

HB0794-FIN_MACo_SUP.pdf

Uploaded by: D'Paul Nibber

Position: FAV



House Bill 794

Public Health – Opioid Restitution Fund Advisory Council

MACo Position: **SUPPORT**

To: Finance Committee

Date: March 30, 2022

From: D'Paul Nibber

The Maryland Association of Counties (MACo) **SUPPORTS** HB 794. This bill would, among other provisions, establish the Opioid Restitution Fund Advisory Council to provide specific findings and recommendations regarding the allocation of money from the Opioid Restitution Fund.

In September of 2021, the State of Maryland entered into landmark settlement agreements amounting to \$395 million with opioids manufacturer Johnson & Johnson and three major opioids distributors, McKesson, AmerisourceBergen, and Cardinal Health. A portion of these settlements will be deposited into the Opioid Restitution Fund, which was established to support opioid abatement programming across the state.

Additional contributions are expected from future settlements with opioids manufacturers, distributors, and retailers. Counties have spent years and countless resources pursuing claims against these actors, forcing their retreat into settlements with the State. Given the indispensable role they have played, counties should have input into how future settlement proceeds are spent. Likewise, MACo requested an amendment to HB 794 proposing several county representatives sit on the Opioid Restitution Fund Advisory Council. A comparable amendment was adopted by the Maryland House of Delegates.

The amended HB 794 will ensure broader representation of opioid abatement stakeholders, contributing to a more equitable division of future settlement proceeds and additional saved lives. For this reason, MACo **SUPPORTS** HB 794 and urges a **FAVORABLE** report.

MD Addiction Directors Council - HB 794 - FAV - Op

Uploaded by: Kim Wireman

Position: FAV



Maryland Addiction Directors Council

House Appropriations Committee

March 30, 2022

House Bill 794

Public Health – Opioid Restitution Fund Advisory Council

Support

Maryland Addiction Directors Council (MADC) strongly supports House Bill 794 to establish an Advisory Council that will provide recommendations on how funding in the Opioid Restitution Fund should be spent. MADC is an association of outpatient and residential SUD and dual recovery providers across the State of Maryland. MADC members are on the front lines of the Opioid Epidemic providing over 1,000 residential beds across the State.

Maryland was ahead of the curve and one of the first states in the country in 2019 to create an Opioid Restitution Fund to capture settlements and awards in the lawsuits against opioid manufacturers. Since that time, several national organizations have developed principles and model legislation that have influenced states around the country that have enacted their own laws. Based on these recommendations, we believe Maryland largely got it right in 2019, with just a few exceptions. This legislation proposes to add two appropriate uses to the list of items that are allowable for expenditure and creates an Advisory Council.

(over)



Maryland Addiction Directors Council

Page Two

MADC is in strong support of the creation of an Advisory Council that includes stakeholders such as families, consumers as well as clinical and public health experts. People in recovery and family members of those who have struggled with the disease can bring valuable insight into discussions about strategies, policies, and programming to help direct funding decisions. Likewise, clinicians with experience in the latest medications and therapies as well as a public health expert engaged in harm reduction services bring expertise from the field to these important discussions.

Johns Hopkins Bloomberg School of Public Health's *Principles for the Use of Funds from Opioid Litigation* has developed principles as best practice to guide States and other jurisdictions. Bloomberg's report recommends including public health leaders, those with first-hand experience supporting and treating those who use drugs as well as people with lived experience.

MADC appreciates the efforts the current Administration has made to gather public input into these significant decisions. The amount of funding that will be distributed calls for a more formal and transparent process.

In closing, thank you for the opportunity to offer written testimony. Maryland Addictions Directors Council supports HB 794.

Sincerely,

Kim Wireman

Kim Wireman
Board Member, MADC



Maryland Addiction Directors Council

MADC, 3800 Frederick Avenue, Baltimore, MD 21229

NCADD-MD - HB 794 FAV - Opioid Restitution Fund Ad

Uploaded by: Nancy Rosen-Cohen

Position: FAV



Senate Finance Committee

March 30, 2022

House Bill 794

Public Health – Opioid Restitution Fund Advisory Council

Support as Amended

NCADD-Maryland strongly supports House Bill 794, as amended in the House, to establish an Advisory Council that will provide recommendations on how funding in the Opioid Restitution Fund should be spent.

Maryland was ahead of the curve and one of the first states in the country in 2019 to create an Opioid Restitution Fund to capture settlements and awards in the lawsuits against opioid manufacturers. When working on the legislation, we knew it would be important to ensure public input into the process of deciding how funds would be spent, and worked with the legislature ensure the law required that.

Since that time, several national organizations have developed principles and model legislation that have influenced states around the country that have enacted their own laws. Based on these recommendations, we believe Maryland largely got it right in 2019, with just a few exceptions. This legislation proposes to add two appropriate uses to the list of items that are allowable for expenditure, and creates an Advisory Council.

The reason for the Advisory Council is to ensure several things. First, it ensures that the communities directly impacted by the opioid overdose crisis are represented in the development of recommendations. People in recovery and family members of those who have struggled with the disease can bring valuable insight into discussions about strategies, policies and programming to help direct funding decisions. Clinicians with experience in the latest medications and therapies must also be at the table. And having representation from a public health expert engaged in harm reduction services will ensure a much more informed approach to funding and policy decisions.

NCADD-Maryland appreciates the efforts the current Administration has made to gather public input into these important decisions. The amount of funding that will be distributed calls for a more formal and transparent process. We support the amendments adopted in the House and urge your support of House Bill 794.

The Maryland Affiliate of the National Council on Alcoholism and Drug Dependence (NCADD-Maryland) is a statewide organization that works to influence public and private policies on addiction, treatment, and recovery, reduce the stigma associated with the disease, and improve the understanding of addictions and the recovery process. We advocate for and with individuals and families who are affected by alcoholism and drug addiction.

HB 794_srosenberg_fav.pdf

Uploaded by: Samuel Rosenberg

Position: FAV

SAMUEL I. "SANDY" ROSENBERG
Legislative District 41
Baltimore City

Health and Government Operations
Committee

Chair

Government Operations and
Health Facilities Subcommittee

House Chair

Joint Committee on Administrative,
Executive, and Legislative Review



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Respond to Office Indicated

□ *Annapolis Office*
The Maryland House of Delegates
6 Bladen Street, Room 365
Annapolis, Maryland 21401
410-841-3297 • 301-858-3297
800-492-7122 Ext. 3297
Samuel.Rosenberg@house.state.md.us

□ *District Office*
4811 Liberty Heights Avenue
Baltimore, Maryland 21207
410-664-2646

Testimony of Delegate Samuel I. Rosenberg

Before the Senate Finance Committee

In Support of House Bill 794

Public Health - Opioid Restitution Fund Advisory Council

Madam Chair and Members of the Committee,

For over two decades, opioid manufacturers unleashed a scourge of addictive and deadly pills on the citizens of Maryland and the rest of the country. After years of impunity, some opioid manufacturers are facing financial accountability in the form of court settlements.

Last July, Maryland joined nearly every state in a master settlement agreement with the largest manufacturers of prescription drugs: Cardinal Health, AmerisourceBergen, McKesson, and Janssen, a Johnson & Johnson subsidiary.

Based on this settlement, Maryland is eligible to receive significant funding to remediate the opioid crisis. Maryland's maximum share of the \$26 billion-dollar national settlement agreement is 2.11%, or up to about \$492 million. Maryland obtained a higher share than its population would indicate because the opioid crisis has hit Maryland harder than it has other states.

Three years ago, in anticipation of this payment, the General Assembly created a special fund for this money, rather than allowing it to go into the general fund. Money deposited in the

Opioid Restitution Fund will go towards substance use prevention, treatment, recovery, and harm reduction. Eighty-five percent of this money must be used for a variety of authorized evidence-based or evidence-informed opioid abatement programs, such as programs providing treatment for substance use disorders and overdose reversal medicines, among numerous other options.

As amended, HB 794 would create the Opioid Restitution Fund Advisory Council to oversee the dispersion of the monies in the Opioid Restitution Fund. The advisory council oversight will make the process of distributing this large settlement more transparent. Several states¹ have already created advisory councils to oversee their opioid restitution funds and ensure that the money furthers the above-mentioned objectives. House Bill 794 is consistent with the efforts of these other states. These advisory boards serve to foster robust public involvement, accountability, and transparency in allocation decisions.

Maryland's Opioid Restitution Advisory Council would be comprised of a combination of public officials, health professionals, and people with firsthand experience with opioid addiction and recovery. The council would include a legislator from each house, the Deputy Secretaries for Behavioral Health and Health Care Financing, and the Director of the Opioid Operational Command Center. Additionally, the Governor would name a representative from a community-based opioid treatment program, a representative from a community-based substance abuse program, and a public health expert who works in harm reduction services. The Secretary of Health would choose someone who is in recovery from substance abuse, someone who has lost a family member to overdose, and an individual "disproportionately impacted by substance

¹ Massachusetts, <https://www.mass.gov/orgs/opioid-recovery-and-remediation-fund-advisory-council>; New Hampshire, <https://www.dhhs.nh.gov/dcbcs/bdas/opioid-abatement-trust-fund.htm>; Minnesota <https://mn.gov/dhs/opioids/oer-advisory-council.jsp>; Colorado <https://coag.gov/opioids/opioid-crisis-recovery-funds-advisory-committee/>; Alaska <https://gov.alaska.gov/newsroom/2021/10/01/governor-dunleavy-issues-administrative-order-establishing-advisory-council-on-opioid-remediation/>; Illinois <https://www.dhs.state.il.us/page.aspx?item=97186>;

use disorders and disparities in access to care.” There would also be a representative designated by the Maryland Association of Counties.

Each year the committee would submit a report to the Governor and the Secretary of Health regarding the allocation of money from the fund. The committee will be responsible for ensuring that the money is allocated equitably to each jurisdiction, considering the rate of substance abuse and deaths, services available, disparities in access, and the disparities in outcomes in a jurisdiction. The appointed members of the council are to be chosen in such a way that they reflect the geographic, ethnic, gender, and cultural diversity of the state. The council should also “be representative of at-risk populations.” This important element of the legislation seeks to involve those individuals most harmed by opioids in the decision-making process of how to best allocate the funds from these settlements. The people closest to the tragedy of opioid addiction should be closely involved in the distribution of these funds.

I urge a favorable report on HB 794, as amended.

March 30, 2022

Whaley and Sharfstein - HB 794 FAV - ORF Advisory

Uploaded by: Sara Whaley

Position: FAV

March 30, 2022

Hon. Delores G. Kelley, Chair
Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

RE: Maryland Senate Finance Committee on House Bill 0794: Public Health – Opioid Restitution Fund Advisory Council

Several faculty at The Johns Hopkins School of Public Health worked with a coalition of more than 50 professional, academic, advocacy, and consumer groups across the country to develop a document entitled *Principles for the Use of Funds from the Opioid Litigation*. This set of [five guiding principles](#) is intended to help states and localities best use funds from the opioid litigation.

The Principles call on states and localities to utilize best practice interventions proven to save lives and advocate for inclusivity and transparency in decision-making and to focus on racial equity. The Principles have been used by multiple other states as a guide for legislation related to their opioid abatement funds.

In general, House Bill 0794 is consistent with the Principles, and we commend Del. Rosenberg for the bill's introduction and urge its passage. Based on the Principles, we have several recommendations for enhancing the legislation.

- Principle #1: Spend Money to Save Lives

This principle calls on states to establish a dedicated fund, require that the dollars be used to supplement rather than supplant existing funding, and report to the public on where the money is going.

Existing legislation (2019 MD HB 1274) established a dedicated fund for all the opioid litigation dollars. This bill does contain language requiring that the funds supplement, rather than supplant, existing spending.

This draft legislation does require that the expenditures from the fund are reported publicly, but does not require that the programs report on their goals and the measures that they will use to determine success.

Under the legislation, the governor is tasked with the development of goals, objectives and performance measures, and with reporting how and where the funds are used, as well as progress towards the goals and objectives.

We recommend that the Council be charged with compiling an annual report. The annual reports should be public facing. An effective method to implement this is for the Department to

create and maintain a website where the committee can publish meeting minutes, approved expenditures of money from the fund, recipient reports, and the committee's annual reports.

- Principle #2: Use Evidence to Guide Spending

This principle calls upon states to direct funds to programs supported by the evidence, remove policies that may block the adoption of programs that work, and build data capacity.

In addition to what is outlined in the existing legislation, this draft legislation does clearly set out requirements that either the dollars go to evidence-based programs, or that research is conducted to assess the outcomes of evidence-informed programs that receive funding.

The draft legislation does not set out any requirements regarding an assessment of policies that may be blocking the adoption of evidence-based programs. We recommend that the Council, as part of its work, identify state laws or regulations that are blocking the adoption of evidence-based programs.

- Principle #3: Invest in Youth Prevention

This principle calls upon states to direct funds to evidence-based youth prevention activities. The draft legislation does identify prevention as an appropriate use of opioid litigation dollars. We recommend that the Council assess the adequacy of the states' youth primary prevention programming as part of its annual report.

- Principle #4: Focus on Racial Equity

This principle calls upon states to invest in communities affected by discriminatory policies, support diversion from arrest and incarceration, fund anti-stigma campaigns, and involve community members in solutions.

The draft legislation requires that the Council appoint a person who is disproportionately impacted by SUD and disparities in access to care and requires the members of the Council to reflect the diversity of the state.

It also calls upon the Council to address disparities as one of the criteria used when making funding recommendations and calls upon the committee to approve goals and indicators related to reducing disparities and improving health outcomes in traditionally underserved populations.

We recommend that the legislation include other actions related to racial equity, including requiring that the goals and priorities include goals related to reducing disparities and improving health outcomes for traditionally underserved populations; requiring that a section of the annual report describe how the funds have addressed racial equity; and requiring that the Committee solicit feedback from communities of color.

- Principle #5: Develop a Fair and Transparent Process for Deciding Where to Spend the Funding

This principle calls upon states to determine areas of need, receive input from groups that touch different parts of the epidemic to develop the plan, and ensure that there is representation that reflects the diversity of affected communities when allocating funds.

As discussed above, the legislation does include on the committee many different groups affected by the epidemic that reflect the diversity of the state.

We recommend that the legislation be broadened to support the use of funds to conduct needs assessments to help determine priority areas.

We appreciate the opportunity to review the Maryland House Bill 0794 and commend Maryland state policymakers for addressing this issue and working to ensure that all opioid settlement funds are used to address the opioid crisis and save lives. We encourage you to consider our recommendations to improve Maryland HB 794.

Sincerely,

Sara Whaley, MPH, MSW, MA

And

Joshua Sharfstein, MD

This testimony reflects our views and not necessarily the position of Johns Hopkins University.

HB 794_FWA_MML.pdf

Uploaded by: Bill Jorch

Position: FWA



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

March 30, 2022

Committee: Senate Finance

Bill: HB 794 – Public Health – Opioid Restitution Fund Advisory Council

Position: Support with amendment

Reason for Position:

The Maryland Municipal League (MML) supports House Bill 794 with amendment. The bill creates an Opioid Restitution Fund Advisory Council tasked with providing recommendations on how money from the fund should be allocated with the State.

MML, the Maryland Association of Counties (MACo), and the Office of the Attorney General (OAG) worked on the details of the framework known as the State-Subdivision Agreement which details the allocation of funds from the recently agreed upon settlement with a major opioid manufacturer and several distributors. The framework will allow for the State and local governments to use these funds for specific permitted uses with the primary objectives of opioid remediation and prevention and indicates a strong acknowledgment of the important role local governments play in working to fight this epidemic.

The involvement of local governments and the high percentage of funds allocated to them as part of this settlement agreement indicates a strong acknowledgment of the important role local governments play in working to fight this epidemic. As more settlements are agreed to, and new money is available through the Opioid Restitution Fund, MML wants to ensure that municipal governments are represented as part of this Council.

The MML suggested amendment is as follows:

On page 3, line 18 of the bill as passed out of the House, before (B) add:

(9) ONE INDIVIDUAL DESIGNATED BY THE EXECUTIVE DIRECTOR OF THE MARYLAND MUNICIPAL LEAGUE.

As such, the League respectfully requests that this committee issue a favorable report on HB 794 with this important amendment.

FOR MORE INFORMATION CONTACT:

Scott A. Hancock	Executive Director
Angelica Bailey	Director, Government Relations
Bill Jorch	Director, Research and Policy Analysis
Justin Fiore	Manager, Government Relations