





**Total Funds** 

\$203 million<sup>1</sup>

Allocation

70% to University of Mississippi Medical Center, 15% to counties and municipalities, and 15% to the state

Mechanism

Allocation agreement between the state and local governments (Mississippi State-Local **Government Opioid Litigation** Memorandum of Understanding)<sup>2</sup>

### **Key Takeaways**

University of Mississippi Medical Center (UMMC). The MOU states that 70% of the state's settlement funds are directed to UMMC's Center for Addiction Medicine (CAM).3

Default provisions. Mississippi's MOU does not specifically address approved purposes, but the national settlement agreements' Exhibit E - which outlines approved uses like prevention, harm reduction, treatment, and recovery services - provides a default list of permitted opioid remediation uses.

Public reporting. The Mississippi MOU does not include any requirement to publicly report opioid settlement expenditures or any enforcement mechanisms to address misspent funds.4

## **Background**

This resource is current as of 4/24/2023. For the most up-to-date information, please visit https:// www.opioidsettlementtracker.com/ settlementspending.

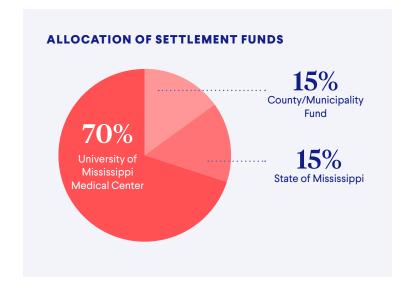
The Mississippi State-Local Government Opioid Litigation Memorandum of Understanding (MOU) establishes the state's opioid settlement allocations: 70% to the University of Mississippi Medical Center, 15% to counties and municipalities, and 15% to the state. 5 Mississippi's MOU does not include any definition or list of approved uses of settlement funds. However, the state is participating in the national settlement agreements, meaning the definition of opioid remediation<sup>6</sup> and the non-exhaustive list of approved uses in Exhibit E of those agreements apply.<sup>7</sup>







## **Decision-Making Process**



#### 70% UNIVERSITY OF MISSISSIPPI MEDICAL CENTER

Seventy percent (70%) of settlement funds are allocated to the University of Mississippi Medical Center's (UMMC) Center for Addiction Medicine (CAM) to establish a new multidisciplinary program.8

Note: Although the MOU refers to the UMMC's Center for Addiction Medicine (CAM), this may be intended to reference the Center for Innovations and Discovery in Addictions (CIDA). CIDA, which is the "umbrella" for addiction medicine across the University,9 aims to discover and implement innovative substance use disorder treatments through support for research, education, and healthcare.<sup>10</sup> This guide will retain references to CAM to be consistent with the MOU.

The MOU describes short-term and long-term goals for these funds. In the short term, CAM will establish a statewide patient-centered treatment program, leverage the University's Center for Telehealth and existing and new partnerships, and address healthcare disparities in rural parts of the state. 11 In the long term, CAM will become a hub for training healthcare providers in fields tied to substance use disorder (e.g., pharmacy, nursing, and emergency medicine).<sup>12</sup>

Mississippi's MOU is silent on the percentage of opioid settlement funds that must be used for opioid abatement. However, the national settlement agreements' terms apply to all participating states, including Mississippi, and require that at least 70% of settlement funds be spent toward forward-looking abatement initiatives.<sup>13</sup> Guidance from the Attorney General's office suggests that the entirety of CAM's 70% allocated share will be spent on future opioid remediation uses.<sup>14</sup>







### Decision-**Making Process** (Continued)

#### 15% COUNTY/MUNICIPALITY FUND

Fifteen percent (15%) of Mississippi's settlement funds will be deposited into the County/Municipality Fund and then distributed directly to participating counties and municipalities. 15 Mississippi's participating localities will likely use their normal budgeting and decision-making processes to allocate and spend these funds, which will be divided across the state's localities according to the percentages listed here. The MOU specifies that localities may spend their settlement funds on "opioid abatement[] or any purpose deemed appropriate by said County or Municipality."16

#### **LOCAL PLANNING EXAMPLE**

Amory City Attorney Sam Griffie identified top spending priorities such as educating youth and ensuring accessing to treatment.<sup>17</sup>

#### 15% STATE OF MISSISSIPPI

Fifteen percent (15%) of funds will go to into the State General Fund. A 2021 letter from the Attorney General suggests that the state will use a portion of its share to cover at least part of localities' attorneys' fees. 19 The state has yet to announce additional spending rules, suggesting that the state will likely use its normal budgeting and decision-making processes to expend these funds.

## **Tracking Funds** and Accountability

- The Mississippi MOU does not include any requirement to publicly report opioid settlement expenditures or enforcement provisions to address misspent funds.<sup>20</sup>
- The lack of reporting requirements in Mississippi's MOU means the state is subject to only the national settlement agreements' minimal requirement to publicly report non-opioid remediation spending, which can account for no more than 15% of all settlement funds.21







## **Engaging in** the Process

- Mississippi has fewer obvious channels to engage on settlement spending than many states. Push for that to change! Reach out to the state and your local government for more information about how settlement funds will be spent in your community.
- Encourage opportunities for community input on the use of funds at the state and local levels. For example, the state and/or its localities could create advisory bodies that include directly impacted people or hold townhalls to receive public feedback.
- Check out Community Education Group's Appalachia Opioid Remediation (AOR) Local Opioid Settlement Spending Database and sign up for their AOR email alerts here. CEG's AOR initiative provides opioid settlement spending updates from the 13 states of Appalachia.<sup>22</sup>

## Additional Resources

#### MISSISSIPPI OFFICE OF THE ATTORNEY GENERAL

Mississippi Opioid Settlement

#### MISSISSIPPI STATE DEPARTMENT OF HEALTH

The Mississippi Opioid and Substance Use Disorder <u>Program</u>

Mississippi Opioid and Heroin Data Collective

### **STAND UP MISSISSIPPI**

Governor's Opioid and Heroin Study Taskforce 2017 Recommendations

Naloxone Locator

UNIVERSITY OF MISSISSIPPI FOUNDATION **UMMC Opens New Center** 

#### **CENTER FOR MISSISSIPPI HEALTH POLICY**

Syringe Services Programs: Impact on the Spread of Communicable Diseases







### References

#### Last updated April 24, 2023.

- 1. From settlements with distributors McKesson, AmerisourceBergen, Cardinal Health and manufacturer Johnson & Johnson only. Mississippi is also participating in several settlements that are likely to be finalized later this year, e.g., CVS, Walgreens, Walmart, Allergan, and Teva. See KHN's "The Right to Know: Where Does Your State Stand on Public Reporting of Opioid Settlement Cash?" interactive transparency map (located mid-article; click "Mississippi" for state-specific participation information) and OpioidSettlementTracker.com's Global Settlement Tracker for more information.
- Mississippi's MOU is not limited by its definitions to the Distributor and Janssen Settlements, See MOU D.3, A.3, A.8 (applying MOU to "any" "negotiated resolution of legal or equitable claims against" "any entity that engages in or has engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic"). Note that many states' mechanisms for opioid settlement spending were designed to comply with the requirements of the Distributor and Janssen settlement agreements, which require (among other provisions) that a minimum of 85% of settlement funds be spent on opioid remediation expenditures. Section V.B.1. Subsequent settlements require varying thresholds of opioid remediation spend; the CVS and Walgreens agreements, for instance, require a minimum of 95.5% and 95% opioid remediation spending, respectively. Section V.B.1. Keep an eye out for the ways states will amend their spending mechanisms, if at all, to comply with subsequent settlement terms.
- 3. It's possible that Center for Addiction Medicine (CAM) is intended to refer to UMMC's Center for Innovation and Discovery in Addictions (CIDA), a center for addiction medicine and research at the University. This guide will reference CAM for consistency with the MOU.
- 4. See OpioidSettlementTracker.com's "States' Initial Promises to Publicly Report Their Opioid Settlement Expenditures."
- 5. MOU B.1(a)-(c). All monies sit in the Attorney General Contingency Fund prior to allocation. MOU B.1.
- 6. See Mississippi Executed Judgment, June 30, 2022 Distributor pg. 3 and Janssen settlement agreement Sec. I.47.
- "Exhibit E provides a non-exhaustive list of expenditures that qualify as being paid for Opioid Remediation." Janssen settlement agreement Sec. I.47.
- 8. MOU B.1(c). The MOU describes CAM as "Mississippi's only academic medical center dedicated to both short-term and long-term opioid abatement" B.1(c).
- 9. See, e.g., "UMMC Opens New Center"
- 10. Center for Innovation and Discovery in Addictions About Us.
- 11. MOU B.1(c).
- 12. MOU B.1(c).
- 13. See, e.g., Sec. V.D.1 of the Distributor and Janssen agreements (requiring states to devote 70% of their opioid settlements to future opioid remediation).
- 14. "[W]e worked with the University of Mississippi Medical Center to create a program that meets the opioid abatement requirements for the State. This will free local governments up to use your funds as you see fit without a national fund administrator micromanaging their use. ... The national settlement proposed a split of funds due to each state as: 70% to an abatement fund, 15% to a State fund, 15% to a local government fund. And, we propose to follow the same allocation formula in Mississippi." AG's 11/5/2021 letter to localities.
- 15. MOU B.1(a). At least those with populations greater than 10,000 or more. MOU B.1(a)(i)-(ii). See also MOU A.5 and A.6.
- 16. MOU B.1(a). Though Mississippi's MOU does not provide an approved purposes definition or require a certain percentage of opioid abatement spend, the national settlement agreements' terms apply to all participating states and operate in the background. See, e.g., Sec. V.D.1 of the Distributor and Janssen agreements (requiring states to devote 70% of their opioid settlements to future opioid remediation).
- 17. "County, Amory, Nettleton poised to receive settlement through opioid lawsuit"
- 18. MOU B.1(b), A.1. Note that all Opioid Settlement Funds are deposited into the Attorney General Contingency Fund before being allocated into the respective shares of 70% for UMMC, 15% for counties/municipalities, and 15% for the state of Mississippi.
- 19. "The national settlement proposed a split of funds due to each state as: 70% to an abatement fund, 15% to a State fund, 15% to a local government fund. ... However, we also want to use a portion of the State fund to help local governments meet their contractual obligations to their attorneys who have helped to bring us to these settlements." AG's 11/5/2021 letter to localities.







### References

- 20. See OpioidSettlementTracker.com's "States' Initial Promises to Publicly Report Their Opioid Settlement Expenditures."
- 21. Section V.B.2 of the *Distributor* and *Janssen* settlement agreements. See also  $Opioid Settlement Tracker.com's \\ "\underline{Most Settlement Agreements Do Not Require Public Reporting"}$ of Opioid Remediation Expenditures."
- 22. AL, GA, KY, MD, MS, NY, NC, OH, PA, SC, TN, VA, WV.