

# Opioid Abatement Council Emergency Meeting

- Thank you for joining the Opioid Abatement Council's 100% virtual Emergency meeting.
- All are welcome.
- **Guests**, please turn off your video and mute your microphone.
- **Council members**, please leave your camera on and mute your microphone when not speaking
- This meeting is being recorded.

# Introductions & Role Call

- **Dr. Stephen Loyd** - Chair, Opioid Abatement Council
- **Mary Shelton**, Executive Director, Opioid Abatement Council

# Emergency Meeting Necessity Statement

- The Opioid Abatement Council is holding this 100% virtual emergency meeting to expedite the planning and design of the community grant applications process to meet the expected tasks and activities.
- The OAC finds that these matters to be considered require timely action by the Council, that physical presence by a quorum of the members is not practical within the period of time requiring action, and that participation by a quorum of the members by electronic or other means of communication is necessary.

# Agenda

<b>Agenda Item</b>	<b>Does this require a motion and a vote by the Council?</b>
Expedited Review Process – Meharry RISE Project	will need motion and vote
Approval of the 2024 Community Grant Budget	will need motion and vote

The logo consists of a red square containing the white letters 'TN' in a serif font. Below the red square is a thin dark blue horizontal bar.

**TN**

# Expedited Review Process (XRP)

# Expedited Review Process

At the October 2<sup>nd</sup> meeting, the OAC approved the Expedited Review Process (XRP)

- 1) Proposal is of an urgent nature in the opinion of the Council
- 2) Proposing agency represents that they can engage patients or clients within 30 days
- 3) Overall score of proposing agency must be 85% or greater

Such proposal will be nominated for expedited review by any OAC member or member of the OAC staff

# Expedited Review Process Request

The OAC Council Chair has requested an expedited review of the 29 Harm Reduction applications received which meet this criteria:

- Naloxone distribution
- Statewide project
- Linking people to treatment
- Media component

Of the 29 applications, 3 applications met this criteria

# Expedited Review Process - Approval

At the December 14<sup>th</sup> meeting, the OAC approved the expedited review of the 3 applications which met the criteria

The OAC Office assigned the 3 applications for scoring and requested an Expedited Review.



# Update on the Requested XRP

- Only 1 of the 3 applications received an average score above 85
- **Meharry RISE Project**

# Motions for the Expedited Review Process

At the February 8<sup>th</sup> meeting:

- S. Loyd made the motion to approve the Meharry RISE Project.
- A. Fontes seconded the motion.
- T. Fournet made a motion to table the motion.
- C. Allen seconded to table the motion.
- S. Loyd advised motion to table carries.

# Discussion & Decision Point

- Next steps?

**Motion  
&  
Council Vote**



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# Community Grants Budgeting

# Current Trust Fund Balance – Dec 31, 2023

Description	Cash
McKinsey Deposit 3.31.2021	12,613,210.59
McKinsey Deposit 4.19.2022	651,080.54
Distributor Settlement 8.12.2022 - AmerisourceBergen Drug Corp., McKesson Corp., Cardinal Health, Inc. and AmerisourceBergen Corp.	14,914,621.88
Distributor Settlement 10.17.2022 - AmerisourceBergen Drug Corp., McKesson Corp., Cardinal Health, Inc. and AmerisourceBergen Corp.	15,674,540.42
Distributor Settlement 11.22.2022 - Janssen	59,709,854.06
Distributor Settlement 2.09.2023 - Mallinckrodt	4,112,865.67
McKinsey Deposit 4.03.2023	651,080.54
Distributor Settlement 8.16.23 - AmerisourceBergen Drug Corp., McKesson Corp., Cardinal Health, Inc. and AmerisourceBergen Corp.	15,674,540.42
Distributor Settlement 11.09.23 - Mallinckrodt	4,838,665.50
FY 22 Interest Earned	27,134.50
FY 23 Interest Earned	2,847,782.95
County Distributions	(31,425,152.77)
Departmental Expenditures Reimbursed by Opioid Abatement Fund	(469,730.07)
<b>Totals</b>	<b>99,820,494.23</b>
Descr	Combined
Equity in Treasurer Cash	99,820,494.23
Accounts Payable to Counties	0.00
Opioid Abatement_LIAB	0.00
33918 Departmental Expenses Not Reimbursed by Opioid Abatement Fund	(89,126.14)
<b>Net Cash Available</b>	<b>99,731,368.09</b>



# Funds Available for Community Grants

- This chart shows the future expected maximum payments from distributors, J&J/Jansen, Publicis, CVS, Walgreens, Allergan, Teva, and Food City.
- This chart also shows the current balance, minus payments going to the counties.
- The numbers shown here are the funds available for the Community Grants.
- The estimated annual county payments were subtracted from the total payments going into the Trust Fund.

Current balance (minus the expected payments to counties next month)	\$	90,731,368.00
2024 (March)	\$	59,968,962.24
2025	\$	29,998,744.65
2026	\$	35,253,709.53
2027	\$	35,253,709.51
2028	\$	37,499,648.97
2029	\$	38,034,396.47
2030	\$	31,989,717.77
2031	\$	29,269,270.08
2032	\$	26,771,761.67
2033	\$	20,836,374.83
2034	\$	20,836,374.83
2035	\$	20,836,374.83
2026	\$	17,467,716.04
2037	\$	17,467,716.04
2038	\$	12,607,525.61

# Budgeting for the Community Grants

- The OAC Office recommends a rolling 3-year budget for the Community Grants
- While we are hoping all the awarded Community Grants are successful, we do anticipate some of the grant dollars to be unspent and/or underspent
- This will also allow for possible fluctuations in the funds received from the National Administrator (timing, bankruptcies, pre-payments)

# 2024 Community Grants

- The OAC Office recommends “front-loading” the Community Grants in order to address the current opioid crisis in Tennessee
- There is funding in the Trust Fund from 2022 and 2023 which will support these grants
- The future Community Grants cycles will be funded at a lesser amount

The OAC Office recommends a total funding budget of **\$80million** for the 2024 Community Grants. This is in addition to the Expedited Review Process.



# Awards by Strategy for 2024 Community Grants

Assuming **\$80million** for the 2024 Community Grants, this shows the allotted amounts per strategy approved by the OAC in December 2022.

Strategy	%	\$80,000,000
Harm reduction	10%	\$8,000,000
Prevention	15%	\$12,000,000
Treatment	40%	\$32,000,000
Recovery support	20%	\$16,000,000
Education/ training	10%	\$8,000,000
Research	5%	\$4,000,000

# Proposed Estimated Rolling 3-year Budget

	Available	Yearly New Awards	Estimated Paid
2024	\$ 90,731,368	\$ 7,500,000.00	\$ 7,500,000.00
2024	\$ 59,968,962	\$ 80,000,000.00	\$ 40,000,000.00
2025	\$ 29,998,744	\$ 20,000,000.00	\$ 75,000,000.00
2026	\$ 35,253,709	\$ 20,000,000.00	\$ 75,000,000.00
<b>Total</b>	<b>\$ 215,952,783</b>	<b>\$ 127,500,000.00</b>	<b>\$ 197,500,000.00</b>

\*contingent on XRP approval/ disapproval

# Motions for the Community Grant Budget

- K. Moore made a motion to move forward with the budget structure.
- K. Pershing seconded the motion.
- C. Jackson tabled the motion.
- S. Vanterpool seconded the tabled motion.
- S. Loyd: Motion to table the proposed budget carries; Council will table the motion on the floor to accept the budget.

# Revised Proposed Rolling 3-year Budget

OAC Estimated 7 year Community Grants Budget (proposed)										sw 2.21.24	
Calendar Year	Carry Forward from previous year	Est. Additional Funds Made Available to Fund*	Total Funds Available	Est. New Annual Awards (1-3yrs)	Est. Paid (Community)	Est. Reserve Balance (pre-admin)	Est. Administrative**	SAS (est.)	Total Est. Admin	Est. Net Reserve	
current 2024		\$90,731,368		\$7,500,000	\$7,500,000	\$83,231,368				\$83,231,368	
2024	\$83,231,368	\$59,968,962	\$143,200,330	\$80,000,000	\$40,000,000	\$103,200,330	\$1,200,000	\$1,465,805	\$2,665,805	\$100,534,525	
2025	\$100,534,525	\$29,998,744	\$130,533,269	\$16,000,000	\$72,000,000	\$58,533,269	\$1,248,000	\$446,000	\$1,694,000	\$56,839,269	
2026	\$56,839,269	\$35,253,709	\$92,092,978	\$6,000,000	\$71,800,000	\$20,292,978	\$1,297,920	\$363,000	\$1,660,920	\$18,632,058	
2027	\$18,632,058	\$35,253,709	\$53,885,767	\$5,000,000	\$46,500,000	\$7,385,767	\$1,349,837	\$363,000	\$1,712,837	\$5,672,930	
2028	\$5,672,930	\$37,499,649	\$43,172,579	\$25,000,000	\$26,300,000	\$16,872,579	\$1,403,830	\$363,000	\$1,766,830	\$15,105,749	
2029	\$15,105,749	\$38,034,396	\$53,140,145	\$20,000,000	\$35,600,000	\$17,540,145	\$1,459,983	\$363,000	\$1,822,983	\$15,717,161	
2030	\$15,717,161	\$31,989,717	\$47,706,878	\$10,000,000	\$40,250,000	\$7,456,878	\$1,518,383	\$363,000	\$1,881,383	\$5,575,496	
<b>Total (7 year)</b>		\$ 358,730,254		\$ 169,500,000	\$339,950,000		\$9,477,953	\$3,726,805	\$13,204,758		
									2.5% admin costs based on (2024-2030) est. community and county payments		
*Funds made available are estimated, does not include any anticipated interest payments											
** included 4% COLA and 10.25 OAC business office positions (3 not currently filled) - OAC office also supports county payments/reporting											

*if Meharry Rise is funded*

**Assumptions:**  
 Majority of grant applications are 3 year grants (71% of all apps are 3 year grants)  
 Anticipate funding 5-7% in one time capital; 80% 3 year, 10-15% 2 year grants – 5-10% 1 year, difficult to determine until all applications are scored  
 rolling based on 1,2,3 year grant awards – changes based on what OAC approves  
 Year 1 50% estimated paid due to July 1 contract start dates  
 Year 2 80% spend due to 1 time capital expense and 1 year projects and underspend  
 Year 3 – 70% due to 1 and 2 year contracts and underspend

**Estimated paid rationale:**  
 2024 = 50% of year 1 new awards due to contracts beginning July 1st  
 2025 = 50% of year 2 new awards + 80% of year 1 awards (to factor in 1 year only and capital project grants and underspend/underperform)  
 2026 = 50% of year 3 new awards + 80% of year 2 awards + 70% of year 1 awards  
 2027 = 50% of year 4 new awards + 80% of year 3 new awards + 70% of year 2 new awards + 70% of 50% of year 1 awards  
 2028 = 50% of year 5 + 80% of year 4 + 70% of year 3 + 70% of 50% of year 1 awards



# Discussion & Decision Point

- Does the Council approve the proposed funding structure for the Community Grants?

**Motion  
&  
Council Vote**

# Grant Application Scoring

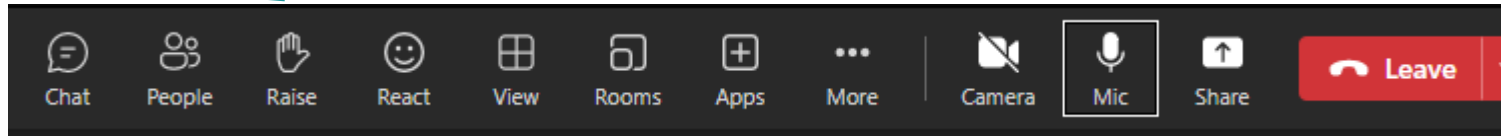
- Please have all applications scored by:
  - Tuesday, February 27 @ 10:00amCT
- If you have any questions or issues with scoring, please contact Mary or Elizabeth

# Next OAC Meeting

- March 18, 2024
- 9:00am – 1:00pm ET
- Farragut Community Center  
239 Jamestowne Blvd #201  
Assembly Hall  
Farragut, TN
- The meeting will be live-streamed
- In-person attendance is available first-come, first-served

# Public Comment

- Does anyone wish to comment or address the Opioid Abatement Council?
- If you wish to speak, please click the “**raise your hand**” icon located on the top menu bar (3<sup>rd</sup> from the left)





The logo consists of a red square containing the letters 'TN' in white, serif font. Below the square is a thin white horizontal line, and below that is a dark blue horizontal bar. A registered trademark symbol (®) is located at the bottom right corner of the blue bar.

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Thank you