

# **Opioid Guide**

Consumer Protection Division Edition: 2024

## THE OPIOID EPIDEMIC

In New Mexico, thousands of people have died from overdoses as a result of prescription opioid use. During the litigation, experts stated that there were 204 deaths attributable to prescription opioids in 1999. In 2008, there were 382 deaths in New Mexico as a result of prescription opioids. In 2020, the number of deaths had reached 507. In 2021, deaths attributable to prescription opioids jumped to 633. Between 2017 and 2021, more than 2,100 deaths were attributable to prescription opioids in New Mexico. Currently, an estimated 3.9 percent of the New Mexico population (approximately 82.840 people) suffers from Opioid Use Disorders (OUD). The prevalence of OUD has increased from approximately 42,468 New Mexicans in 1999, to 82,840 in 2020. The New Mexico Department of Health estimates that in 2007 alone prescription opioid abuse and misuse cost New Mexico \$890 million. taking into account costs such as excess medical and prescription costs, lost earnings from premature deaths, and the costs of correctional facilities and police services. These losses were investigated and uncovered throughout litigation and resulted in the State of New Mexico entering into settlements with producers, manufacturers and pharmacies.

## HOW SETTLEMENT FUNDS CAN BE USED

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Funds from the opioid settlements must be used for opioid remediation purposes. Each settlement has its own allocation of payments and what opioid remediation consists of. Most settlements provide that they list opioid remediation consisting of, but is not limited to, expanding training for opioid overdoses, increasing medical assisted treatment, expanding recovery services and programs, etc.

All plaintiffs, including local governments, are subject to audits under the State Audit Act. In some of the national settlements, plaintiffs must disclose any amount used for non-remediation purposes. If funds are used for non-remediation, payments may be suspended until the amounts are redirected to opioid remediation.



From the settlement: "As part of the State or a Participating Local Government's annual audit pursuant to the State Audit Act, NMSA 1978, Chapter 12, Article 6, both the State fund and each LG Abatement Fund shall be audited to provide reasonable assurances that the LG Abatement Fund disbursements are consistent with the terms of this NMOAA. If any such audit reveals an expenditure inconsistent with the terms of this NMOAA, the State or the Local Government shall immediately redirect an amount equal to the funds associated with the inconsistent expenditure from another revenue source that may permissibly be expended for such purposes to an Opioid Related Expenditure. Either the State or the Participating Local Government who has been found to have expended funds inconsistently with this NMOAA will be ineligible to receive further distributions of the LG Share unless and until such a redirection is accomplished and confirmed by the State Auditor. The Settlement Administrator shall be instructed to hold either the State or that Local Government's future portion of the LG Share in escrow until instructed to release those funds by the State Auditor."

If you are an organization that is seeking to tap into opioid settlement funds, please reach out to your local governments to ensure they have signed up to receive settlement money. If they have, please reach out to them to inquire about the funds.



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## **COMPANIES WHO SETTLED**

Many attorneys general throughout the country joined a national settlement. New Mexico filed its own suit against Distributors, Manufacturers, and Pharmacies, and during the course of litigation, New Mexico joined some of the multistate settlements and reached its own settlements with other defendants. The following are the companies the state settled with either through national settlements or through independent settlements, as indicated in parentheses:

#### **Distributors:**

- Allergan (national settlement)
- Janssen (national settlement)
- Group of Distributors (national settlement)

#### Manufacturers:

- KVK-Tech (independent settlement)
- Amneal (independent settlement)
- Hikma (independent settlement)
- Teva (national settlement)

#### **Pharmacies:**

- Walgreens (independent settlement)
- Albertson's (independent settlement)
- CVS (independent settlement)
- Walmart (independent settlement)
- Kroger/Smith's (independent settlement)

To view national opioid settlement details please visit the official <u>website</u>. <u>The</u> <u>National Opioids Settlement website states</u>: "New national opioid settlements have been reached with Teva, Allergan, CVS, Walgreens, and Walmart. This revised and updated website provides copies of these agreements and earlier national opioid settlements with Janssen and distributors Cardinal, McKesson, and AmerisourceBergen, as well as additional documents and information concerning these proposed settlements. The agreements themselves control the terms of the settlements, and entities eligible to participate in the settlements should consult with counsel about participation..."

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## **ALLOCATION OF FUNDS**

Cities and counties who signed on to receive opioid funds will receive 55% of the settlement funds while the state receives 45%. The portion that goes to the state is subject to appropriation by the legislature. In 2023, the New Mexico Legislature enacted statutes creating the opioid settlement restricted fund and the opioid crisis recovery fund. See NMSA 1978, §§ 6-4-28, -29 (2023). Under these statutes, all funds allocated to the state through the opioid settlements are placed in the opioid settlement restricted fund, which is invested by the state investment officer. The monies in the restricted fund may only be allocated to the opioid crisis recovery fund, in an amount no greater than 5% of the fund as measured at specified dates. Funds allocated from the restricted fund to the recovery fund may only be spent on opioid remediation, and the Legislature articulated a number of different programs, including the treatment of opioid use disorder, to which the remediation funds may be directed. Before the statutes creating these funds went into effect, the Legislature appropriated \$21 million for various remediation purposes during the 2023 legislative session. Local government shares are not subject to these funds or otherwise restricted in their use for opioid remediation by these statutes. Local governments are instead only restricted by the contractual terms in the settlement agreements.

#### Breakdown of settlement dollars:

- Pharmacies:
  - CVS, \$19M
  - Albertsons, \$20M
  - Kroger, \$85M
  - Walmart, \$150M
  - Walgreens, \$500M
- Distributors and Manufacturers:
  - KVK, \$1.75M
  - Hikma, \$500,000
  - Amneal, \$725,000
    - For New Mexico percentages, please refer to the <u>National Opioid</u> <u>Settlement</u> deal for the following distributors:
      - Allergan
      - Teva
      - Janssen

#### **Direct Legislative Appropriations:**

 NMDOJ provided \$21 million from its Consumer Fund out of the opioid settlements directly to state agencies according to appropriations made by the Legislature during the 2023 legislative session.

#### **State Investment Council:**

- NMDOJ transferred \$85,538,494.61 in November and December of 2023 to the State Investment Council.
- Additional transfers will be made over the course of the next 18 years.

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#### Amounts as of June 12, 2024

*Ready to be distributed once the NMDOJ receives requested financial transfer information			
Region	Allocation	<u>Distribution by Entity</u>	
Albuquerque	22.7540246633	21,987,539.47	
Bernalillo County	18.6169292699	17,989,805.02	
Catron County	0.1129940051	109,187.72	
Chaves County	1.0935494443	1,056,712.47	
City of Roswell	1.4423383265	1,393,752.15	
Cibola County	0.7723148257	746,298.86	
Colfax County *	0.7448541610	719,763.23	
Curry County	0.4952954732	478,611.10	
City of Clovis	0.9103511516	879,685.34	
De Baca County	0.0650725663	62,880.55	
Dona Ana County	4.1009817203	3,962,837.29	
City of Las Cruces	2.7789710876	2,685,359.51	
City of Sunland Park	0.2012417097	194,462.74	
Eddy County	1.2155709374	1,174,623.58	
City of Artesia	0.5562791550	537,540.50	
City of Carlsbad	0.8261484924	798,319.10	
Grant County	1.8057321396	1,744,904.79	
Guadalupe County	0.1869187026	180,622.22	

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Region	Allocation	<u>Distribution by Entity</u>
Harding County	0.0102668257	9,920.98
Hidalgo County	0.1965507765	189,929.83
Lea County	1.3193643533	1,274,920.64
City of Hobbs *	0.5477699843	529,317.97
City of Lovington	0.1729179347	167,093.07
Lincoln County *	1.2208675842	1,179,741.81
Los Alamos County	0.5915454490	571,618.83
Luna County	0.5889582326	569,118.76
City of Deming *	0.2484870948	240,116.63
McKinley County	1.0214669791	987,058.15
City of Gallup	0.7722895935	746,274.48
Mora County *	0.1903934157	183,979.88
Otero County	1.6062640137	1,552,155.89
City of Alamagordo	0.9683526415	935,733.01
Quay County	0.4733520608	457,406.87
Rio Arriba County	3.5113726662	3,393,089.63
City of Espanola	1.0869232439	1,050,309.48
Roosevelt County	0.3148139409	304,209.21
City of Portales	0.2248670805	217,292.28

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<u>Region</u>	<u>Allocation</u>	<u>Distribution by Entity</u>
San Juan County	2.4064498445	2,325,386.90
City of Farmington	1.4120396740	1,364,474.13
San Migual County	0.7151901194	691,098.44
City of Las Vegas	0.9509305850	918,897.83
Sandoval County	1.9253935060	1,860,535.28
Town of Bernalillo *	0.2863480762	276,702.24
City of Rio Rancho	2.3456255907	2,266,611.56
City of Santa Fe	4.5408953413	4,387,932.11
Santa Fe County *	3.5143193357	3,395,937.04
Sierra County	1.0308488455	996,123.98
Socorro County	0.7363065077	711,503.51
Taos County	1.7429125688	1,684,201.34
Torrance County	0.7071523256	683,331.41
Union County	0.1108929666	107,157.46
Valencia County	2.7716079380	2,678,244.39
Village of Los Lunas *	1.0566950725	1,021,099.56
Total	99.99999999999	96,631,430.26

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## RESOURCES

To search over 9,000 New Mexico social and community programs visit <u>https://sharenm.org/</u>

