

## Request for Board Action Details

**File #:** 2021-735

**Type:** Administrative Item      **Status:** Passed

**In control:** Board of Commissioners

**On agenda:** 12/14/2021      **Final action:** 12/14/2021

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

**Sponsors:** County Manager's Office

**Indexes:**

**Code sections:**

**Attachments:** 1. Minnesota Opioids State-Subdivision Memorandum of Agreement, 2. Resolution

Date	Ver.	Action By	Action	Result
12/14/2021	1	Board of Commissioners	approved	Pass

**Sponsor:** County Manager's Office

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

### Recommendation

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.

### 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.

**County Goals** (Check those advanced by Action)

- Well-being       Prosperity       Opportunity       Accountability

**Racial Equity Impact**

Counties are uniquely impacted by the opioid epidemic and substance use disorder. In 2020 alone, according to the Minnesota Attorney General’s office, opioid overdose deaths nationally rose to a record 93,000, a nearly 30 percent increase over the prior year. According to the Minnesota Department of Health Drug Overdose Dashboard, 4,821 Minnesotans died of opioid overdoses from 2000 to 2019. The crisis is far from over today with increasing opioid-involved deaths and emergency-room visits for opioid-involved overdoses, let alone the impact on individuals, children, and families. Native Americans in Minnesota are seven times more likely than white people to die of a drug overdose, and African Americans are twice as likely.

**Community Participation Level and Impact**

The Minnesota Attorney General’s office convened a panel of experts in public health and human services to advise the work of the state and local government negotiators.

- Inform       Consult       Involve       Collaborate       Empower

**Fiscal Impact**

On August 24, 2021, the Ramsey County Board of Commissioners held a closed meeting regarding the Minnesota opioid litigation.

**County Manager Comments**

No additional comments.

**Last Previous Action**

On August 24, 2021, the Ramsey County Board of Commissioners held a closed meeting regarding the Minnesota opioid settlement.

**Attachments**

1. Minnesota Opioids State-Subdivision Memorandum of Agreement