



MEMORANDUM

Date: March 29, 2024

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Lester 
County Administrator

Re: **Additional Information for the April 2, 2024 Board of Supervisors Meeting – Addendum No. 03, Status Update on Opioid Settlement Fund Utilization in Pima County**

Supervisor Scott requested an update on the opioid settlement resources coming to this community. Total allocations to Pima County from various sources are summarized in Attachment 1. This includes amounts and dates of transfers, allocations disbursements and set asides for participating jurisdictions. Total funds received by Pima County to date are \$16.847 million; notably more than half (\$8.558 million) received this month. The balance of this memorandum provides a recap of the planning work in this area.

In August 2022, Pima County Health Director Dr. Cullen, proposed the creation of a Substance Misuse Advisory Committee under the Board of Health to inform the utilization of these resources. This proposal was approved with the aim to provide an avenue for community stakeholders to advise the process by which initiatives are identified for funding and support (see: memorandum: September 2, 2022 - Opioid Settlement). The Substance Misuse Advisory Committee first convened in October 2022 and is composed of Board of Health members. The committee has actively sought input to identify community needs by surveying 1000 community members, conducting five 90-minute community forums involving 20 participants representing 17 organizations. This input has helped staff identify evidence-based strategies and approaches for further vetting and endorsement by the Board of Health and ultimate approval by the Board of Supervisors. Periodic updates regarding the information resulting from this process were provided to the Board of Supervisors (see: memorandum: March 31, 2023 - Fentanyl and Opioid Response, and memorandum: June 26, 2023 - Substance Misuse Advisor Forums).

In FY2022/2023, the Pima County Health Department (PCHD) moved forward a recommendation from the Board of Health to implement harm-reduction overdose prevention activities, aiming to offset a projected decrease in State support for this activity. The Board of Supervisors subsequently approved \$180,000 for the purchase and distribution of Narcan.

In FY2023/2024, PCHD included a \$3 million Supplement funded with these resources as part of the Board of Supervisors' approved budget (see: Pima County FY2023-24 Adopted Budget pg.12-35, and FY2023/2024 County Administrator's Recommended Budget Supplemental Request 14799). This line item permits the Health Department to program opioid prevention expenditures including payments to non-participating jurisdictions.

At its November 2023 meeting, the Substance Misuse Advisory Committee and the Board of Health recommended the Department issue a request for proposal (RFP) from community agencies to develop model approaches related to two priority strategies allowed under the

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The Honorable Chair and Members, Pima County Board of Supervisors
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scope One Arizona Settlement Agreement. The goal is to provide seed funding including \$100,000 to support evidence-based services for pregnant women and families impacted by opioid use disorder, and \$300,000 to support mobile intervention, treatment, and intervention services for individuals unable or unwilling to come into existing treatment sites. Those RFPs have been developed by the Department. Contractors will be identified competitively and the final award recommendation brought to the Board of Supervisors for approval.

The provision of these type of harm reduction services as well as Medication Assisted Treatment and related services in vulnerable and high-risk populations are evidence-based strategies to prevent opioid over deaths and combat addiction. Further detail of the ongoing activity programmed by the Health Department is detailed by Director Cullen’s memorandum. (Attachment 2)

The One Arizona Intergovernmental Agreement (IGA) with the Arizona Attorney General governs all the opioid funds received by Pima County and designates the Health Department as the administering entity. Some settlement revenues are transferred to jurisdictions that elected to keep their settlement funds in accordance with the terms of the Intergovernmental Agreement. By the end of this month, \$426,241 will have been disbursed to the towns of Oro Valley and Sahuarita. The Town of Marana and City of South Tucson IGAs effectively pool their allocation of settlement funds with Pima County. Additionally, \$3,859,760 allocated to the City of Tucson has been set aside for disposition pending finalization of an Intergovernmental Agreement.

The Health Department is deeply engaged in complementary efforts in the substance misuse prevention space. The Centers for Disease Control and Prevention (CDC) Overdose to Action Local (OD2A) grant and SB 207 reinvestment funds are two such examples. These resources fund community engagement and planning, conducting a needs assessment, addressing substance misuse needs in emergency room settings and youth focused interventions. These are all areas the Board of Health Substance Misuse Advisory Committee have identified as priorities for further support and development.

Finally, we recognize the power and opportunity to work in close coordination with the City of Tucson (as well as all our jurisdictional partners) and remain open to their input as we develop new and better ways to incorporate the input of this critical stakeholder. Joint resolutions, new models of funding allocation, common programmatic strategies and shared decision making continue to be a priority as we seek to make progress to reduce the impact of opioids on this community. We look forward to finalizing an IGA with the City that will facilitate enhancement of this synergy.

JKL/dym

Attachments

- c: Carmine DeBonis, Jr., Deputy County Administrator
- Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer
- Steve Holmes, Deputy County Administrator
- Terry Cullen, MD, MS, Public Health Director

ATTACHMENT 1

ATTACHMENT - 1

Opioid Settlements

Date	Source	CR #	Amount	Allocation % -->	Pooled w/Pima County			Total Received			
					Pima	Marana	South Tucson	Fiduciary Funds			Total
					72.19%	2.06%	0.31%	Oro Valley*	Sahuarita*	City of Tucson	
8/31/2022	Distributor	23*4406	\$ 1,521,562.70		\$ 1,098,416.12	\$ 31,344.19	\$ 4,716.84	\$ 26,170.88	\$ 12,324.66	\$ 348,590.01	\$ 387,085.55
11/3/2022	Distributor	23*6354	1,730,526.14		1,249,266.82	35,648.84	5,364.63	29,765.05	14,017.26	396,463.54	440,245.85
12/15/2022	Janssen	23*8107	2,045,605.56		1,476,722.66	42,139.47	6,341.38	35,184.41	16,569.41	468,648.23	520,402.05
4/27/2023	Mallinckrodt	23*14582	379,542.86		273,991.99	7,818.58	1,176.58	6,528.14	3,074.30	86,953.27	96,555.71
6/16/2023	Janssen	23*16817	1,073,952.92		775,286.62	22,123.43	3,329.25	18,471.99	8,699.02	246,042.61	273,213.62
8/1/2023	Distributor	24*1731	1,091,327.54		787,829.35	22,481.35	3,383.12	18,770.83	8,839.75	250,023.14	277,633.72
11/9/2023	Mallinckrodt	24*6467	446,521.02		322,343.51	9,198.32	1,384.22	7,680.17	3,616.82	102,297.98	113,594.97
3/15/2024	Walmart	24*12686	5,549,188.74		4,005,959.35	114,313.29	17,202.48	95,446.05	44,948.43	1,271,319.14	1,411,713.62
3/15/2024	Walgreens	24*12688	985,730.50		711,598.85	20,306.05	3,055.76	16,954.56	7,984.42	225,830.86	250,769.84
3/15/2024	Walgreens	24*12699	389,871.70		281,448.38	8,031.36	1,208.60	6,705.79	3,157.96	89,319.61	99,183.36
3/15/2024	CVS	24*12691	544,425.04		393,020.44	11,215.15	1,687.72	9,364.11	4,409.84	124,727.78	138,501.73
3/15/2024	Allergan	24*12689	587,652.98		424,226.69	12,105.65	1,821.72	10,107.63	4,759.99	134,631.30	149,498.92
3/15/2024	Teva	24*12693	501,584.60		362,093.92	10,332.64	1,554.91	8,627.26	4,062.84	114,913.03	127,603.13
			\$ 16,847,492.30		\$ 12,162,204.70	\$ 347,058.32	\$ 52,227.21	\$ 289,776.87	\$ 136,464.70	\$ 3,859,760.50	\$ 4,286,002.07

ATTACHMENT 2

Date: March 29, 2024

To: Jan Leshner
County Administrator

From: Theresa Cullen, MD, MS 
Health Department Director

Re: Update on Opioid Activities in Pima County

This memo is an update on the status of spending related to the Opioid Settlement Agreement and efforts to address the opioid crisis in Pima County. The last update to the Board of Supervisors occurred on January 18, 2024. Updates are included below.

Background

Beginning in late 2022, Pima County and partner jurisdictions began to receive approximately \$48.5 million for the next 18 years as part of a legal settlement by pharmaceutical companies and distributors to mitigate the harm caused by the opioid epidemic. The settlement agreement between the State Attorney General and the participating jurisdictions (One Arizona Agreement) identifies the Health Department as the lead administrative entity for the County.

Potential uses of opioid settlement dollars are outlined the One Arizona IGA, Exhibit 1, and include the following categories:

- Treat Opioid Use Disorder
- Support People in Treatment and Recovery
- Connect People Who Need Help to the Health They Need (Connections to Care)
- Address the Needs of Criminal-Justice Involved Persons
- Address the Needs of Pregnant or Parenting Women and Their Families, Including Babies with Neonatal Abstinence Syndrome
- Prevent Over-Prescribing and Ensure Appropriate Prescribing and Dispensing of Opioids
- Prevent Misuse of Opioids
- Prevent Overdoes Deaths and Other Harms
- Support First Responders
- Leadership, Planning and Coordination
- Training
- Research

Under the One Arizona agreement, participating jurisdictions (the towns of Marana, Oro Valley and Sahuarita and the cities of Tucson and South Tucson) have the option of pooling their resources with the County for joint collaborative programming led by the Health Department or receive a lump sum payment. Some of these jurisdictional decisions are reviewed in the “resources to jurisdictions to date” section.

Settlement Resources Received to Date

As of today, the County has received \$16,847,492.30 in Opioid Settlement Payments from the Distributors (i.e., AmerisourceBergen, McKesson, and Cardinal Health), Janssen and Mallinckrodt, Walgreens, Walmart, CVA, Allergan and Teva settlements. These payments have

been received incrementally between fall of 2022 and Spring of 2024 to current date. Notably, \$8.5 million were received in the month of March 2024.

Resources to Jurisdictions to Date

To date, \$426,241.57 in opioid settlement dollars have been distributed to local jurisdictions with a Pima County Board of Supervisors (BOS) approved intergovernmental agreement (IGA) with the County. To date, the current approved and executed IGAs are with the Town of Oro Valley and the Town of Sahuarita. Both have received their allocations.

Another set of IGAs has been approved by the Board of Supervisors with the City of South Tucson and the Town of Marana to allow them to pool their money with the County. An intergovernmental agreement with the City of Tucson has not yet been finalized.

Budgeting of Settlement Resources

In August 2022, Pima County Health Director Dr. Theresa Cullen proposed the creation of a Substance Misuse Advisory Committee under the Board of Health. This proposal was approved by the County Administrator and shared with the Board of Supervisors on September 2, 2022. (See: [Memo: September 2, 2022 - Opioid Settlement](#)). The purpose of the creation of the committee was to “engage the public planning and discussion to ensure the best and highest use of these finite resources” provided through the opioid settlement.”

The Substance Misuse Advisory Committee first convened in October 2022 and is composed of Board of Health members. The committee has actively sought input to identify community needs by surveying 1000 community members and conducting five 90-minute community forums involving 20 participants representing 17 organizations. This input has helped PCHD staff identify strategies and approaches to present for further vetting and endorsement by the Board of Health and ultimate approval by the Board of Supervisors. Periodic updates regarding the information resulting from this process have been provided to the Board of Supervisors (see: [Memo: March 31, 2023 - Fentanyl and Opioid Response](#), and [Memo: June 26, 2023 - Substance Misuse Advisor Forums, and Memo: January 18, 2024 Status Update on Opioid Settlement Fund Utilization in Pima County](#)).

In FY22/23, PCHD moved forward a recommendation from the Board of Health to implement harm-reduction overdose prevention activities, aiming to offset a projected decrease in State support for this activity. The Board of Supervisors subsequently approved \$180,000 for the purchase and distribution of naloxone. With that funding, 4,008 kits were purchased and distributed.

As part of its FY23/24 budget, the Board of Supervisors approved \$3 million in opioid spending, including \$600,000 for community grant making and the hiring of three Pima County Health Department staff to help oversee departmental efforts to address the opioid epidemic and oversee implementation of strategies related to the One Arizona Agreement. The remainder was reserved for potential distribution to the jurisdictions, pending their decisions on how to participate in the settlement agreement.

At its November 2023 meeting, the Substance Misuse Advisory Committee and the Board of Health advanced two recommendations to issue grant funding to community agencies to pursue two prioritized strategies allowed under the scope One Arizona Settlement Agreement. This includes \$100,000 to support evidence-based services for pregnant women and families impacted by opioid use disorder, and \$300,000 to support mobile intervention, treatment, and intervention services for individuals unable or unwilling to come into existing treatment sites. One RFP, funding the needs of pregnant women experiencing substance misuse for \$100,000, is due to be released by mid-April. An additional RFP for \$300,000 related to mobile treatment is expected to be released in May. These grants will be awarded competitively with proposed period of performance from 7/1/24 through 6/30/25. Proposed contracts will be forwarded to the Board of Supervisors for consideration and potential approval.

Other priorities were identified for potential grant making by the Substance Misuse Advisory Committee. These included but were not limited to harm reduction activities (such as distribution of Narcan), funding support to connect people visiting emergency rooms to resources in local settings, peer support services and planning and primary prevention services (such as working with youth in schools). The Substance Misuse Advisory Committee elected to wait to fund such strategies at the current time due to the Overdose to Action Local grant award from CDC and additional competitive state funding that the department was receiving (Trauma Informed Substance Abuse Prevention Program- TISAPP) that required these activities as part of their strategies. The committee also expressed interest in waiting until the City of Tucson decides about their allocated funds before making any additional funding decisions. The committee will re-visit these recommendations in the coming months.

For FY 25, the Health Department submitted a supplemental budget request for Opioid Settlement Agreement dollars that will be considered as part of the Board of Supervisor's budget approval process. The request is once again for \$3 million in funding. \$ 6 4 666 is requested for community grant making; \$322,788 is requested for personnel; and \$29,546 is requested for other operating expenditures. The unallocated funds are not assigned to any additional activities until recommendations are received from the Substance Misuse Advisory Committee as well as the participation decisions from the City Of Tucson.

Status of FY 24/25 Implementation

In January, PCHD hired the inaugural manager for the new Division of Community Mental Health, Addiction, and Injury. This new Division will help the Department effectively manage its opioid settlement efforts and oversee grant implementation of five grants related to substance misuse. With the hiring of this new staff, the department will bolster its ability to engage effectively with the community on issues related to opioid misuse, and better leverage additional funding and partnership opportunities. The creation of this new division is the culmination of many years of effort by the department to better address substance misuse and community behavioral health issues. Since the initiation of the Community Mental Health and Addiction in 2018, the program (now a division) has grown from 4 to 13 FTEs with an additional 8 in process of hiring before May 2024. Currently, the division oversees five grants amounting to \$3,445,024 in annual grant funding (not including opioid settlement funding). The department recently hired a Program Manager II position who will support opioid settlement and community engagement

related activities. The department expects to hire the third position – a contracts specialist - by the end of the fiscal year.

In addition to the activities described above, the Pima County Health Department is developing a public-facing website that will provide better transparency on regional efforts to address the opioid crisis and use of opioid settlement funding. That website is expected to go live in May 2024 will also include identify and track key metrics points, provide information about access to treatment and services, and describe community activities taking place to address the opioid crisis.

Complementary Activities Aimed at Addressing Substance Misuse

In FY23/24, the Department was awarded two new grants and other funding to address the opioid epidemic. These grants complement existing work that addresses identified needs related to substance misuse without spending limited opioid settlement resources.

Grant funded activities that reflect data informed approaches. In September 2023, the Department was awarded the competitive CDC Overdose Data to Action (OD2A) Local Grant. This 5-year, \$11 million grant will allow the department to address substance misuse needs in emergency room settings, improve peer support services, increase linkages and retention to care, facilitate community convening and planning, augment our anti-stigma communications campaign, deliver provider-based education of the CDC 2022 opioid guidelines, and the facilitate the implementation of a behavioral health and substance misuse needs assessment. These tasks were all identified as priorities by the Substance Misuse Advisory Committee mentioned on page 3. Strategic utilizations of OD2A grant funding to address identified needs allows the department to conserve opioid settlement funds. As part these grant implementations, PCHD is contracting with multiple partners, including Tucson Indian Center, HOPE, Tucson Medical Center, CODAC, Arts Foundation, the University of Arizona Comprehensive Center for Pain and Addiction, and Lecroy & Milligan and Associates. Additional collaboration with the City of Tucson has enabled PCHD's access to data from Police, Fire, and Community Safety Health and Wellness departments. This information has been critical, identifying areas with high rates of fatal and non-fatal overdose calls for service as priority deployment points for PCHD staff and community partners, directly moving overdose data to action. These partnerships demonstrate Pima County's commitment to working with the community to address the opioid crisis.

In November 2023, the Department received a competitive \$199,860 grant from the Governor's Office of Youth, Faith and Family (TISAPP) grant that includes several prevention-oriented strategies. This includes amplifying the availability of chronic pain self-management programs through a partnership with Pima Council on Aging to help prevent opioid misuse in older adults.; training parents/caregivers on Adverse Childhood Experiences; implementing Youth Mental Health First Aid for Tribal Communities and Indigenous Peoples curriculum in tribal communities; and creating a Southern Arizona Chronic Pain Taskforce to address and foster implementation of chronic pain management best practices in Pima County

Harm reduction activities have been a major effort of the health dept. PCHD successfully distributed over 16,000 naloxone kits in 2023 in the community through work with community-based organizations as well as other distribution sites such as libraries. In January 2024, PCHD

distributed 1111 naloxone kits, and 856 in February. Ongoing harm reduction includes the distribution of fentanyl testing strips, including 500 in January and 720 in February of this year. Strategic partnership with the Pima County libraries has created an access point to the community for naloxone, fentanyl test strips, and educational materials to provide family members with early signs and symptoms of substance use disorder with supplies and services. In spring 2024, PCHD received notice that PCHD would receive additional naloxone through state opioid settlement funds administered by office of the Attorney General in June 2024. PCHD continues to distribute naloxone (made available through AzDHS) to the community.

Efforts to address the substance misuse and behavioral health needs of youth are ongoing and funded using revenue from the Justice Reinvestment (Proposition 207) and one-time marijuana funds. Notable investments include implementation of an anti-stigma (“Not Alone”) campaign that encourages peer-to-peer support and linkages to mental health services to reduce likelihood of co-occurring SUD. This platform also creates a direct referral system for youth with SUD to local behavioral health organizations to support recovery. Additional funding will provide Narcan for strategic distribution in approved Pima County school districts. Funding for “Not My Kid” will support the delivery of primary prevention curriculum for up to 200 youth with SUD. The “Project Rewind” curriculum is a 6 hr. training focused on these 200 youth and their families and includes direct referral to be engaged in wrap around services at the conclusion. Additional efforts in community capacity building and awareness have involved presentations, including Rise of Fentanyl, Stress Management, Strengthening Families, and NAMI’s Ending the Silence. During 2023, 1362 youth participated in these presentations.

Conclusion

PCHD has accomplished much, but the problem is so much larger. By continuing our collaborative work to address stigma around substance use, and supporting implementation of harm reduction, the impact of the opiate crisis can be reduced. PCHD anticipates ongoing and greater success as we implement work for and with the community with the funds available through grants and opioid settlements. Our hope is that evidence informed and data driven multi-pronged approaches to the ongoing opioid epidemic will continue to mitigate and eventually reverse the impact of opioids in our community.