

DELAWARE PRESCRIPTION OPIOID
SETTLEMENT DISTRIBUTION COMMISSION

Annual Report
2023



Foreword from the Commission Co-chairs

The Opioid epidemic has profoundly impacted our communities in Delaware, taking the lives of thousands of beloved family members and friends. In light of this devastating crisis, the Delaware General Assembly established the Prescription Opioid Settlement Distribution Commission (POSDC) to oversee the distribution of funds received through the National Opioid Settlement Agreement and funds received from the collection of Opioid Impact Fees levied on opioid prescribers.

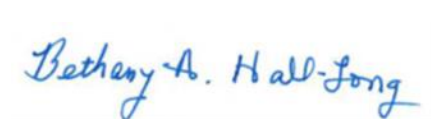
While only in its second operating year, the POSDC has diligently worked to address the pressing issues related to opioid overdoses, and the 2023 Report showcases its significant progress. This report details the POSDC's activities and achievements over the past year, highlighting efforts to create a grant distribution framework and building administrative structures necessary for distributing of dollars in grants. These grants are essential for supporting prevention, treatment, harm reduction, and recovery services in our community in a manner that focuses on equity and inclusion.

The POSDC's mission is pivotal in saving lives and enhancing the well-being of the Delaware communities devastated by the opioid crisis. To effectively combat this epidemic, the POSDC must ensure that settlement funds are directed to the most vulnerable and underserved populations. By partnering with dedicated organizations that are actively engaged in addressing this crisis, the Commission can maximize its impact and provide essential support to those in greatest need. This focused approach will help foster resilience and recovery in our communities.

As co-chairs of the POSDC, we extend our heartfelt gratitude to the POSDC members for their unwavering dedication and hard work. We also appreciate the numerous stakeholders who have supported the POSDC's efforts, including members of Delaware's General Assembly, the Department of Justice, the Behavioral Health Consortium, the Department of Health and Social Services, the Office of Management and Budget, and the members of the community.

Together, we have the power to make a meaningful impact in the fight against the Opioid epidemic. The POSDC's ongoing efforts are a critical component of this battle, and we are confident its ability to continue making significant strides in the years ahead.

Sincerely,



Lieutenant Governor Bethany Hall-Long



Attorney General Kathleen Jennings

Annual Report 2023

Delaware Prescription Opioid Settlement Commission

Executive Summary

This report begins with an overview of the POSDC's purpose and summarizes the National Opioid Settlement, detailing the steps Delaware engaged in to establish the POSDC. The report also highlights the POSDC's key activities for Calendar year 2023 and provides an account of funding receipts and distributions related to the Opioid Settlement Fund. Finally, the report outlines a roadmap for 2024 and includes relevant attachments to provide additional information.

This document marks the second Annual Report published by the POSDC, aimed at providing transparency regarding Delaware's utilization of the Opioid Settlement Funds and Opioid Impact Fee Funds. It also serves to update the public on the POSDC's activities for the calendar year 2023.

Established on October 2021, as a subcommittee of the Behavioral Health Consortium (BHC), the POSDC is tasked with making recommendations to the BHC regarding the distribution of the Fund that Delaware will collect over the next 17 years from opioid manufacturers, distributors, and pharmacies, in recognition of their respective roles in the opioid epidemic, as well as fees collected from opioid prescribers.

The POSDC is guided by the leadership of its Co-chairs, Delaware's Lieutenant Governor Bethany Hall-Long and Delaware Attorney General Kathleen Jennings, along with thirteen other appointed voting members. The POSDC is supported by a dedicated team of staff responsible for carrying out daily functions at the request of the POSDC members. The BHC provides the administrative resources necessary for the POSDC's operations, with Executive Director, Dr. Susan Holloway, leading a team of administrative staff and subject matter experts. This team is responsible for supporting POSDC activities, including facilitating public meetings, maintaining the POSDC's website, administering BHC approved grants, and publishing an annual report.

In its inaugural year, the POSDC focused on establishing a robust committee structure and the administrative support required to effectively fulfill its mandate. It sought public input, laid the groundwork for identifying immediate opioid abatement strategies aligned with the allowable uses identified in *Exhibit E* of the Settlement Agreement, and planned for future initiatives utilizing the John's Hopkins *Principles for the Use of Funds from the Opioid Litigation*. In its second year, the POSDC executed two grant cycles designed to flatten the overdose curve by increasing prevention strategies and community engagement with goal of preventing opioid misuse and increasing referrals to treatment. The POSDC also expanded its committee membership to further enhance subject matter expertise in support of its mission. In 2023, the POSDC experienced a notable increase in revenue to the fund, alongside critical discussions about potential threats to existing planned settlement disbursements.

Purpose of the Commission

The POSDC was established to foster a coordinated and consensus-driven effort aimed at repairing the damage inflicted on communities in Delaware by the opioid crisis. Its primary responsibility is to ensure that decisions regarding the allocation of opioid-related funds reflect the consensus of stakeholders, taking into account the insights and experiences of subject matter experts as well as members of affected communities. Ultimately, the POSDC is responsible for making funding recommendations to the BHC regarding the distribution of the OSF and impact fees through grants, contracts, or allocations to State agencies and local governments.

Funding recommendations made by the POSDC require a majority vote from the membership of the BHC for approval. The BHC is comprised of community advocates, law enforcement officials, healthcare professionals, and state leaders, all dedicated to developing actionable solutions to address prevention, treatment, and recovery for mental health and substance use disorders. Both the BHC and the POSDC are committed to ensuring that available funding is utilized effectively, increasing community engagement by employing evidence-based strategies such as effective treatment interventions, harm reduction services, recovery supports, and statewide prevention efforts to combat the opioid crisis in an equitable manner.

Overview of the Opioid Settlements

As detailed by lawsuits filed by over 3,000 state and local governments across the nation, the pharmaceutical industry—including opioid manufacturers, distributors, and pharmacies—has played a significant role in the opioid epidemic and is now being held accountable for its actions. In recent years, Attorneys General across the country have exerted maximum pressure on those who fueled and profited from this crisis through rigorous investigations, litigation, and settlements. This concerted effort underscores a commitment to justice and accountability, aiming to ensure that those responsible contribute to the reparative efforts needed to heal affected communities. As a direct outcome of the lawsuits and subsequent settlement negotiations co-led by Delaware Attorney General Kathleen Jennings, opioid defendants are set to pay over \$50 billion in damages to participating states. Delaware alone is projected to receive more than \$250 million from these settlements. This substantial financial commitment underscores the accountability of the pharmaceutical industry and provides critical resources for addressing the ongoing impact of the opioid crisis in our communities.

Delaware's Opioid-Related Legislation

In 2019 and 2021, Delaware enacted two significant pieces of legislation, Senate Bill 34 and Senate Bill 166, that laid the groundwork for the focused administration of the OSF. These laws establish a robust legal framework designed to ensure that resources are

managed transparently and strategically, facilitating meaningful investments in addressing the opioid crisis and supporting affected communities.

Senate Bill 34 (2019):

In response to the dramatic increase in opioid-related deaths, the Delaware Department of Justice (“DOJ”) began investigating and initiating lawsuits against opioid defendants in 2017. In 2019, the General Assembly passed [Senate Bill 34](#) (S.B. 34), which created an Opioid Impact Fee Fund (“OIFF”) as a dedicated source of funding for the prevention and treatment of opioid use disorder. S.B. 34 imposed an impact fee on opioid manufacturers equal to one cent per morphine milligram equivalent (“MME”) or one-quarter of a cent per MME for generic substitutions. OIFF collections started in 2020 and yielded approximately \$350,000 in 2021. Since then, annual collections have decreased as opioid prescriptions have declined.

Under S.B. 34, the monies from the OIFF are permitted to be used for opioid prevention and addiction services, such as inpatient and outpatient treatment programs, recovery residences, treatment for the underinsured and uninsured, Narcan distribution, and peer support programs. Originally, the Department of Health and Social Services (“DHSS”) was responsible for making distributions from the OIFF. However, this changed with the passage of [Senate Bill 166](#) (“S.B. 166”), which gave responsibility to the Commission and the BHC.

Senate Bill 166 (2021):

In 2021, Delaware worked to establish the legal framework and administrative structures needed to manage opioid settlement proceeds. Those efforts culminated in the General Assembly’s passage of S.B. 166, which Governor Carney signed into law in October 2021. S.B. 166 established the Opioid Settlement Fund (“OSF”). The monies from the OSF are permitted to be used for services that remediate and reduce the harm caused by opioids as long as they are consistent with the terms of the [National Distributor Settlement Agreement](#). In addition to establishing the OSF, S.B. 166 details distribution guidelines and the roles and responsibilities of the Commission and the BHC (summarized below).

POSDC Responsibilities:

- Make recommendations to the BHC regarding all distributions from the money in the OSF and OIFF.
- Set the dates, times, and places for Commission meetings and supervise the preparation and distribution of meeting notices, agendas, minutes, correspondence, and reports.
- Adopt rules or procedures governing the work of the Commission that include ethics standards and procedures to identify and address conflicts of interest.

- Establish a webpage dedicated to the work of the Commission and publish a list of the members, meeting notices, agendas, minutes, and reports.
- Ensure that any report produced by the Commission is distributed to members of the Delaware General Assembly, the Governor, the Director and the Librarian of the Division of Research of the Legislative Council, and the Delaware Public Archives.
- Establish and maintain a Local Governments Committee to provide recommendations regarding the distribution of money from the OSF and OIFF
- Create additional committees as needed and appoint a member of the Commission to serve as the chair of each committee and the initial committee members. Individuals who are not members of the Commission may serve as members of a committee.
- Solicit and review any recommendations regarding the distribution of money from all of the following: the Behavioral Health Consortium, the Addiction Action Committee, the Overdose System of Care Committee, and the Drug Overdose Fatality Review Committee.
- Seek input from the public and private entities and individuals concerned with the intended purposes of the funds and conduct public hearings as necessary to provide an opportunity for public comment.
- Use data and evidence on community harm to guide distributions and procure reports to help guide the work of the Commission.
- Produce an annual report that includes all of the following:
 - The amounts and sources of monies received by the OSF.
 - The aggregate amount of funds received by the OIFF.
 - By fund, the amounts and sources of any other monies received.
 - By fund, the contracts or grants awarded by the BHC, including the identity of each recipient, the amount of the award, the subject matter or program involved, and the primary terms and conditions of the award or contract.
 - By fund, the amounts disbursed in respect of approved contracts, grants and other authorized expenditures and administrative expenses, including amounts disbursed to qualifying local governments for local government block grants.

BHC Responsibilities:

- Approve or deny recommendations from the POSDC regarding funding initiatives.
- Distribute the money based on the recommendations of the Commission by awarding grants, directing the Secretary of DHSS to enter into contracts, or distributing funds to state agencies and local governments to be administered as directed by the Commission.
- Provide administrative support to the Commission.

Summary of Planning Activities in 2023

In 2023, the POSDC'S and its five established Committees, convened regularly to effectively plan and execute the Commission's primary activities.

POSDC

The POSDC is responsible for delivering evidence-based, and data-informed recommendations to Delaware's Behavioral Health Consortium (BHC) for consideration with the goal of effectively enhancing Delaware's opioid abatement and remediation efforts.

Activity	Frequency	Date(s) Meetings Held
Planning and Execution Meetings	The POSDC is scheduled to meet at least quarterly to conduct the business of the Commission	<u>January 26, 2023, at 11:00 AM</u> <u>March 27, 2023, at 2:00pm</u> <u>May 1, 2023, at 1:00 PM</u> <u>July 10, 2023, at 3:00 PM</u> <u>July 31, 2023, at 1:00 PM</u> <u>October 30, 2023, at 1:00 PM</u>

Established Committees

Behavioral Health Resources Committee: Responsible for identifying and monitoring the utilization of opioid-related treatment facilities and support service programs within the statewide opioid treatment system. Additionally, tasked with conducting gap analyses and other assessments to identify deficiencies in the system, with the goal of providing strategic recommendations to the POSD for capacity building.

Activity	Frequency	Date(s) Meetings Held
Planning Meetings	The POSDC Behavioral Health Resources Committee is scheduled to meet at least quarterly.	<u>January 19, 2023, at 11:00 AM</u> <u>April 20, 2023, at 11:00 AM</u> <u>July 20, 2023, at 11:00 AM</u> <u>October 20, 2023, at 11:00 AM</u>

Budget and Reporting Committee: Responsible for tracking receivables and expenditures and approving the format of the annual report. The committee is tasked with presenting a comprehensive report to the POSDC that outlines the available funding balance designated for opioid abatement and remediation efforts.

Activity	Frequency	Date(s) Meetings Held
Planning Meetings	The POSDC Budget and Reporting Committee is scheduled to meet at least quarterly.	<u>January 12, 2023, 2:00 PM</u> <u>April 13, 2023, 2:00 PM</u> <u>July 13, 2023, 2:00 PM</u> <u>October 12, 2023, 2:00 PM</u>

Governance Committee: Responsible for developing and proposing ethics standards and training requirements for all Commission and Committee members. This includes establishing procedures to identify and manage conflicts of interest, as well as formulating rules, terms, conditions, and guidelines to govern the application and approval process for grants and other distributions from the Opioid Funds. The committee is also responsible for creating policies, procedures, or regulations necessary to assist the Commission and its committees with adherence to relevant provisions of the Delaware Code and other applicable laws. The Governance Committee will provide recommendations and deliver periodic reports to the POSDC.

Activity	Frequency	Date(s) Meetings Held
Planning Meetings	The POSDC Governance Committee is scheduled to meet at least quarterly.	<u>January 9, 2023, at 12:00 PM</u> <u>April 10, 2023, at 12:00 PM</u> <u>July 10, 2023, at 12:00 PM</u> <u>October 9, 2023, at 12:00 PM</u>

Local Government Committee (“LGC”): Responsible for recommending to the POSDC the optimal distribution of funds from the OSF to the LGC. The LGC is also responsible for ensuring that these funds are allocated in a manner that effectively benefits all local government communities across Delaware.

Activity	Frequency	Date(s) Meetings Held
Planning Meetings	The POSDC Local Government Committee is scheduled to meet at least quarterly.	<u>January 4, 2023, at 12:00 PM</u> <u>April 5, 2023, at 12:00 PM</u> <u>June 7, 2023, at 12:00 PM</u> <u>October 4, 2023, at 12:00 PM</u> <u>November 28, 2023, at 12:00 PM</u>

Public Outreach and Community Input Committee: Responsible for developing and proposing best practices for disseminating information and gathering necessary stakeholder and public input, identify trends in data collection from stakeholder meetings and public outreach efforts, monitor, make recommendations and periodically report to the POSDC.

Activity	Frequency	Date(s) Meetings Held
Planning Meetings	The POSDC Public Outreach and Community Input Committee is scheduled to meet at least quarterly.	<u>January 9, 2023, at 10:00 AM</u> <u>April 17, 2023, at 10:00 AM</u> <u>July 17, 2023, at 10:00 AM</u> <u>October 16, 2023, at 10:00 AM</u>

Guidelines, Agreements, and Grant Priorities

In 2023, the POSDC utilized the [Guidelines](#) developed and approved in 2022 to govern the solicitation and vetting of grants under a limited, near-term grant program designated as Phase 1A. The POSDC undertook a comprehensive review and revision of the Guidelines for the 1B grant program, with the goal of removing unnecessary barriers to participation that often hinder lesser-resourced yet highly impactful grassroots organizations. This initiative aims to ensure that all deserving entities can effectively contribute to and benefit from the funding opportunities available. The Guidelines addressed prohibited uses, eligibility and screening criteria, and procedures for the grant application vetting process. The POSDC also developed a form of [Grant Agreement](#) that detailed the terms and conditions that govern the distribution of funds to grant recipients. All grant recipients must sign the Grant Agreement before receiving funding.

Activity	Date Approved by POSDC Committees
Approve Grant Guidelines	May 2023
Grant Agreements	May 2023
Grant Priorities	May 2023

To frame the development of [grant priorities](#), the Commission followed the core abatement strategies provided in the National Distributor Settlement Agreement and the guidance published by Johns Hopkins University, Bloomberg School of Public Health.¹ The principles established by Johns Hopkins include the following:

- **Spend money to save lives:** Encourages jurisdictions to establish a dedicated fund designed to supplement (not supplant) existing funding sources over an extended period.
- **Use evidence to guide spending:** Encourages jurisdictions to fund initiatives demonstrated by research to work, remove policies that impede the implementation of evidence-based initiatives, and ensure sufficient data collection infrastructure.
- **Invest in youth prevention:** Encourages jurisdictions to fund evidence-based prevention programs that target youth and long-term evaluation efforts to measure effectiveness.
- **Focus on equity:** Encourages jurisdictions to direct significant funds to communities affected by years of discriminatory policies and now experiencing substantial increases in overdoses. Jurisdictions should fund programs in communities of color, support diversion programs (from arrest and incarceration), fund anti-stigma campaigns, and involve community members.
- **Develop a fair and transparent process for deciding where to spend funds:** Encourages jurisdictions to use data to identify areas of need, get input from different groups of people impacted by the epidemic, and ensure diverse representation.

¹ “Principles for the Use of Funds From the Opioid Litigation.” Johns Hopkins Bloomberg School of Public Health. opioidprinciples.jhsph.edu/the-principles/. (Accessed 24 July 2023)

Community Outreach and Listening Sessions: Phase 1 B

In 2023, the POSDC held a series of public listening sessions throughout the State of Delaware, gathering valuable input from individuals and families impacted by the opioid epidemic. Public leaders, parents, community members, and frontline workers shared their personal experiences, offering candid insights into the struggles and strengths facing our communities. These sessions went beyond collecting information, fostering open dialogue, identifying resource gaps, and generating a united call for effective solutions. The POSDC continued to recognize the significant responsibility entrusted to it through these conversations and is committed to translating the invaluable perspectives of the participants into action. The listening sessions help shape grant-making initiatives to address critical needs of all individuals effected by the Opioid Crisis.

Listening Session Activit(ies)	Date(s) Held	Location
Listening Sessions: New Castle County	<ul style="list-style-type: none">• April 10, 2023• April 20, 2023• June 20, 2023	<ul style="list-style-type: none">• Canaan Baptist Church• New Destiny Fellowship• Delaware Technical Community College / Stanton Campus
Listening Sessions: Kent County	<ul style="list-style-type: none">• April 24, 2023• June 26, 2023	<ul style="list-style-type: none">• Delaware State University• Delaware Technical Community College / Terry Campus
Listening Sessions: Sussex County	<ul style="list-style-type: none">• April 12, 2023• June 22, 2023	<ul style="list-style-type: none">• First State Community Action• Delaware Technical Community College / Owens Campus

Commission Website and Community Engagement

To promote transparency and encourage public engagement, the Commission published a user-friendly [website](#) in collaboration with the Delaware Department of Technology and Information. The website includes essential information about the POSDC, including access to meeting minutes, webinars, grant information, news, and more. At the request of the POSDC membership, in the spirit of continuous quality improvement, the website will be revised / upgraded in 2024 to become increase stakeholder accessibility and generate an improved end-user experience for all stakeholders.

The POSDC continued to actively implement the community engagement plan developed in late 2022, which encompassed public meetings, community listening sessions, grant webinars, and an online survey. A primary objective of this plan was to build consensus on the allocation of OSF and to ensure the funds are used effectively for opioid abatement and remediation efforts. By fostering inclusive dialogue, the POSDC aims to reflect the needs and priorities of the community in its funding decisions.

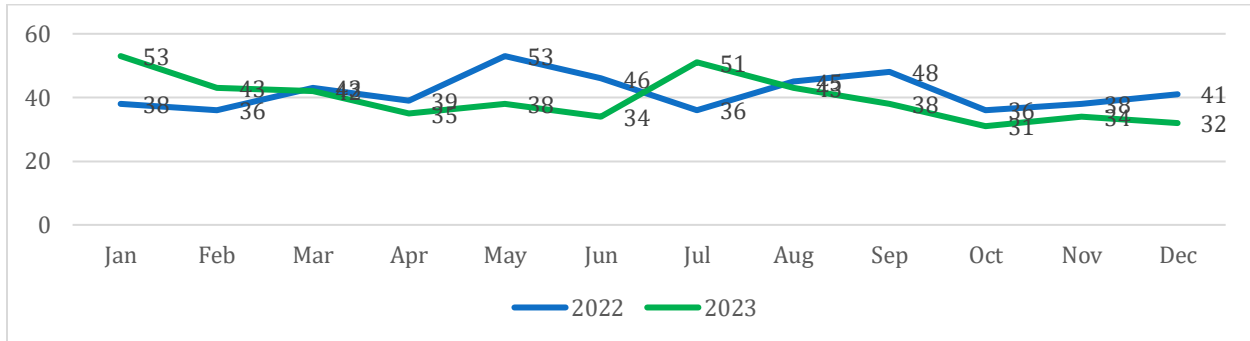
Grant Funded Programs

The POSDC, through its supporting committees, concluded that engagement was the most effective strategy for addressing opioid abatement and remediation. The National Settlement Agreement outlines a clear framework for acceptable and permissible uses, which the POSDC integrated with Johns Hopkins guidance to develop a comprehensive strategy aimed at enhancing community engagement and referrals for individuals managing the effects of opioid use disorder.

*Categories	Description	Exhibit E – Schedule
Harm Reduction	Harm reduction, in a comprehensive prevention strategy, is part of the continuum of care designed to save lives. Harm reduction approaches have proven to prevent death, injury, disease, overdose, and substance misuse and included interventions directly related to re Overdose prevention reversal agents.	Schedule A – Core Strategies
Recovery Supports	SAMHSA recognizes the essential role of recovery support for persons with substance abuse and addiction in order for an individual to maintain their overall health and wellness. As much as 80% of a person’s health is determined by the social and economic conditions of their homes and communities, their Social Determinants of Health (SDOH).	Schedule B- Approved Uses
Primary and Secondary Prevention	Prevention is critical to reducing overdoses and overdose deaths. Prevention activities work to educate and support individuals and communities to prevent the use and misuse of drugs and the development of substance use disorders.	Schedule B- Approved Uses
Use of Technology	The use of technology provides tools and techniques that quickly and accurately recognize opioid use disorders and assist providers with ensuring clients have access to the care they need in real time, regardless of geographical location.	Schedule B- Approved Uses
Training Health Care Providers	Support training to abate the opioid epidemic through activities, programs, or strategies that employ and support the establishment of a competent and informed workforce.	Schedule B- Approved Uses
Workforce Development	Build and support training programs that provide existing and potential workers with the knowledge, skills and abilities to complete tasks needed by the substance use treatment system to assist with ensuring a complete continuum of care for individuals in need of clinical and wraparound services.	Schedule B- Approved Uses
Research and Data Collection	The benefits of research and data collection include improving precision in targeting clients with unique needs, identifying new client populations, understanding client behaviors, increasing client engagement and improving decision-making within recovery systems.	Schedule B- Approved Uses

Though still in the early stages, during the final months of 2023, Delaware witnessed a decrease in fatal overdoses, signaling promising progress for the future.

Delaware Fatal Overdoses 2022 - 2023



Phase 1A Grant Funding Cycle:

On March 27, 2023, the POSDC publicly discussed and voted on funding related to the Phase 1 A grant application program. The POSDC launched the application process for Phase 1A with a budget of approximately \$3.6 million inclusive of \$3M that was approved in 2022. The POSDC limited the grant awards to \$100,000 or less based on the grant priorities established by the Commission. At the conclusion of the grant cycle, the final reconciliation of actual award disbursements against the amount budgeted/encumbered may result in the availability of funds for future award cycles.

- ▶ **POSDC Vote and Approval of Recommendations March 2023**
- ▶ **BHC Vote and Final Approval of Recommendations April 2023**
- ▶ **Total Awards Approved: 41** ([Phase 1A List](#))
- ▶ **Amount Encumbered \$3.6M**

Phase 1B Grant Funding Cycle:

On July 10, 2023, the POSDC publicly discussed and voted on funding related to the Phase 1 B grant application program. The POSDC launched the application process for Phase 1B with a budget of approximately \$10.0 million. The POSDC issued recommendations based on the grant priorities established by the Commission and did not impose an award limit. At the conclusion of the grant cycle, the final reconciliation of actual award disbursements against the amount budgeted/encumbered may result in the availability of funds for future award cycles.

- ▶ **POSDC Vote and Approval of Recommendations July 2023**
- ▶ **BHC Vote and Final Approval of Recommendations July 2023**
- ▶ **Total Awards Approved: 38** ([Phase 1B List](#))
- ▶ **Amount Encumbered \$10.0M**

Accounting Details

The Commission is required to publish an annual report that includes accounting details regarding monies received, monies distributed, and administrative expenses. This section summarizes the accounting details for the **OSF**, the **OIFF**, and the **Administrative Fund**, which includes money transferred from the OSF and OIFF.

Opioid Settlement Fund:

The table below includes the total amount of money received in the OSF in 2023 net of amounts sent directly to outside counsel by the settlement administrator, the opening balance from 2022,² and the amount of money transferred to the Administrative Fund. Payments for outside counsel fees and costs were remitted by the settlement administrator directly to the firms in amounts set by the applicable consent judgements and court orders.³ The POSDC voted to administer grants in 2023, and set aside approximately \$10,000,000 for Phase 1 B. Combined, Phase 1 A and Phase 1 B totaled an allocation of approximately \$13.6 million for grant distribution.

	Source	Date Received	Amount Received by Outside Counsel	Amount Received by State	Total Payment Amount
1	Mallinckrodt	February 2023	\$0.0	\$687,018.33	\$687,018.33
2	McKinsey	May 2023	\$0.0	\$110,590.61	\$110,590.61
3	J&J/Janssen	June 2023	\$175,230.00	\$5.41	\$175,235.41
4	Distributors	July 2023	\$4,081,700.00	\$3.50	\$4,081,703.50
5	Mallinckrodt	November 2023	\$0.0	\$808,256.86	\$808,256.86
6	Opening Balance from 2022				\$11,601,168.48
7	Total Amount Received by the State in 2023				\$ 1,605,874.71
8	Total Amount Received by Outside Counsel				\$4,256,930.00
9	Total Amount of Interest Earned in 2023				\$353,213.84
10	Amount Set Aside for Phase 1 A Grant Distribution in 2023				\$619,999.00
11	Amount Set Aside for Phase 1 B Grant Distribution in 2023				\$10,000,000.00
12	Amount Transferred to Administrative Fund				\$ 770,366.63
	2023 End of Year Unencumbered Balance				\$2,169,891.40

Opioid Impact Fee Fund:

² There was a beginning balance in 2022 of \$11,601,168.48 net of amounts transferred to the Administrative Account.

³ Pursuant to a court-ordered settlement resolving disputes with the State's outside counsel for its opioids-related litigation, certain initial abatement fund payments in the Distributors and Johnson & Johnson settlements were directed to the reimbursement of litigation expenses and payment of attorneys' fees. The State expects to recoup a substantial majority of these payments from separate dedicated non-abatement funds established under those and other opioids-related settlements. As of July 1, 2024, \$9,168,268.46 has already been received and credited to the OSF.

In 2023, the OIFF opened with a balance of \$1,040,508.76, which reflected funds transferred by the Delaware Department of Health and Social Services in connection with the transition of duties and authority to the BHC and the Commission pursuant to S.B. 166.

	Details	Amount
1	Opening Balance from 2022	\$1,040,508.76
2	Total Amount of Revenue Received in 2023	\$2,389,727.83
3	Amount of Interest Earned in 2023	\$49,816.91
4	Amount Transferred to Administrative Fund 2023	\$119,486.39
5	END OF YEAR BALANCE 2023	\$3,360,567.11

OSF and OIFF Administrative Fund (Revenues & Expenses):

In 2023, the Administrative Fund had an opening balance of \$759,613.65. Under Senate Bill 166, the POSDC may allocate \$300,000 or 5% (whichever is greater) of the total amount deposited into the OSF for administrative expenses. Fifteen percent of the money annually deposited into the OIFF may be used for administrative expenses.

	Details	Amount
1	Open Balance from 2022	\$759,613.65
2	Transfers Received from OSF and OIFF in 2023	\$889,853.02
3	Earned Interest	\$11,926.99
4	Staff Salaries/ Benefits/ Temps 2023	\$495,685.93
5	Consultant Services 2023	\$129,388.73
6	Administrative Equipment, Software 2023	\$10,340.10
7	Travel 2023	\$2150.00
8	Conferences / Events / Listening Tours 2023	\$826.97
9	END OF YEAR BALANCE 2023	\$1,023,001.91

Expected Activities and Priorities for 2024

The POSDC anticipates a busy and impactful year in 2024, with plans to launch at least two grant funding rounds for deserving agencies, localities, non-profit organizations, and local businesses statewide. As grants are distributed, the Commission will actively support recipients and monitor their progress in alignment with established agreements and deliverables. To ensure continuous input from community members, the Commission will persist in implementing its community engagement strategies throughout the state, applying valuable insights to effectively address the needs of residents. Below are the specific activities and priorities for 2024:

- **Phase 1A and Phase 1B:** The POSDC distributed the initial round of funding in early Fall 2023. The POSDC worked with the Phase 1A and Phase 1 B award winners to establish deliverables and measure progress through supported and collaborative partnerships. The POSDC will actively engage in continuous quality improvement by reviewing the success and opportunities for improvement presented through each program cycle. The data will be used to strengthen existing efforts and create new standards as appropriate.
- **Community Engagement:** The Commission continues to be committed to maintaining community-based partnerships and relationships that are beneficial to communities in Delaware that are working hard to operationalized opioid abatement and remediation strategies. These efforts include the establishment of an Equity Committee and the development of a website that promotes public input and engagement. In addition, the POSDC plans to build upon its initial community engagement strategies through a bi-directional communication strategy with all community stakeholders.

Conclusion

The POSDC is dedicated to utilizing the OSF in a fair, inclusive, and equitable manner to combat the opioid epidemic in Delaware. In collaboration with the BHC, state agencies, provider communities, families and friends, municipalities, and other stakeholders, while actively engaging with the community, the POSDC is focused on making a significant impact on the lives of those affected by this crisis. We are encouraged by the hopeful trend of decreasing fatal overdose numbers and remain committed to sustaining and further supporting these reduced rates across our state.

References

- “Principles for the Use of Funds From the Opioid Litigation.” *Johns Hopkins Bloomberg School of Public Health*. opioidprinciples.jhsph.edu/the-principles/. (Accessed 24 July 2023).

Other Valuable Resources

- [Johns Hopkins Bloomberg School of Public Health: Principles for the Use of Funds From the Opioid Litigation](#)
- [National Association of Attorneys General: Opioids](#)
- [Opioid Settlement Tracker](#)
- [Vital Strategies: Opioid Settlement Funds: State-Level Guides for Community Advocates](#)
- [National Academy for State Health Policy: State Approaches for Distribution of National Opioid Settlement Funding](#)
- [National Opioids Settlement](#)

Attachment A: Composition of the POSDC at the Close of 2023

Member	Name	Representative
Attorney General	Kathleen Jennings, Co-Chair	Attorney General
Governor	Bethany Hall-Long, Co-Chair	Lt. Governor
Secretary DHSS	Secretary Josette Manning	Division Director Joanna Champney
Senate Minority Caucus Member	Appointed by Senate Pro Tempore	Senator Stephanie Hansen
Senate Majority Caucus Member	Appointed by Senate Pro Tempore	Senator Bryant Richardson
House Minority Caucus Member	Appointed by Speaker of the House	Rep. Michael Smith
House Majority Caucus Member	Appointed by Speaker of the House	Rep. Kendra Johnson
Public Member (DE Resident)	Appointed by the Governor	Dr. Tammy Anderson
Public Member (DE Resident)	Appointed by the Attorney General	David Humes
New Castle County Member	Appointed by New Castle County Executive with Advice and Consent of County Council	Kenneth Dunn
Kent County Member	Appointed by Kent County Administrator with Advice and Consent of Levy Court	Kenneth Decker
Sussex County Member	Appointed by Sussex County Administrator with Advice and Consent of County Council	Todd Lawson
Representative of Municipal Govt.	Appointed by Governor: Selected from a List of Names Provided by the League of Local Governments	Chief Ken McLaughlin
Representative of SUD Advocacy Group	Appointed by the Attorney General	Donald Keister
Representative of the Recovery System	Appointed by the Governor	Dr. Lynn Fahey Morrison

Attachment B: Composition of the Committees at the Close of 2023

Committees	Committee Members
<p>Local Government Committee</p> <ul style="list-style-type: none"> ● Comprised of leadership from ten local government entities throughout the state ● Ensures the interests of individuals within their respective geographical jurisdictions are represented in the decision-making 	<ul style="list-style-type: none"> ● Kenneth L. Branner, Jr. (Chair) - Town of Middletown ● Robert C. Johnson (Vice Chair) - Town of Smyrna ● Kenneth Dunn - New Castle County ● Kenneth Decker - Kent County ● Todd F. Lawson - Sussex County ● Kenneth McLaughlin - Town of Ocean View ● Robin R. Christiansen - City of Dover ● David Genshaw - City of Seaford ● Stu Markham - City of Newark ● Arthur J. Campbell - City of Milford ● Mike Purzycki – City of Wilmington
<p>Behavioral Health Resources Committee</p> <ul style="list-style-type: none"> ● Identify treatment and support services statewide ● Identify gaps in the system through a gap analysis 	<ul style="list-style-type: none"> ● Dr. Lynn Fahey Morrison (Chair) - Brandywine Counseling ● Rep. Kendra Johnson - DE House of Representatives, 5th District ● Keith Pettiford, Ph.D. - President, National Pan-Hellenic Council of New Castle ● Sandra Gibney, MD - Private Citizen ● Shaynelle Bordley-Barnes, LPC, CADC - Private Citizen ● Cindy Bo - Nemours Children’s Hospital ● Jennifer Shalk – Meadowwod Behavioral Health Hospital
<p>Governance Committee</p> <ul style="list-style-type: none"> ● Determines, implements, and monitors practices and trainings related to ethics standards and conflicts of interest. ● Ensures the Commission is following all responsibilities as identified in the DE code. 	<ul style="list-style-type: none"> ● Dave Humes (Chair) - Private Citizen ● Hunter Hastings, CADC (Vice Chair) ● Brenda Wise - DE Office of Management and Budget ● Karryl Hubbard - DE Department of Labor ● Charles Sawchenko, DE State Police ● Joanna Champney - DE Dept. of Health and Social Services ● Jackie Griffith - Delaware State University ● James Bonds - Boardroom Presentations
<p>Public Outreach and Community Input Committee</p> <ul style="list-style-type: none"> ● Determines and executes best practices for gathering stakeholder input. ● Identifies trends in data/activities. 	<ul style="list-style-type: none"> ● Dr. Tammy Anderson (Chair) - University of Delaware ● Debra Mason (Vice Chair) - City of Wilmington ● Renee Beaman - DHSS/DSSC Division Director ● Cassandra Codes-Johnson - Delaware Dept. of Education ● Dorothy Dillard - Delaware State University ● Bernice Edwards - First State Community Action Agency

	<ul style="list-style-type: none"> ● Michelle Santana, Ph.D. - Canaan Baptist Church ● Holly Rybinski, CSPS, BS - Brandywine Counseling & Community Services ● MaryBeth Cichocki - Private Citizen ● Katie Capelli, MPH - Delaware Division of Public Health, Office of Health Crisis Response
<p>Budget and Reporting Committee</p> <ul style="list-style-type: none"> ● Tracks receivables and expenditures ● Informs the Commission of fund balances and availability of funding considerations 	<ul style="list-style-type: none"> ● Don Keister (Chair) - Attack Addiction ● Michael Jackson (Vice Chair) - Private Citizen ● Earnest (Trippi) Congo - Wilmington City Council ● Cliffvon Howell - Private Citizen ● Marcia S. Scott - Delaware League of Local Governments ● Dr. Marlene Saunders - Private Citizen ● Chris Locke - SL24 UnLocke the Light Foundation ● Hersh Patel, MD - Veteran's Affairs and Narrative Heal