 2024

Contact Information

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