



Governor's Advisory Council on Opioids, Substance Use, and Addiction

Office of Addiction and Recovery

Welcome

- Welcome from the Director
- Comments from the Chair

Council member reminders

When participating remotely

- **Please be on video**, if possible, to help with overall engagement.
- Ensure your **name** is reflected under your WebEx picture.
- **Mute** when not speaking.
- Use the **'raise hand'** button when you would like to speak.
- Do not post comments related to Council discussion in chat.

When participating in person

- **Raise your hand** when you would like to speak, and facilitator will cue you.
- **Share your name** before speaking.



Open meeting law requires public bodies to **record and maintain votes** of its members.



Formal votes will be held for meeting minutes and formal decisions made by the Advisory Council.



Virtual meetings require a vote by roll call and a quorum (simple majority) is required to vote.

Observer reminders

If observing remotely

- Stay on mute and off camera except if you are speaking during public comment time.
- Do not use chat or raise your hand to comment on Council discussion.
- If you would like to address the Council, use the **'raise hand'** button so you can be added to the public commentor list. The facilitator will call on you.

If observing in the room

- See the information table for the posted meeting materials.
- If you would like to address the Council, add your name to the public commentor list on the information table. When the formal public comment period is opened wait for the facilitator to call on you.

Roll call and introductions

- Share your name and any affiliation you would care to share.
- If you were not at the previous two meetings, please also share one hope you have for a community that you feel connected to as the Council considers its work.

Agenda

- Council education and engagement
 - Opioid Epidemic Response Advisory Council (OERAC) – Representative Dave Baker, OERAC Chair
- Approval of April meeting minutes
- Council organizational activities
- *Break*
- Attorney General's Office - Teva Settlement
- Council education and information
 - Results of the legislative session
 - Subcabinet planning and initial focus
- Council discussion
 - Areas of focus for 2023-2024
- Public comment
- Adjourn and next steps

Council education and engagement

- We welcome Opioid Epidemic Response Advisory Council (OERAC) –
Chair Representative Dave Baker
 - In 2019, Governor Tim Walz signed the Opiate Epidemic Response bill into law, which raises funds from prescribers, drug manufacturers and distributors to fight the opioid crisis, while creating OERAC to oversee the funding.
 - The Opiate Epidemic Response law is expected to raise \$20 million annually through fees and for prescribers, drug manufacturers and distributors.

- The purpose of OERAC is to:
 - Establish priorities to address the state's opioid epidemic, for the purpose of recommending initiatives to fund;
 - Recommend to the commissioner of human services specific projects and initiatives to be funded;
 - Ensure that available funding is allocated to align with other state and federal funding to achieve the greatest impact and ensure a coordinated state effort;
 - Consult with the commissioners of human services, health, and management and budget to develop measurable outcomes to determine the effectiveness of funds allocated; and
 - Develop recommendations for an administrative and organizational framework for the allocation, on a sustainable and ongoing basis, of any money collected from the Opiate Epidemic Response.

- OERAC membership:

- Includes legislators from both bodies, tribal nations, state agency representatives, providers, advocates and individuals personally impacted by the opioid crisis, as well as representation from law enforcement, social service agencies and the judicial branch;
- Provides geographic, racial and gender diversity, and shall ensure that at least one-half of council members appointed by the commissioner of human services reside outside the seven-county metropolitan area; and to the extent practicable include at least one member who represents a community of color disproportionately affected by the opioid epidemic; and
- Convenes at least quarterly and shall convene meetings at different locations in the state to provide geographical access.

OERAC current priorities

- OERAC current priorities and areas of work
- Discussion

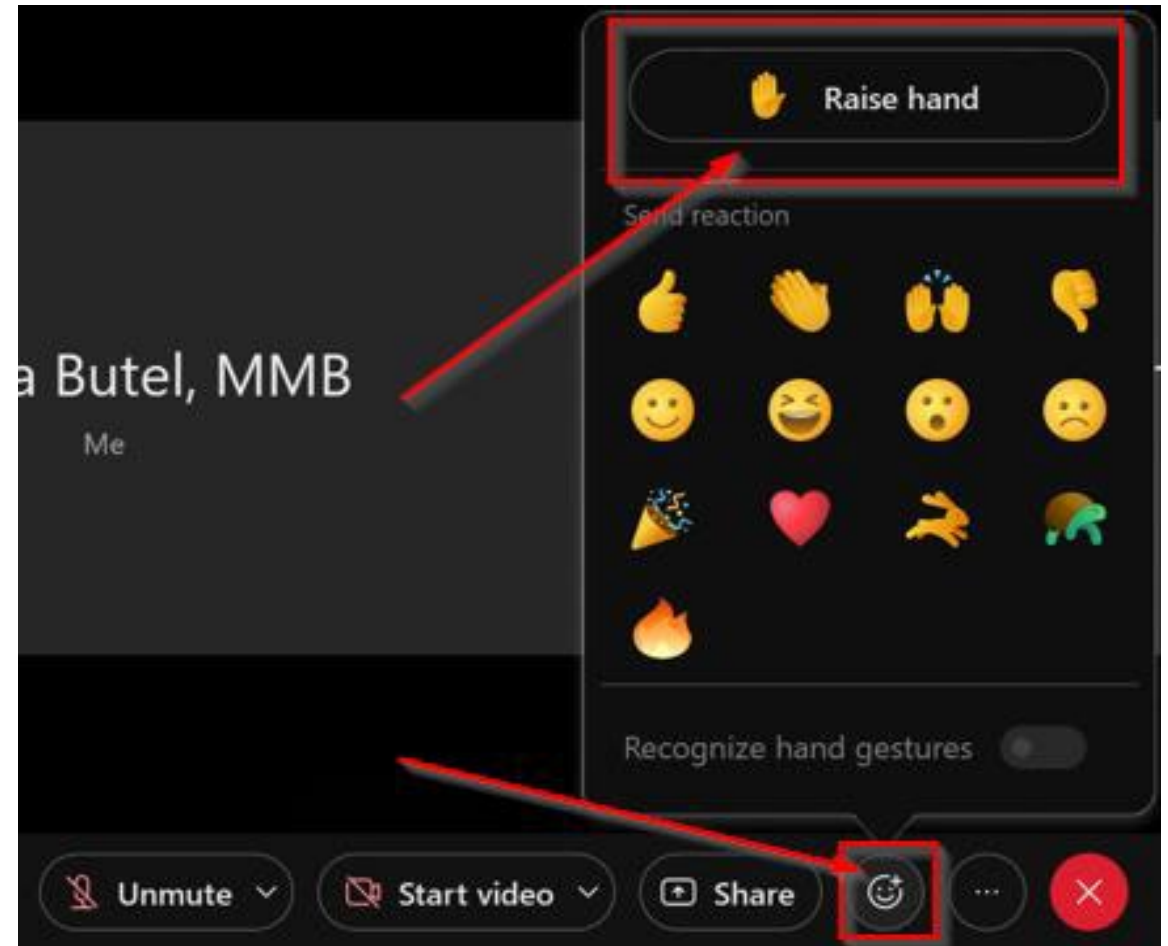
Council organizational activities

- Approve April meeting notes
- Introduction to tools for effective meetings
- Selection of a Vice Chair
- Finalize advisory council charter
- Update on [SharePoint site](#)

Approval of meeting minutes

Approval of April 4, 2023, meeting minutes

- Please indicate your approval of the minutes from our last meeting by using the 'raise hand' icon/button in WebEx or raising your hand if you are onsite.
- To do this, click on the 'smiley face' icon at the bottom of WebEx. After the dialog box opens, please click on the 'raise hand' icon/button if you want to approve the minutes.



- Please come back in 10 minutes



The Office of
Minnesota Attorney General Keith Ellison

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OPIOID SETTLEMENTS TEVA PRODUCT OPTION

Evan Romanoff and Eric Maloney



“First Wave” Settlements (Distributors + J&J)

- Distributors / Johnson & Johnson settlements
 - Minnesota joined summer 2021
 - Cities and counties joined by January 2022
- Minnesota’s allocation: **\$303 million**
 - Minnesota earned maximum amount
 - Paid over 18 years
 - Designated for opioid abatement
 - \$63 million received so far



“Second Wave” Settlements Terms and Structure

- Five new settlements with two opioid manufacturers and three chain pharmacies
- Maximum payment for Minnesota: **~\$243 million**
 - **Teva: \$51 million over 13 years**
 - Allergan: \$28 million over 7 years
 - CVS: \$62 million over 10 years
 - Walgreens: \$67 million over 15 years
 - Walmart: \$35 million in 1 year*

*assuming full release of claims



Teva Settlement's Product Option

- Teva has agreed to provide Settlement Product
 - Settlement Product is one kit (2 devices per kit) of Naloxone Hydrochloride Nasal Spray (4 mg strength), *i.e.*, generic Narcan
 - Teva values the product at up to \$1.2 billion
 - Each kit valued at a fixed Wholesale Acquisition Cost (WAC) of \$125/kit
 - Settlement Product provided over 10 years
- State can select cash conversion in lieu of Settlement Product
 - Cash conversion is 20% of the WAC. It is paid on a 12-year basis, whereas the Product is available over a 10-year terms.
- State can select all cash, all product, or a combination of both
- State has option to change its election every two years
- What does that mean for Minnesota?



Minnesota Maximum Settlement Product Quantity

- Total maximum quantity: 151,381 kits over 10 years
- Maximum annual quantity: 15,138 kits (30,276 devices)
- Total WAC value: \$18,922,597.95
- Cash conversion: **\$3,784,519.59**, paid annually over 12 years, starting July 2024
 - **\$315,376.63/year**
 - Cash conversion would be split like other monetary payments: 75% to local governments, 25% to state





Considerations

- What is more valuable to the State: 30,276 devices or \$315,376.63?
- How much is the State paying for Narcan now?
- Legislation requiring schools to maintain nasal naloxone supply
- March 2023 FDA approval for over-the-counter, nonprescription use
- Current use of Narcan vs. other overdose prevention products
- Consequences of accepting treatment product from opioid manufacturer



Additional Information

- Forecasts required
 - Annual written forecasts of the estimated quantities of Settlement Product that the State anticipates ordering from Teva for delivery during the immediately following calendar year
- Purchase orders
 - State must submit purchase orders (up to four/year) setting forth the quantity of Settlement Product to be delivered and desired delivery date, based on the annual forecasts
 - State may select up to five delivery locations, which must meet certain requirements (*e.g.*, must be licensed distributor/wholesaler, pharmacy, or associated with a licensed physician, and must be able to appropriately store Product)



Additional information continued

- State may designate an agency, officer, or official
 - Subsequent Settlement Product election forms
 - Submit written forecasts
 - Place purchase orders
 - Coordinate logistics of delivery/inspection of Settlement Product
 - Coordinate distribution of Settlement Product within the State



Timeline

- **September 6, 2023:** Initial Settlement Product Opt-In date for 2024-2025
- Subsequent product election forms due by:
 - 1/1/2025
 - 1/1/2027
 - 1/1/2029
 - 1/1/2031
- Subsequent forecasts due each year by January 1



Decisions to make

- Should the state elect to receive generic Narcan from Teva?
 - If so, how much?
- Which agency/office should be designated?
- Deadline to provide feedback



Questions?

- Minnesota Office of Addiction and Recovery
 - Jeremy Drucker, Director: Jeremy.Drucker@state.mn.us
 - Jennifer Blanchard, Deputy Director: Jennifer.M.Blanchard@state.mn.us
- Minnesota Attorney General
 - Website: www.ag.state.mn.us/opioids
 - Email: opioids@ag.state.mn.us
 - Telephone: (612) 429-7126
- www.nationalopioidsettlement.com
 - Includes national settlement documents, FAQs, summaries, etc.

Legislative session results & subcabinet priorities

- Reflections from the Director
- Presentation of session results
 - DHS
 - DOC
 - MDH
- Presentation of subcabinet planning and initial areas of focus
- Discussion

Legislative overview

- The 2023 budget invests over \$200M over four years in addressing substance use
- Many of these proposals focus on reducing deaths in Native and Black communities, where the disparities are greatest
- These investments cross the continuum of care—prevention, harm reduction, treatment, recovery
- Many of these investments look at the intersection of SUD, housing, health care, and other supports.
- Taken as a whole, this budget session significantly moved Minnesota toward a more comprehensive public health approach to substance use disorder

Office of Addiction and Recovery

- The budget that passed includes a proposal for a permanent OAR which includes 5 FTEs and funds to create an all-SUD funding database. FTEs include:
 - Director and Assistant Commissioner
 - Deputy Director
 - Youth addiction and recovery focused FTE
 - 2 additional FTEs (likely focused on public engagement and project coordination)

Cannabis Bill SUD Treatment, Prevention, and Recovery Grants

- SUD prevention, treatment and recovery grants
 - \$11M biennium
 - At least 75% for SUD and MH prevention and recovery; up to 25% for SUD treatment
 - These funds will be administered by the Office of Cannabis Management
- The Office of Cannabis Management will consult with the Governor's Advisory Council on Opioids, Substance Use, and Addiction; the commissioner of human services; and the commissioner of health to:
 - Develop an appropriate application process
 - Establish grant requirements
 - Determine what organizations are eligible to receive grants
 - Establish reporting requirements for grant recipients

Legislative overview

- Presentation of session results
 - DHS
 - MDH
 - DOC



m DEPARTMENT OF CORRECTIONS



1. DOC Mission
2. Prison vs. Jail
3. Investments from 2023 Legislative Session
 - Minnesota Rehabilitation and Reinvestment Act
 - Health Services
 - Community Supervision
 - Re-Entry
 - Bonding
 - Additional Investments
5. Jail Discharge Plans



Aerial view of Shakopee Women's Prison

MN Department of Corrections Mission

Transform Lives for a Safer Minnesota



4,300 employees



11 complex facilities



Incarcerated pop. ranging
from 7,500 to 10,000



Community
supervision statewide

St. Cloud State Correctional Facility



Wilkin County Jail



State Facilities (Prison) vs. Local Facilities (Jails/Detention Centers)



MCF-Shakopee
built 1986
capacity: 656



MCF-Faribault
opened 1989
capacity: 2,026



MCF-Lino Lakes
built 1963
capacity: 1,325



MCF-Red Wing
built 1889
capacity: 42-A, 111-J



MCF-Rush City
built 2000
capacity: 1,018



MCF-Oak Park Heights
built 1982
capacity: 444



MCF-St. Cloud
built 1889
capacity: 1,058



MCF-Stillwater
built 1914
capacity: 1,561



MCF-Togo
built 1955
capacity: 90



MCF-Moose Lake
built 1938
capacity: 1,057



MCF-Willow River
built 1951
capacity: 177



The Minnesota Rehabilitation and Reinvestment Act allows people in prison to earn earlier release and shortened community supervision.



Minnesota Rehabilitation and Reinvestment Act (MRRA)

Rehabilitation Focus: Person-Centered Approach

- See individuals, not collectives.
- Identify risks and needs – then address them.
- Creating multi-disciplinary teams to work with the people we serve to design and deliver transformational services
- Increasing focus on case planning and compensation for program participation
- *Note:* MRRA implementation will take 18-24 months



Health Services

- **Constitutionally mandated** to provide safe, timely, and quality medical care.
- Vast majority of those who are incarcerated require prescribed medication, have chronic diseases, and about **85% are diagnosed with substance use disorders.**
- Funding appropriated:
 - \$5.5 million in FY24/25 and \$6.8 million in FY26/27
 - Need to accommodate increased need for nursing capacity, telemedicine and equipment, case management, and treatment





Community Supervision

\$86 million additional investment
each biennium for
supervision/probation delivery in
all 87 counties.

Tribal Government Funding

\$5.5 million each
biennium to tribal
governments for services
related to community
supervision.

Evidence- Based Focus

Oversight for more
evidence-based
practices and an end
to supervision fees.

Supporting Re-Entry

- Native American Culturally Specific Release Programming: \$1.25 million in FY24/25 and \$1.75 million in FY26/27
- Housing Stability:
 - Housing Stability Services: \$1M per year
 - DOC Housing Coordinators: \$225,000 per year
 - Rental Assistance: \$500,000 per year
 - Culturally Responsive Transitional Housing: \$405,000 in FY24 and FY25 and \$200,000 ongoing

Additional Investments Passed



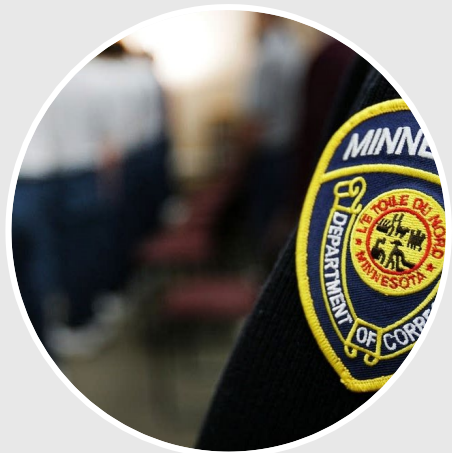
Free Calls

\$6.2 million per biennium will eliminate the cost of phone calls in prisons



Family Support Unit

\$960,000 a biennium to connect incarcerated individuals with their families



Evidence-Based Practices Unit

\$1.5 million a biennium to support and oversee training, programming, and quality assurance

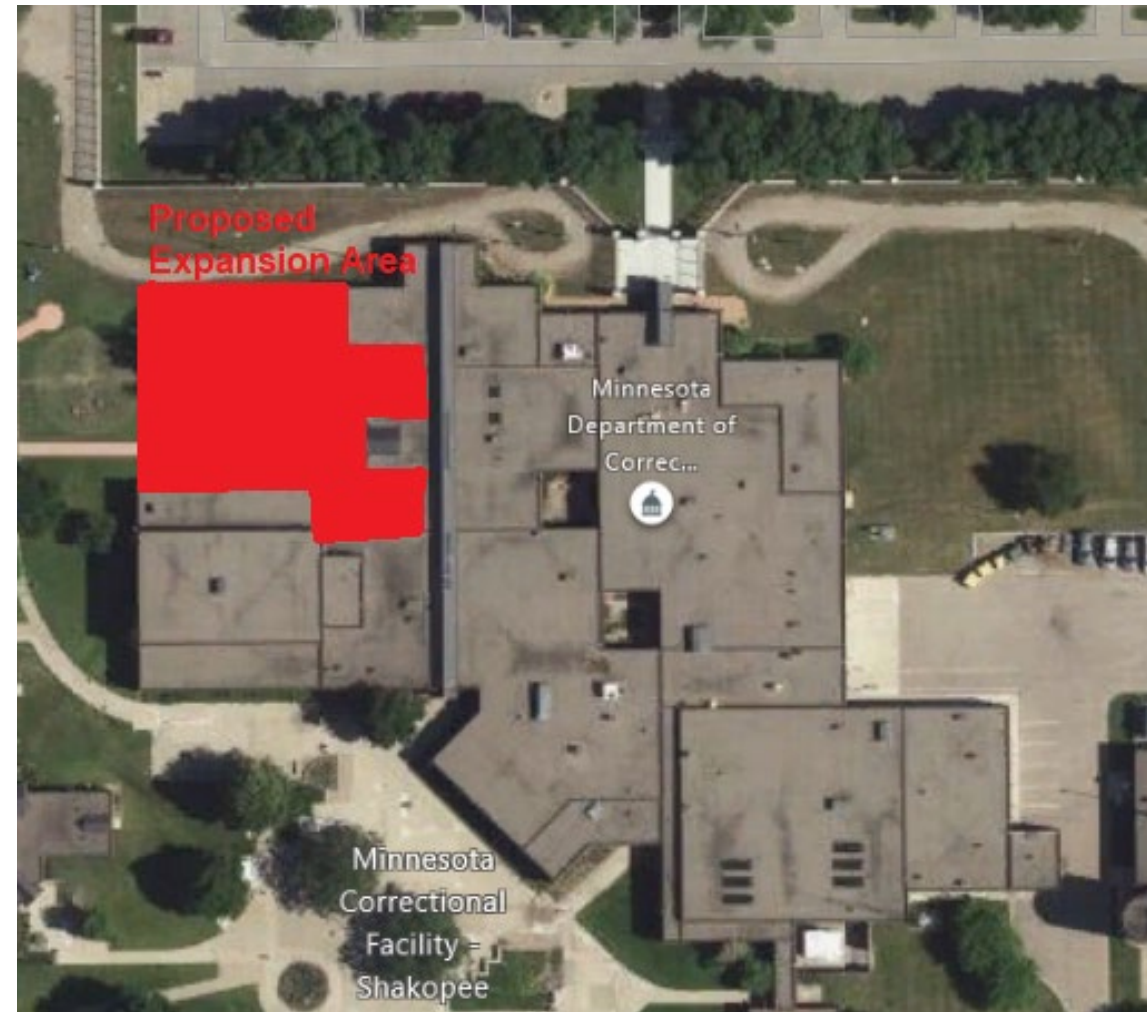


Transformational Education

\$9.6 million in FY24/25 and \$4 million in FY26/27 will fund increased staffing, classroom space, and technology

Program/ Treatment Space Expansion - Bonding

- **\$18 million for 14,500 square foot expansion of Shakopee approved in bonding bill**
 - To accommodate more programming such as treatment, education, and family support.
- **\$492,000 to study renovation of an existing building at Lino Lakes**

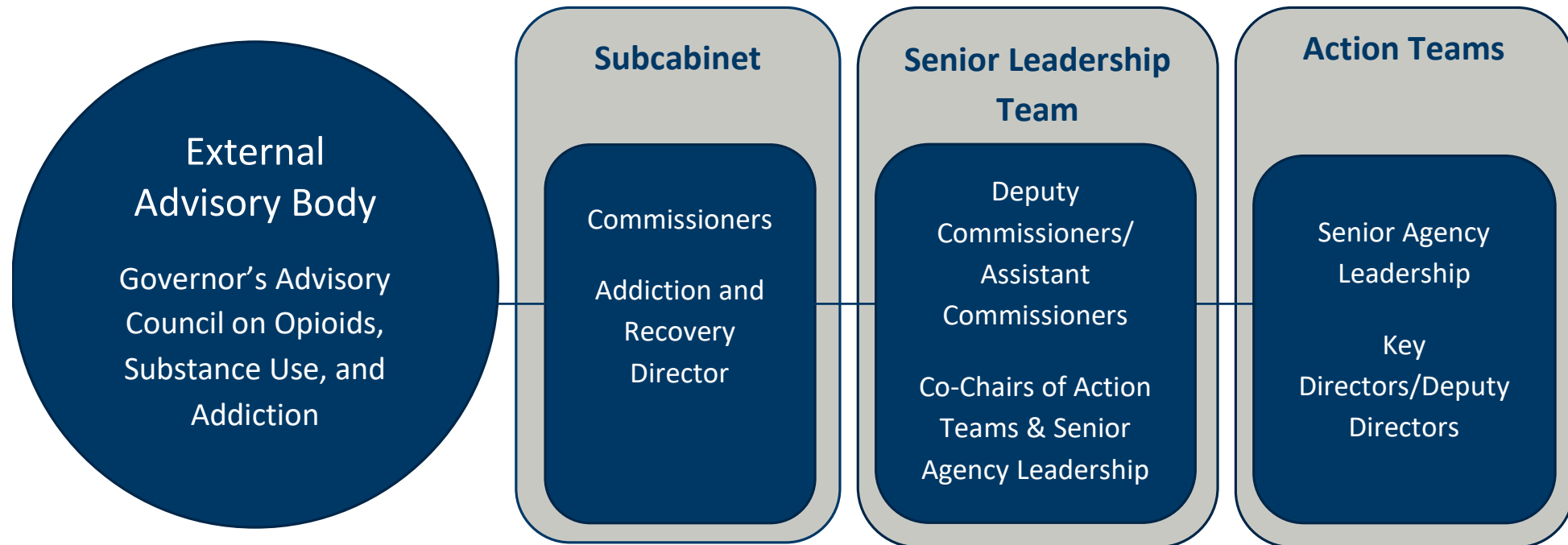


Jail Discharge Plans

- NAMI bill supported by the DOC
- Changes require general discharge plans from county jails
- Also required are discharge plans specific for people with serious and persistent mental illnesses
- The DOC and the Department of Human Services must provide guidance
- The bill also requires counties to provide free phone calls to incarcerated persons to MNsure navigators, the Minnesota Warmline, mental health providers, or calls for the purpose of providing case management or mental health services



Opioid's, Substance Use, and Addiction Subcabinet



Initial planning

- The early stages of the subcabinet will focus on a limited number of priority areas where quick gains can be achieved.
- As the subcabinet matures and the OAR builds infrastructure the number of areas of focus will expand.
- Each focus area will be assigned an action team.
- Initial action teams will focus on:
 - **Unsheltered populations (phase 1)**
 - **Justice involved populations (phase 1)**
 - **Youth addiction and recovery (phase 2)**

The work ahead

- Formation of action teams, including participation from needed agencies;
- Advice and guidance on implementation of legislative outcomes responsive to the action team's charge;
- Engagement of people with lived experience to guide prioritization; and
- Resolve how the action teams will be connected with communities most impacted by this crisis.

What you have considered since convening your first meeting:

- Purpose, duties, and scope of authority of the council
- Issues and priorities of individual council members
- Guiding principles to inform how the group will work together
- Details in the governor's proposed budget related to SUD
- Results of the session
- Priorities of the subcabinet

How do the legislative session results and emerging focus of Subcabinet efforts inform the work of the Advisory Council?

What areas of advisement or actions could be transformational?

Looking ahead to the next meeting

- August 2, 2023 – In-person meeting, Duluth

Public comment opportunity

- Try to limit comments to two minutes so others may speak.
- Facilitator will help you mind the time.
- You are also welcome to communicate with Jeremy Drucker, Addiction and Recovery Director Jeremy.drucker@state.mn.us

Next Meeting: August 2, 2023
In-Person Meeting in Duluth

Thank You!