



MICHIGAN
OPIOID
ADVISORY
COMMISSION

OPIOID ADVISORY COMMISSION

QUARTERLY
BULLETIN

OCTOBER 2023

INTENT VS. IMPACT

Why a quarterly bulletin?

In Michigan, easily accessible information on the use of state opioid settlement funds, is limited.

In its second year, the Opioid Advisory Commission (OAC) will continue to support efforts for public transparency and access to actionable information.

The importance of transparency and accessibility cannot be overstated—it is essential to supporting meaningful community involvement, and facilitating innovative work to mitigate the opioid epidemic and broader addiction and mental health crisis.

To address the need for more information, the OAC will offer quarterly bulletins with content that is both **advisory to the legislature and informative to the public.**

These bulletins are intended to enhance an understanding of key topics, promising practices, and areas for improvement.

Every effort should be taken to provide information that is both timely and easily accessible to the public—**this is a minimum standard for information equity.** Transparency and access to information increases the ability for communities to be involved. This is especially important because those most affected by the opioid crisis have often and historically, been left out of important discussions—significantly limiting opportunities to advocate for life-saving resources and inform decision-makers about how to best use money to address unique community needs.

Publicly available information about state opioid settlement dollars and practices, is not a luxury and should not be viewed as a burden. **It is essential**—and only with this information can we have intentional conversations that lead to impactful strategies and collaborative solutions.

A space in flux.

The state opioid settlement space is one in transition. While Michigan is currently receiving payments from four (4) national settlements, it is also awaiting finalization and initial payments from five (5) national settlements (CVS, Teva, Allergan, Walmart, Walgreens), with two (2) settlements at various stages of bankruptcy (Endo) and federal review (Purdue Pharma). There is also the potential for one (1) new settlement ([Kroger](#)), as well as the possibility that additional national settlements may arise in the future.

The OAC is uniquely positioned to report on these issues. To do so most effectively, the OAC is increasing its reporting frequency to the legislature, so that decision-making for appropriation of funds can be informed and intentional. State opioid settlement funds should be directed toward data-driven, sustainable, and high-impact public health and behavioral health initiatives, to support the OAC's health impact framework. **An understanding of where dollars have been used, is essential to this process.**

Collaboration is key.

The OAC recognizes the necessity of collaboration and thanks all contributing partners of the State-Local Opioid Settlement Workgroup, for their continued and shared commitment to helping support public access to information.

The OAC encourages all individuals interested in learning more about Michigan's opioid settlements to explore the following documents and websites, or contact oac@legislature.mi.gov with questions, suggestions, or general comments.

- [Michigan Opioid Settlement Funds Part I: Key Agencies and Settlements](#)
- [Michigan Opioid Settlement Funds Part II: Frequently Asked Questions](#)
- Michigan Association of Counties (MAC): [Opioid Resource Center](#) and [Opioid Resource Library](#)
- Michigan Department of Attorney General (AG) [Opioids Website](#)
- Michigan Department of Health and Human Services (MDHHS) [Opioids Website](#)
- Michigan Opioid Advisory Commission (OAC) [Website](#)

MICHIGAN'S OPIOID SETTLEMENTS

State Share and Non-Regional Funds Received/Anticipated

Distributors \$631 million over 18 years

AmerisourceBergen, Cardinal Health, McKesson

Structure: 50/50 State-Local Split

State Share Total: \$315.6 million | Local Share Total: \$315.6 million

Funds Received
\$41.80 million
13% of state share

Anticipated Future Funds
\$273.80 million
87% of state share

Janssen (J&J) \$145 million over 9 years

Structure: 50/50 State-Local Split

State Share Total: \$75.4 million | Local Share Total: \$72.5 million

Funds Received
\$55.79 million
74% of state share

Anticipated Future Funds
\$19.60 million
26% of state share

McKinsey & Co. \$19.56 million over 5 years

Structure: 100% State Share Funds

State Share: \$19.56 million

Funds Received
\$17.88 million
91% of state share

Anticipated Future Funds
\$1.67 million
9% of state share

Mallinckrodt Total unknown, due to second bankruptcy

Structure: 70/30 Regional-Non-Regional Split

Non-Regional Funds Received: \$1.56 million

Regional Funds Received: \$3.64 million

CVS \$161 million over 10 years

Structure: 50/50 State-Local Split

State Share Total: \$80.5 million | First Estimated Payment: \$5.8 million

Walmart \$91 million over 1-6 years

Structure: 50/50 State-Local Split

State Share Total: \$45.6 million | First Estimated Payment: \$45.6 million

Walgreens \$313 million over 18 years

Structure: 50/50 State-Local Split + Additional State-Only Settlement

State Share Total: \$225.6 million | First Estimated Payment: \$6.8 million

Teva \$122 million over 13 years

Structure: 50/50 State-Local Split

State Share Total: \$61 million | First Estimated Payment: \$4.7 million

Allergan \$73 million over 7 years

Structure: 50/50 State-Local Split

State Share Total: \$36.6 million | First Estimated Payment: \$5.2 million

Endo status pending due to bankruptcy

Purdue status pending—U.S. Supreme Court review

SETTLEMENT RESOURCES

Learn more about national opioid litigation and the state opioid settlement space.

MICHIGAN OPIOID HEALING AND RECOVERY FUND

Public Act 83 of 2022 (MCL 12.253)

Understanding the Fund

Establishment

Senate Bill 993 amended the Michigan Trust Fund Act to create the "Michigan Opioid Healing and Recovery Fund" within the Department of Treasury and to require the State Treasurer to deposit into the Fund all proceeds received by the State as a result of a judgment or settlement pertaining to violations, or alleged violations, of law pertaining to the manufacture, marketing, and distribution of opioids ([SFA analysis](#)).

Supplement, Not Supplant

Money in the Michigan opioid healing and recovery fund **must be used to create or supplement programs or services**. The money must not be used to replace any other governmental funds that would otherwise have been appropriated or expended for any other program or service ([PA 83 of 2022](#); MCL 12.253).

Unspent Funds

Money in the Michigan opioid healing and recovery fund at the close of the fiscal year **must remain in the Michigan opioid healing and recovery fund** and must not lapse to the general fund ([PA 83 of 2022](#); MCL 12.253). Funds from the Michigan Opioid Healing and Recovery Fund are considered restricted revenues.

FUNDING OPPORTUNITIES

Learn more about state funding opportunities offered by the Michigan Department of Health and Human Services.

\$120.6 million

Estimated State Share, Non-Regional, and Regional Opioid Settlement Funds, Received

\$97 million

Estimated Balance of the Michigan Opioid Healing and Recovery Fund, as of October 2023

Total Appropriations from the Fund

MDHHS: \$62.4 million (FYs 22-24)

AG: \$11.285 million (FY 22-23)

Total MDHHS Work Projects

\$15.98 million

“Opioid Settlement Funds”

[FY 21-22 Work Project/Carryforward](#)

\$10 million

“Opioid Response Activities”

[FY 22-23 New Work Project](#)

\$26 million (66%) of FY 21-23 DHHS appropriations (\$39.2 million) **estimated in work projects**

\$12 million (31%) of FY 21-23 DHHS appropriations (\$39.2 million) **estimated in spending**

Estimates only. Please contact [MDHHS](#) for further information.

KEY TAKEAWAYS AND ACTION STEPS



Increase public transparency around planning, use, and management of “State Share” opioid settlement funds.

Assessment The Michigan Department of Health and Human Services (MDHHS) is developing a website, specific to the opioid settlements—this may be a valuable resource and a step toward improving access to information. **The website is anticipated to be publicly available by end of October 2023.**

OAC Actions

- **Recommendations to the state legislature**, for public reporting on how appropriated settlement funds are being planned for and used.
- **Implementation of quarterly, public-facing bulletins**, that provide additional information on matters related to the state opioid settlement space, including updates on activities of the OAC.



Expand community engagement and inclusion in all planning and implementation efforts for opioid settlement funds.

Assessment It is not clear that community engagement has been core to the planning, use, or management of state opioid settlement funds. The settlements are intended to mitigate the negative effects of the addiction and mental health crisis on our citizens. **There is a responsibility to include the voices of those harmed, in planning for how to spend the money.**

OAC Actions

- **Establishment of the Community Engagement and Planning Collaborative (CEPC)**, an 18-member advisory workgroup to the OAC; focus areas around community engagement and health equity.
- **Development of community listening sessions**, to be offered in each geographic region of the prepaid inpatient health plans (PIHP); effective November 2023.
- **Development of the Michigan Opioid Settlement Funds: Community Impact Survey**, accessible through the [OAC website](#). Ongoing efforts to increase opportunities for community and Tribal input, especially from individuals and families, directly impacted.

KEY TAKEAWAYS AND ACTION STEPS



Enhance collaboration across branches, departments, jurisdictions, and communities, to support meaningful strategies and innovative solutions for opioid remediation.

Assessment The opioid epidemic and broader addiction and mental health crisis should not be bound by government departments or partisan politics. Michiganders were harmed. The settlements are intended to mitigate those harms. **Leaders in Michigan need to work together to most effectively plan and use opioid settlement dollars to reduce harms and save lives.**

OAC Actions

- **Modeling collaboration** through maintenance of intergovernmental relationships, state-local partnerships, and regular involvement with community partners. The OAC recognizes the importance of Tribal inclusion and is taking steps to increase outreach to and engagement with Tribal communities.
- **Participation in the State-Local Opioid Settlement Workgroup**, including contribution to informational documents: Michigan Opioid Settlement Funds Part I and Part II.



Increase legislative oversight to improve alignment with national guidance for use of opioid settlement funds.

Assessment The legislature is responsible for monitoring appropriate use of state opioid settlement dollars and adherence with state law (Public Act 83 of 2022; MCL 12.253) on how funds can be used.

Without reporting from departments that have been appropriated settlement funds, the legislature cannot properly assess and monitor that appropriated dollars are being used to mitigate the opioid epidemic and addiction crisis. **Reporting is needed so that the legislature can perform its duties, most effectively.**

OAC Actions

- **Recommendations made for regular reporting on the use of opioid settlement funds**; supported by the state legislature with requirements for semiannual reporting reflected in appropriation requirements of the FY 2023-2024 state budget bill.

OAC PROJECTS

Community Engagement and Planning Collaborative (CEPC)

The OAC recently convened the [CEPC](#), an advisory workgroup, established to support the OAC on key priority areas related to community engagement and health equity. Updates on the work and recommendations from the CEPC can be expected in future bulletins (2024).

“Community Voices” Initiative

The OAC is interested in hearing from the public, especially individuals and families who have been directly impacted by Michigan’s opioid epidemic by way of substance use disorders (SUD), mental health conditions, co-occurring disorder (COD), and involvement in the criminal-legal system. The OAC will be releasing a community impact survey, engaging with community organizations, and initiating community listening sessions (November 2023) as part of its “Community Voices” initiative. For more information please visit the [OAC’s website](#).

LOCAL INITIATIVES

Local Spotlights

The OAC is partnering with local representative agencies, including the [Michigan Association of Counties](#) and [Michigan Townships Association](#), to spotlight localities that are demonstrating “Principles in Action”, “Promising Partnerships”, and “Community Innovations”. The aim of the initiative is to highlight communities that have adopted practices, in alignment with national guidance.

The project is currently in planning and can be expected to roll out in the coming months. More information and updates to be made available in future bulletins (2024).

Local Reporting

The Michigan Association of Counties (MAC) is partnering with Public Sector Consultants and McCall Hamilton, around advocacy for harm reduction services and local reporting. Advocacy efforts will surround funding to incentivize reporting on settlement dollar spending on the local level, across the state. MAC intends to release a voluntary annual survey to county governments to identify where opioid settlement funds are being used and this incentive would increase participation to ensure a broader picture of the impact of funds as well as increased public transparency through utilization of the MAC [Opioid Settlement Dashboard](#).

STATE UPDATES

State Opioids Strategy

The Michigan Department of Health and Human Services (MDHHS) recently presented an [updated version](#) of its 2022 Opioids Strategy. At this time, it is unknown if a strategic plan exists or will accompany the new strategy. Please contact [MDHHS](#) for more information.

Michigan Opioids Task Force (OTF)

The Michigan Opioids Task Force recently reconvened with inclusion of appointed representatives from each of the state’s ten (10) prepaid inpatient health plan (PIHP) regions. Proposed meeting minutes are available [here](#). Please contact [MDHHS](#) for more information.

Racial Equity Workgroup (REWG)

Recommendations from the OTF Racial Equity Workgroup are anticipated in the coming month. Please contact [MDHHS](#) for more information.

ON OUR RADAR

Learn more about policies, programs, and practices the OAC is tracking.