
Sponsor: County Manager's Office

Meeting Date: 12/14/2021

Title: Minnesota Opioids State-Subdivision Memorandum of Agreement and Multistate Opioids Settlements

File Number: 2021-735

Background and Rationale:

The state of Minnesota and numerous Minnesota cities and counties are engaged in nationwide civil litigation against manufacturers and distributors of prescription opioids related to the opioid crisis. The Minnesota Attorney General has signed on to multistate settlement agreements with several pharmaceutical distributors (McKesson, Cardinal Health, and AmerisourceBergen) as well as opioid manufacturer Johnson & Johnson, but those settlement agreements are still subject to sign-on by local governments and final agreement by the companies and approval by the courts.

There is a deadline of January 2, 2022, for a sufficient threshold of Minnesota cities and counties to sign on to the above-referenced multistate settlement agreements, and failure to timely sign on may diminish the amount of funds received by not only that city or county but by all Minnesota cities and counties from the settlement funds.

Representatives of Minnesota's local governments, the Office of the Attorney General, and the state of Minnesota have reached agreement on the intrastate allocation of these settlement funds between the state and the counties and cities, as well as the permissible uses of these funds, which will be memorialized in the Minnesota Opioids State-Subdivision Memorandum of Agreement (the "State-Subdivision Agreement").

During negotiations of the State-Subdivision Agreement, representatives of Minnesota's counties prioritized flexibility in how local governments may use settlement funds for opioids abatement and remediation and advocated for counties to receive settlement allocations directly rather than using the distribution mechanism detailed in Minnesota Statutes Section 256.043, subdivision 3(d). In order to achieve the goals of flexibility and direct allocation, Minnesota Statutes Section 256.043, subdivision 3(d), must be amended to remove a provision which would otherwise appropriate approximately 50 percent of the state's settlement allocation to county social service agencies for statutorily prescribed uses.

The State-Subdivision Agreement creates an opportunity for local governments and the state to work collaboratively on a unified vision to deliver a robust abatement and remediation plan to address the opioid crisis in Minnesota.

Recommendation:

The Ramsey County Board of Commissioners resolved to:

1. Support and agree to the Minnesota Opioids State-Subdivision Memorandum of Agreement.
2. Opt into the multistate settlements with McKesson, Cardinal Health, and AmerisourceBergen, and with Johnson & Johnson.
3. Authorize the County Manager to execute all necessary documents to ensure Ramsey County participation in the multistate settlements (including the participation agreement and accompanying release) and the Minnesota Opioids State-Subdivision Memorandum of Agreement.
4. Support the amending of Minnesota Statutes Section 256.043, subdivision 3(d), to remove a provision which would appropriate approximately 50 percent of the state's settlement allocation to county social service agencies via the existing opiate epidemic response fund distribution mechanism for statutorily prescribed uses.

A motion to approve was made by Commissioner Reinhardt, seconded by Commissioner McGuire. Motion passed.

Aye: - 7: Carter, Frethem, MatasCastillo, McDonough, McGuire, Ortega, and Reinhardt

By: 

Mee Cheng, Chief Clerk - County Board