

California's Opioid Settlement Fund

Lake County Behavioral Health Services &
Lake County Health Services, Safe Rx Program



Overview

- ▶ On July 21, 2021, a \$26 billion offer to settle was made by opioid manufacturer Janssen Pharmaceuticals and the “big three” distributors: McKesson, AmerisourceBergen, and Cardinal Health.
- ▶ California will receive approximately \$2.05 billion of this settlement over the next 18 years. The majority of this money is to be used for opioid abatement activities.
- ▶ Pursuant to Government Code, Title 2, Division 3, Part 2, Chapter 6, Article 2, Section 12534, the Opioid Settlements Fund (OSF) was created in the State Treasury. Funds from J&D settlement agreements and funds received from any other future judgments or settlements allocated to the state for state opioid remediation, shall be deposited into the OSF.
- ▶ Lake County received \$897,310.78
- ▶ Lake County will establish an advisory subcommittee through Health Service’s SafeRx program and the SafeRx Coalition.

Lake County Opioid Settlement Funds

- ▶ The California Department of Health Care Services has established guidance around **allowable expenditures**:

- ▶ High Impact Abatement Areas (HIAA). No less than 50% of funds will be used for:

No.	Activity
1.	Provision of matching funds or operating costs for substance use disorder facilities with an approved project within the Behavioral Health Continuum Infrastructure Program (BHCIP)
2.	Creating new or expanded substance use disorder (SUD) treatment infrastructure
3.	Addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD
4.	Diversion of people with SUD from the justice system into treatment, including provision of training and resources to first and early responders and implementing best practices for outreach, diversion, deflection, employability, restorative justice, and harm reduction
5.	Interventions to prevent drug addiction in vulnerable youth

Behavioral Health Continuum Infrastructure Project and Opioid Funds

- ▶ In 2022, Lake County Behavioral Health Services applied and was awarded a BHCIP Planning Grant in the amount of \$130,000. These funds are being used for engineering and architectural services to develop plans for the expansion and revitalization of the LCBHS clinic in Clearlake.
- ▶ Following completion of the plans, the County will go out to bid for contractor services to complete the work. At this point, LCBHS will be ready to apply for Round 6 of the BHCIP to address outstanding needs.
- ▶ The BHCIP requires a 10% match of funds from counties. LCBHS estimates that the expense of the expansion project will come in around \$4-6M. Therefore, \$400K to \$600K will be needed as a match. LCBHS has \$200K of MHSA funds allocated towards this match already.
- ▶ \$200K to \$400K of Opioid Settlement Funds will be used towards the BHCIP match, in addition to the MHSA funds.

Next Steps

- ▶ The funds remaining after the BHCIP matching funds: \$497K to \$697K
- ▶ The County can choose to engage in additional HIAA activities OR consider additional approved strategies that may include:
 - ▶ Expand availability of Naloxone or other FDA-approved drug to reverse Opioid Overdose
 - ▶ Increase/Expand Medication-Assisted Treatment resources for OUD
 - ▶ Expand Opioid Use Disorder (OUD) SUD services to pregnant and postpartum women
 - ▶ Expand treatment for neonatal abstinence syndrome
 - ▶ Expansion of warm hand-off programs and recovery services
 - ▶ Treatment for the incarcerated population
 - ▶ Expand prevention programs
 - ▶ Expand syringe exchange service programs

Lake County SafeRx Program Opioid Fund Advisory Committee

- ▶ A subcommittee will be developed from the SafeRx Coalition, meeting date and frequency will be determined and announced.
 - ▶ LCBHS staff will participate in the subcommittee along with coalition and community members.
- ▶ Identify potential priority funding allocations of Opioid Settlement.
- ▶ Sustainability of effective projects, treatments and resources will be of importance.
- ▶ SafeRx priority areas are prevention, support, and enhanced data collection.
- ▶ Funding the most effective interventions and evidenced-based strategies will be paramount.
- ▶ Subcommittee will collaborate with and inform LCBHS on identification of funding priorities.
- ▶ Efforts will be guided by experience, training and compassion.

Questions, Discussion, and Board Recommendations