

Office of Attorney General Daniel Cameron

Update on the Kentucky Opioid Abatement Advisory Commission

Before the Budget Review Subcommittee on Human Resources



Attorney General
DANIEL CAMERON

From the Office of Attorney General Daniel Cameron:

- Chris Lewis, Executive Director, Office of Consumer Protection
- Bryan Hubbard, Executive Director, Kentucky Opioid Abatement Advisory Commission
- Blake Christopher, Deputy General Counsel & Director of Legal Policy

Big 3 and Johnson & Johnson Settlement

- \$478 million to Kentucky
 - \$26 billion global settlement—the second largest multi-state settlement in U.S. history
 - Distributors: AmerisourceBergen, Cardinal Health, and McKesson
 - Manufacturer: Janssen (*i.e.*, Johnson & Johnson)
 - 21 RS HB 427 (codified at KRS 15.291 and 15.293) provides for distribution of funds



Distributor Settlement

Payment	Month/Year of Payment	Total to Kentucky	50% Portion of Total
1	Jun/July, 2022	\$16,589,173.53	\$8,294,586.77
2-3	July, 2022-2023	\$17,434,412.65	\$8,717,206.32
4-7	July, 2024-2027	\$21,821,637.12	\$10,910,818.56
8-10	July, 2028-2030	\$25,664,874.37	\$12,832,437.19
11-18	July, 2031-2038	<u>\$21,573,917.05</u>	<u>\$10,786,958.52</u>
Distributors Total		\$388,330,506.82	\$194,165,253.41



Janssen/J&J Settlement

Payment	Month/Year of Payment	Total to Kentucky	50% Portion of Total
1-4	July, 2022	\$47,695,169.24	\$23,847,584.62
5	July, 2025	\$18,929,227.10	\$9,464,613.55
6-8	July, 2026-2028	\$3,423,411.88	\$1,711,705.94
9-11	July, 2029-2031	<u>\$4,288,842.52</u>	<u>\$2,144,421.26</u>
	J&J Totals	\$89,761,159.54	\$47,722,045.07



Combined Settlement Totals

Month/Year of Payment	Total to Kentucky	50% Portion of Total	Month/Year of Payment	Total to Kentucky	50% Portion of Total
Jun./Jul. 2022	\$16,589,173.53	\$8,294,586.77	July, 2030	\$29,953,716.89	\$14,976,858.45
July, 2022	\$65,129,581.88	\$32,564,790.94	July, 2031	\$25,862,759.56	\$12,931,379.78
July, 2023	\$17,434,412.65	\$8,717,206.32	July, 2032	\$21,573,917.05	\$10,786,958.52
July, 2024	\$21,821,637.12	\$10,910,818.56	July, 2033	\$21,573,917.05	\$10,786,958.52
July, 2025	\$40,750,864.23	\$20,375,432.11	July, 2034	\$21,573,917.05	\$10,786,958.52
July, 2026	\$25,245,049.01	\$12,622,524.50	July, 2035	\$21,573,917.05	\$10,786,958.52
July, 2027	\$25,245,049.01	\$12,622,524.50	July, 2036	\$21,573,917.05	\$10,786,958.52
July, 2028	\$29,088,286.26	\$14,544,143.13	July, 2037	\$21,573,917.05	\$10,786,958.52
July, 2029	\$29,088,286.26	\$14,544,143.13	July, 2038	\$21,573,917.05	\$10,786,958.52
			Combined Totals	\$478,091,666.36	\$239,045,833.18



Administration of Opioid Settlement Funds

- 50% of funds to local governments; other 50% to the Commonwealth
 - Settlement checks will be submitted to a national administrator, who will disperse funds to the Commonwealth, cities, and counties
- 22 RS SB 90
 - From 2023 to 2027, \$10.5M will be distributed annually to the Behavioral Health, Developmental, and Intellectual Disabilities budget unit for a behavioral health conditional dismissal program
 - This distribution will come from the Commonwealth's 50%
- All funds—whether to local governments or to the Commission—must be used for opioid abatement
- Local governments and recipients of Commission funds must submit regular certifications of compliance



Kentucky Opioid Abatement Advisory Commission

- Established by 21 RS HB 427 and codified at KRS 15.291 and 15.293
- Oversees Commonwealth's 50% share of settlement proceeds
- Commission composition:
 - 11 total members: 9 voting & 2 non-voting
 - Voting members: 2-year terms, after staggered initial terms
 - Non-voting members: serve at the pleasure of Senate President and Speaker of the House



Kentucky Opioid Abatement Advisory Commission

- Members of the Commission appointed by Attorney General Cameron:
 - Dr. Jason Roop, PhD, of Campbellsville, representing victims of the opioid crisis
 - Van Ingram, of Frankfort, representing drug treatment and prevention
 - Vic Brown, of London, representing law enforcement
 - Von Purdy, of Louisville, representing citizens at large
 - Karen Butcher, of Georgetown, representing citizens at large
- Attorney General's designee: Bryan Hubbard, Executive Director of the Commission



Kentucky Opioid Abatement Advisory Commission

- Other members of the Commission:
 - Treasurer Allison Ball
 - Representative Danny Bentley, of Russell, appointed by the Speaker of the House (non-voting)
 - Karen Kelly, of Somerset, appointed by the President of the Senate (non-voting)
 - Dr. Sharon Walsh, PhD, of Lexington, appointed by UK's HEALing Communities Study Team
 - CHFS Secretary Eric Friedlander



Kentucky Opioid Abatement Advisory Commission

- Outlook for 2022 and 2023
 - Expect meetings and listening sessions in late summer and fall, to take place in locations throughout Kentucky
 - First meetings will address drafting and publishing regulations; KRS 15.291 allows for emergency regulations
 - Expect to have online application process ready by end of 2022, with applications submitted and reviewed beginning in 2023



Questions?



Attorney General
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