Maryland's Office of
Overdose Response

Opioid Restitution Fund Primer Webinar

A high level overview of the prescription opioid settlements in Maryland

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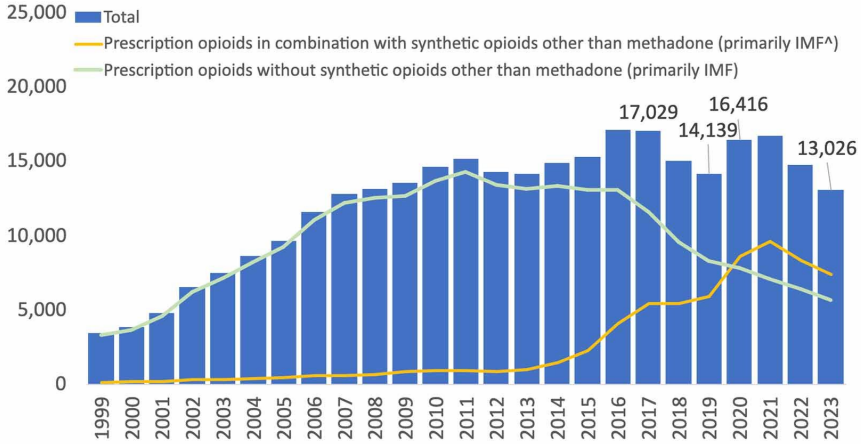
Welcome

- All of the information reviewed today is available in our ORF Primer document, available on our website under the ORF tab
- This document will be updated when new settlement or expenditure information becomes available
- The document also includes links to many of the documents I will be referencing throughout the presentation

Background

- Beginning in 2021, legal settlements with pharmaceutical manufacturers and distributors were reached regarding their role in misleading the public on the dangers of opioids

Figure 4. U.S. Overdose Deaths Involving Prescription Opioids*, 1999-2023

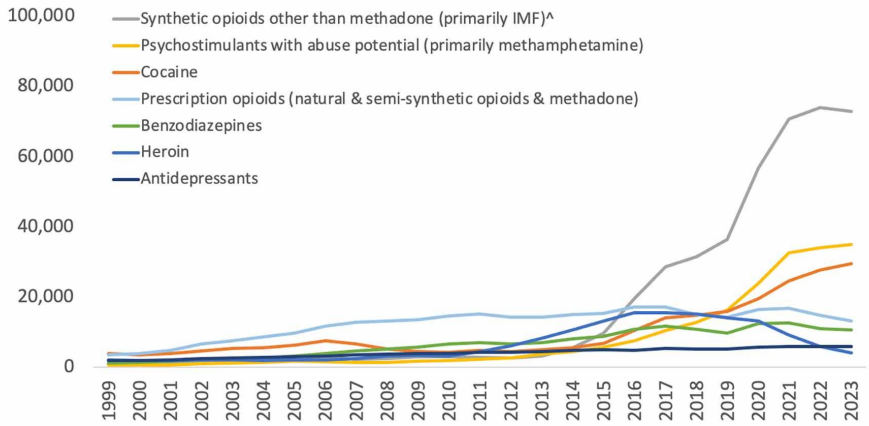


*Among deaths with drug overdose as the underlying cause, the prescription opioid subcategory was determined by the following ICD-10 multiple cause-of-death codes: natural and semi-synthetic opioids (T40.2) or methadone (T40.3). ^illicitly manufactured fentanyl. Source: Centers for Disease Control and Prevention, National Center for Health Statistics. Multiple Cause of Death 1999-2023 on CDC WONDER Online Database, released 1/2025.

Background (cntd)

- Over 1,000,000 Americans have lost their lives to any kind opioid overdose since 1999
- In Maryland, nearly 4 people lose their lives to an opioid overdose every day
- Opioid settlement funds are intended to help address these harms and prevent future loss of life

Figure 2. U.S. Overdose Deaths*, Select Drugs or Drug Categories, 1999-2023



*Includes deaths with underlying causes of unintentional drug poisoning (X40–X44), suicide drug poisoning (X60–X64), homicide drug poisoning (X85), or drug poisoning of undetermined intent (Y10–Y14), as coded in the International Classification of Diseases, 10th Revision. ^Illicitly manufactured fentanyl. Source: Centers for Disease Control and Prevention, National Center for Health Statistics. Multiple Cause of Death 1999-2023 on CDC WONDER Online Database, released 1/2025.

Maryland's Office of **Overdose Response**

In Maryland

- Maryland has received payments from 9 different settlements as of this week: Mallinckrodt, McKinsey & Company, Janssen (includes McKesson, Cencora, and Cardinal Health), Walmart, Walgreen, Allergan, Teva, and Publicis Health and most recently, Endo
    - Most are part of the “national settlement”
    - A settlement was recently reached with Purdue Pharma and 7 additional distributors
- Under current settlement distribution dates, Maryland will receive payments through fiscal year 2038.
    - Most payments are frontloaded, meaning payment amounts will decrease in later years
- 58 subdivisions, which are counties, towns or cities, agreed to drop their individual lawsuits and joined the state’s settlement agreements.

Settlement Framework

- The governing document for the ORF in MD is the State Subdivision Agreement of 2022 and 2023
  - Maryland specific parameters of the legal settlement
- State Finance and Procurement Article § 7–331 provides additional parameters around the ORF in Maryland, including allowable uses
- Maryland's Office of Overdose Response has been designated the administrator of the ORF

Funding Breakdown

- 4 distinct funding streams
  - <u>At the local level (70%):</u>
    - Local Direct Allocation (25%): Payments directly from the settlement administrator to participating subdivisions.
    - Targeted Abatement Grants (45%): Funds released from the state ORF account to provide formula-based grants to the participating subdivision upon submission and approval of a Local Abatement Plan (LAP)
      - LAP outlines planned uses for funds that are allowable and permissible under state law

Funding Breakdown

- 4 distinct funding streams
  - <u>At the state level (30%):</u>
    - State Allocation (15%): Used for allowable expenditures at the state's discretion, to include legislation
    - State Discretionary Abatement Fund (15%): Required to be made available via grants

Funds to be Received

- $670,823,954.48 will be received by Maryland and its subdivisions over the next 18 years.
  - $160,093,417 will be distributed directly to local subdivisions
  - $284,763,252.13 will be distributed to local subdivisions through TAG
  - $122,014,862.59 will be designated for the State Allocation
  - $100,490,400.97 will be designated for State Discretionary Abatement Fund grants

Funds Spent or Allocated

ORF Funding Stream	Total Received (Through End of FY25)	Total Expended (Through End of FY25)	Total Allocated for Future Spending
TAG	$97,015,609.83	$12,519,234.61	N/A
State Allocation	$57,284,391.70	$14,418,335.56	$34,507,990.00
State Discretionary Abatement	$37,960,873.19	$1,331,260	$22,239,785.00
Local Direct	$53,580,085.23	$5,893,230.67	N/A
TOTAL	**$245,840,959.95**	**$34,162,060.84**	**$56,747,775.00**

For a complete picture of spending, please review our FY25 Expenditure Report

Funds Spent: Highlights from Report

- State level *(15,749,595 spent through fiscal year, addtl $56.7 million allocated)*
  - SDAF: competitive grant awards totaling $13,571,045 to 28 organizations
    - Historical spending for grants to recovery orgs and to support HB116, as well as a research project for overdose risk profiles
  - State allocation: Funding for buprenorphine initiative at BHA, and MOUD access with DPSCS
  - To see future allocations, please review the report
- Local level *($18,412,464 spent through the fiscal year)*
  - #1 Increasing access to medications that support recovery from substance use disorders
  - #2 Expanding and establishing safe stations, mobile crisis response systems, and crisis stabilization centers
  - #3 Improving access to medications proven to prevent or reverse an overdose

Allowable Spending

- State Finance and Procurement Article § 7–331 states:
  - Exhibit E is the allowable use reference in MD
  - Supplanting is not allowed
  - Changed in fiscal year 2026, so previous reporting aligned around different allowable uses
- State Subdivision Agreement states:
  - All spending must be for allowable uses, and future opioid remediation except:
    - 15% of local direct funds can be used for past opioid remediation, but it must be allowable

Reporting

- Annually, MOOR submits a report on the ORF on behalf of the Governor to the General Assembly
  - Under the State Subdivision Agreement, local subdivisions are required to submit reporting to MOOR to assist us in developing the state report
- SB589 requires MOOR to develop a public dashboard to report all ORF expenditures
  - Currently in development

ORFAC

- Advisory council that provides recommendation on state spending
- Comprised of 12 members, eligibility for each position is outlined in state statute but does including those with lived/living experience
- 2025 recommendations are available on our website

Questions

- Who is eligible for funding?
- Why aren’t families impacted getting funds?
- How can I access funding?
- How can I see where funds are being spent?
- What happens if funds are misspent?
- How can I find out when payments are expected?
- *You may also drop questions in the chat*

Stay In Contact

Send ORF related emails to: ORF.MOOR@maryland.gov

Maryland's Office of
Overdose Response

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