Opioid Settlement Information- McCordsville

As many of you continue to focus on the devastating impact of opioids and addiction in your community, we wanted to share the latest information that we have about the initial distribution of the opioid settlement funds. We expect that the first- and second-year payments will be transferred to you sometime early this fall along with the accelerated 3rd through 5th year payment for the Johnson & Johnson settlement only. Once all payments for the year have been received by the state from the settlement administrator for each year then the distribution to local units will be made. Payments for the combined settlement will continue for 18 years.

As you recall, the settlement is a multi-state litigation case involving 46 states and was negotiated over the past 3 years with various opioid companies. The settlement ultimately ordered by the court of jurisdiction and the payment amounts that were agreed to are binding on all the settling states. The funds are allocated into abatement (restricted) spending and unrestricted spending. For information on the permitted categories of restricted spending, visit https://www.in.gov/attorneygeneral/

A formula was used to calculate the amount each subdivision is allocated. The formula included three equally weighted factors (1) number of persons suffering from opioid use disorder in a county; (2) number of opioid deaths in a county; and (3) number of opioids distributed in a county. The funds were further divided between the county and its cities and towns by applying a formula that relied on federal data that shows how counties and cities/towns have historically split funding for items relevant to opioid abatement.

As a result of the global nature of the settlement and the formula used by the court there are some inequities in the payment distributions that we are unable to adjust. Since the settlement process is spread over 18 years there are also some payments in the unrestricted category that are so small as to be of limited value to your community. Working with your advocacy organizations and the state legislature we hope to address some of these issues in future years.

There are several important pieces of information of which you should be aware.

- Because the settlement technically took effect in 2021, subdivisions will receive two years of payments in 2022 along with the single accelerated payment referenced above. The 2021 payments have been held in escrow by the settlement administrator.
- According to the law passed by the Indiana General Assembly concerning this distribution (Indiana Code 4-6-15-4(a)(4)), communities receiving restricted funds that total less than \$1,000 in a single calendar year's distribution are directed to the county instead of the city or town.
- Unrestricted funds will be passed on to you regardless of the amount, no matter how small under the terms of the statute.
- Litigating subdivisions will have their attorneys' fees deducted from their settlement amounts, which will decrease the amount the subdivisions receive.
- Due to the above factors, some communities may not receive a direct payment in certain years.
- The settlement amounts received by subdivisions will be different each year. The amount received in 2022 is likely the largest amount you will receive over the period of the settlement.

This is a multi-year settlement. It is anticipated that settlement funds will be received by the state each summer and then distributed to cities, towns, and counties. I encourage you to work with your neighboring communities to ensure that your resources are best used to support your constituents.

Subdivision Name: McCordsville

Estimated Total Unrestricted Payment: \$13,009.65

Estimated 2022 Unrestricted Payment: \$ 2,736.81 Estimated 2023 Unrestricted Payment: \$ 492.31

Estimated Total Restricted Payment: \$30,355.86

Estimated 2022 Restricted Payment: \$6,385.92

Additional 2022 Amount to the County under Indiana Code 4-6-15-4(a)(4): 0

Estimated 2023 Restricted Payment: \$1,148.74

Additional 2022 Amount to the County under Indiana Code 4-6-15-4(a)(4): 0

An asterisk (*) indicates your payment is being sent to your county

Estimated Total Attorney Fee Payment (if you are a litigating subdivision):

Estimated 2022 Attorney Fee Payment (if you are a litigating subdivision): \$ 0.00 Estimated 2023 Attorney Fee Payment (if you are a litigating subdivision): \$ 0.00

A listing of the payments you are estimated to receive for the full 18 years can be found on the Office of Attorney General website: https://www.in.gov/attorneygeneral/

The State of Indiana is receiving 50% of the restricted settlement funds. This money is distributed to the Indiana Family and Social Services Administration (FSSA). Details about the state's use of these funds will be shared by FSSA once they are available.

The settlement requires that subdivisions report information regarding the use of the abatement (restricted) funds to FSSA. Details will be shared by FSSA once they are available.