

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

COMMONWEALTH OF PENNSYLVANIA, :
by Attorney General, JOSH SHAPIRO, :
Petitioner, :

v. :

244 MD 2022

AMERISOURCEBERGEN CORPORATION; :
MCKESSON CORPORATION; and :
CARDINAL HEALTH, INC., :
Respondents. :

COMMONWEALTH OF PENNSYLVANIA, :
by Attorney General, JOSH SHAPIRO, :
Petitioner, :

v. :

243 MD 2022

JOHNSON & JOHNSON; JANSSEN :
PHARMACEUTICALS, INC.; ORTHO- :
MCNEIL-JANSSEN PHARMACEUTICALS, :
INC.; and JANSSEN PHARMACEUTICA, INC., :
Respondents. :

**SECOND ANNUAL REPORT OF THE
PENNSYLVANIA OPIOID MISUSE AND ADDICTION ABATEMENT
TRUST PURSUANT TO PARAGRAPH VI(A)(6) OF THE
ORDER ENTERED JULY 12, 2022**

FOR THE PERIOD JULY 1, 2023 THROUGH JUNE 30, 2024

Pursuant to Paragraph VI(A)(6) of the Order entered July 12, 2022 (“Trust Order”) creating the Pennsylvania Opioid Misuse and Addiction Abatement Trust (“Trust”), the Trust submits this Second Annual Report and Accounting (“Second Report”) for the period July 1, 2023 through June 30, 2024 (the “Reporting Period”).

I. Introduction and Procedural History

A. Basis of This Second Report

This Second Report is filed pursuant to Paragraph VI(A)(6) of the Trust Order, which provides:

The Trust shall have the following responsibilities: ...

6. Preparing an annual report and accounting for the authorizing court which shall be made public and undertaking all other reporting requirements consistent with the terms of the settlements.

A copy of the Trust Order, which was entered on July 12, 2022, is attached at Tab 1 of this Second Report.¹

The first annual report filed by the Trust was filed November 7, 2023, and covered the period July 12, 2022, when the Trust Order was entered, through June 30, 2023 (the “First Report”). The First Report contained important background and procedural history and, in lieu of repeating those facts here, is incorporated herein by reference. This Second Report is for the Reporting Period defined

¹Unless defined herein, all capitalized terms are as defined in the Trust Order. All data reported herein is accurate as of the date of filing and may be subject to adjustment.

above.

B. Procedural History Since the First Report

1. “Wave 1 Settlements”

By way of background, the First Report focused on national opioid settlements negotiated on behalf of the Commonwealth of Pennsylvania by the Office of Attorney General (“OAG”) with two sets of respondents: (1) Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc. and Janssen Pharmaceutica, Inc. as Respondents (collectively, “J&J Respondents”); and (2) AmerisourceBergen Corporation, McKesson Corporation and Cardinal Health, Inc. as Respondents (collectively, “Distributor Respondents”). As a result of those national settlements, the OAG initiated actions in this Court against the J&J Respondents (docketed at 243 M.D. 2022) and the Distributor Respondents (docketed at 244 M.D. 2022) in which Joint Motions to Enter Final Consent Judgments (“Joint Motions”) were filed. On July 12, 2022, those Joint Motions were granted, resulting, *inter alia*, in the entry of the Trust Order. The settlements with the J&J Respondents and the Distributor Respondents, along with “Other Settlements” described in the First Report, are referred to as the “Wave 1 Settlements.”

2. “Wave 2 Settlements”

During the Reporting Period covered in this Second Report, the OAG

completed negotiation of additional national opioid settlements with: (1) CVS Pharmacy, Inc., Walgreen Co. and Walmart, Inc. (collectively, “Pharmacy Respondents”); and, (2) Allergan Limited, Allergan Finance, LLC, Watson Laboratories, Inc., Actavis Pharma, Inc., Actavis LLC, Teva Pharmaceutical Industries, Ltd., Teva Pharmaceuticals USA, Inc., and Cephalon, Inc. (collectively “Allergan/Teva Respondents”). On February 15, 2024, the OAG initiated an action in this Court against the Pharmacy Respondents (docketed at 58 M.D. 2024). On February 16, 2024, the OAG initiated an action against the Allergan/Teva Respondents (docketed at 59 M.D. 2024). Motions to Approve Consent Decrees approved and agreed-to by all respondents were filed in each action. On March 6, 2024 in the action against the Allergan/Teva Respondents and on April 5, 2024 in the action against the Pharmacy Respondents, Orders were entered by this Court, per curiam, approving the Motions to Approve Consent Decrees. The settlements with the Pharmacy Respondents and Allergan/Teva Respondents are referred to as the “Wave 2 Settlements.”

II. Organization and Responsibilities of the Trust

A. Governance of the Trust

Section V(C) of the Trust Order provides that governance of the Trust is committed to a Board of Trustees (“Board”) consisting of 13 members including (1) a Chair and “a secretary of one of the Commonwealth's health and human

services agencies,” both appointed by the Governor; (2) four Legislative Trustees, one appointed by each of the Speaker of the House, the Minority Leader of the House, the President Pro Tempore of the Senate and the Senate Minority Leader; and (3) seven Regional Trustees, one appointed by the “Mayor of the City of First Class,” one appointed by the County Executive of the County of the Second Class and one appointed by the County Commissioners of each of five specified regional groupings of Counties through selection processes set forth in the Trust Order. During the Reporting Period covered by this Second Report, the Board was comprised of the following persons:

Trustee:	Appointment:
Thomas VanKirk Chair	Appointed by the Governor
The Honorable Kevin Boozel Commissioner, Butler County	Appointed by County Commissioners / Executives of the Southwestern Pennsylvania Region
Erin Dalton Director, Allegheny County Department of Human Services	Appointed by the Allegheny County Executive
Secretary Latika Davis-Jones Secretary, Pennsylvania Department of Drug and Alcohol Programs	Appointed by the Governor
The Honorable Gene DiGirolamo Commissioner, Bucks County	Appointed by County Commissioners / Executives of the Southeastern Pennsylvania Region

Trustee:	Appointment:
The Honorable Jim Gregory ² Pennsylvania State Representative, District 80	Appointed by the House Republican Caucus
The Honorable Craig Williams ³ Pennsylvania State Representative, District 160	
The Honorable Jim Struzzi ⁴ Pennsylvania State Representative, District 62	
Steve Jasper Community Connections Mental Health and Developmental Disabilities Administrator Clearfield and Jefferson Counties	Appointed by County Commissioners / Executives of the Northwestern Pennsylvania Region
Shea Madden Executive Director, West Branch Drug and Alcohol Abuse Commission	Appointed by County Commissioners / Executives of the Northeastern Pennsylvania Region
The Honorable Robert Postal Commissioner, Mifflin County	Appointed by County Commissioners / Executives of the Capital Region
The Honorable Greg Rothman Pennsylvania Senate District 34	Appointed by the Senate Republican Caucus
The Honorable Mark Rozzi Pennsylvania State Representative, District 126	Appointed by the House Democratic Caucus

² During the Reporting Period, Representative Jim Gregory served as a Trustee from July 1, 2023 to May 5, 2024.

³ During the Reporting Period, Representative Craig Williams served as a Trustee from May 6, 2024 to June 16, 2024.

⁴ During the Reporting Period, Representative Jim Struzzi served as a Trustee starting June 17, 2024.

Trustee:	Appointment:
The Honorable Christine Tartaglione Pennsylvania Senate District 2	Appointed by the Senate Democratic Caucus
Dr. H. Jean Wright II ⁵ Deputy Commissioner Behavioral Health and Intellectual Disability Services Philadelphia	Appointed by the Mayor of Philadelphia
Tumar Alexander ⁶ Senior Advisor to Mayor Cherelle Parker	

The Chair serves as appointee of the Governor. Legislative Member Trustees serve terms not to exceed two years expiring at the conclusion of legislative sessions and may be reappointed with no limit on the number of terms of reappointment eligibility. Regional Trustees, other than those appointed in 2022, serve two-year terms and may be reappointed three times. Regional Trustees appointed in 2022 serve terms expiring in 2025. No Regional Trustee may serve longer than ten years. The Secretary of one of the Commonwealth’s health and human services agencies or a designee of that person may serve a term of no more than 8 years and a designee may be replaced by the Secretary at any time.

⁵ During the Reporting Period, Dr. H. Jean Wright II served as a Trustee from July 1, 2023 to May 30, 2024.

⁶ During the Reporting Period, Senior Advisor Tumar Alexander served as a Trustee starting May 31, 2024.

B. Responsibilities of the Trust

The Trust Order establishes defined responsibilities of the Trust, as follows:

- A. The Trust shall have the following responsibilities:
 - 1. Receiving, maintaining, and investing funds until final disbursement of all settlement funds.
 - 2. Reviewing certifications in accordance with the terms specified by this document.
 - 3. Reviewing annual reports on spending to ensure compliance with the settlement terms.
 - 4. Disbursing the Annual Shares to the Commonwealth Account, County Abatement Account and Litigating Subdivision Account for that year.
 - 5. Otherwise establishing its own operating rules and procedures.
 - 6. Preparing an annual report and accounting for the authorizing court which shall be made public and undertaking all other reporting requirements consistent with the terms of the settlements.

(Trust Order ¶VI(A).) The Trust Order further provides that the Board “shall meet as frequently as the Chair determines is necessary to complete its work.” (Trust Order ¶V(D)(1)). During the Reporting Period, the Board met five times including September 7, 2023, November 30, 2023, February 8, 2024, May 2, 2024 and June

20, 2024.⁷

III. Income to and Distributions by the Trust During the Reporting Period

It is critically important to note at the outset that the timing of settlement fund income to the Trust is determined by the national settlement administrators and does not necessarily align with the distribution schedule established by the Commonwealth Court in the Trust Order. As such, income to and distributions by the Trust in any given reporting period may not be the same dollars and are not likely to be in equivalent amounts. This Second Report identifies (a) funds received and (b) distributed by the Trust during the Reporting Period, each of which occurred on an independent schedule.

A. Opioid Settlement Funds Received by the Trust

The Trust Order provides that “[a]ll payments” made under the Wave 1 Settlement Agreements must be made to the Trust. (Trust Order ¶II(A)(1)). Paragraph V(A) of the Trust Order states that “[t]he [Trust] shall have as its purpose to distribute Trust Funds obtained by the Commonwealth and its subdivisions from the Settlements and Other Settlements. The Trust shall receive Trust Funds, hold such funds until payment, and then disburse such funds pursuant to the terms and conditions set forth herein.” The Trust thus serves as a conduit for

⁷ Meeting information, including minutes approved by the Board of Trustees and video recordings of public meetings, are available on the Trust’s website at <https://www.paopioidtrust.org/>.

(1) receiving settlement funds and (2) distributing such settlement funds to the Commonwealth, Counties and Litigating Subdivisions, as those entities are defined and identified in the Trust Order (collectively, “Distributees”).

Opioid settlement funds paid to the Trust during the Reporting Period covered by this Second Report came primarily from three (3) sources involved in the Wave 1 Settlements: (1) the Mallinckrodt Bankruptcy; (2) the Distributor Respondents; and (3) the J&J Respondents. All settlement funds received in Pennsylvania were deposited into the Trust’s account at Wilmington Trust, National Association (“Wilmington Trust”).⁸

The First Report included information regarding the Mallinckrodt Bankruptcy in the United States District Court for the District of Delaware and payment to the Trust from the debtor’s estate during the previous reporting period. Disposition of the Mallinckrodt Bankruptcy also resulted in the payment to the Trust during the Reporting Period of approximately \$8,258,836.⁹ Receipt of these

⁸ Paragraph V(D)(1) of the Trust Order directs the Board to “appoint a financial institution licensed by the United States Office of the Comptroller of the Currency to invest all funds received only in securities fully guaranteed by the Government of the United States of America and which shall have a maturity date of no more than one year.” In compliance with this provision, the Board signed two contracts dated August 15, 2022 with Wilmington Trust to serve as the recipient for deposit of Trust Funds, to act as the disbursing agent of such funds as directed by the Trust and to provide certain digital services for Trust purposes.

⁹ The payments from the Mallinckrodt Bankruptcy are the result of an “Other Settlement” as that term is defined in the Trust Order, Paragraph III(O) (defining “Other Settlement” as “Any of the following pertaining to liability arising from the marketing, manufacturing, sale, promotion, distribution, prescribing or dispensing of opioids shall fall within the purview of this Order: ... or Court ordered distributions pursuant to a United States Bankruptcy Court approved

funds is reflected in the spreadsheet attached hereto at Tab 2.¹⁰

Also during the Reporting Period, the following payments of settlement funds were received and deposited with Wilmington Trust:

Source of Payment¹¹	Amount Received	Date of Payment to or Receipt by Trust
Distributor Respondents	\$66,654,912	January 2, 2024
J&J Respondents	\$38,541,272	June 17, 2024

Receipt of these funds is also reflected in the spreadsheet attached hereto at Tab 2.

By way of summary, the total of Wave 1 Settlement funds thus received by the Trust during the Reporting Period – from the Mallinckrodt Bankruptcy, Distributor Respondents and J&J Respondents – was **\$113,455,019**.¹² Because of the timing of the receipt of these particular funds, they are available for distribution

plan for claims of the Commonwealth, its subdivisions and District Attorneys.”).

¹⁰ For purposes of the narrative portions in this Second Report, all dollar figures are rounded to the nearest dollar. Dollar figures to the nearest cent are reflected in the spreadsheet attached hereto at Tab 2.

¹¹ Payments listed may be from one or more members of these defined groups.

¹² Included in the total of Wave 1 Settlement funds received by the Trust during the Reporting Period was a payment of \$21,055,633 from Distributor Cencora, Inc., formerly known as AmerisourceBergen. This payment was made in advance of the schedule outlined in the settlement with Distributor Respondents.

to Distributees starting in December 2024. (See Trust Order ¶V(D)(6)).¹³ In addition, the Trust earned approximately \$2,338,274 in interest on its account with Wilmington Trust and M&T during the Reporting Period covered in this Second Report.

B. Distributions of Opioid Settlement Funds by the Trust

Settlement payments received by the Trust are divided among and distributed to three categories of Distributees: (1) fifteen (15%) percent to the Commonwealth and distributed to the Opioid Settlement Restricted Account as defined in the Trust Order; (2) seventy (70%) percent to the Counties and other County Subdivisions as defined in the Trust Order and distributed under the allocation provisions contained in Paragraph VII(A) of the Trust Order; and (3) fifteen (15%) percent to Litigating Subdivisions as defined in the Trust Order and also distributed under the allocation provisions contained in Paragraph VII(A) of the Trust Order. (Trust Order ¶II(A)(1)(a), (b) and (c).)

Trust Funds from settlements distributed to Distributees during the Reporting Period totaled \$78,324,678, which amount was distributed on or about

¹³ Paragraph V(D)(6) of the Trust Order provides: “Except for the year 2022, the Board of Trustees shall pay the funds it holds in trust less the minimum amount needed to maintain its account for holding such funds on or about June 15 of each year for funds to be distributed to the Commonwealth Account, and on or about December 15 of each year for funds to be distributed from the County Abatement and Litigating Subdivision Accounts.” In December 2023, the Commonwealth requested and the Board approved an early distribution of the Commonwealth’s portion of funds then on-hand; thus, there was no distribution to the Commonwealth in June of 2024.

December 15, 2023.

The following reflects a breakdown of how this total amount was distributed to the categories of Distributees:

Total Amount Paid/Distributed During the Reporting Period	\$78,324,678	
Paid To Attorneys' Fee Fund ¹⁴	\$11,515,941	
Subtotal to Distributees	\$66,808,737	100%
To Counties	\$46,766,116	70%
To Litigating Subdivisions ¹⁵	\$10,021,311	15%
To Commonwealth of PA	\$10,021,311	15%

Additional detail regarding these distributions is set forth in the spreadsheet attached hereto at Tab 2.

¹⁴ See Trust Order, ¶IX and Exhibit 4.

¹⁵ Certain Counties received funds both as a County and as a Litigating Subdivision. Where that occurred, the total received in both capacities is reflected in the distribution to the County in the spreadsheet attached at Tab 2.

Again, it is worth repeating that funds distributed to Distributees during the Reporting Period included funds received by the Trust during the *prior* reporting period but not distributed during the prior reporting period. Similarly, funds received during the Reporting Period may not have been distributed during the Reporting Period. This is because of (a) the timing of receipt of national settlement funds, which is outside the control of the Trust; and (b) the manner in which the Trust Order establishes an annual cycle of fund distribution in June and December of each year. (Trust Order ¶V(D)(6).) As a result of the foregoing, funds received by the Trust in any given reporting period and funds distributed by the Trust in the same reporting period are not likely to be equivalent, and in fact during the Reporting Period they were not.

IV. Distributee Reporting to the Board of Trustees During the Reporting Period

A. Spending Must be for Purposes Set Forth in Exhibit E, Compliance with which is Reviewed by the Board

Paragraph V(B) of the Trust Order, and the national settlements on which it is based, restrict the purposes for which funds distributed by the Trust to Distributees may be used. This paragraph limits use of distributed funds “only for the purposes set forth in Exhibit E to the Settlements...” For example, Exhibit E is one of the lettered exhibits attached to each of the J&J Respondents’ and Distributor Respondents’ Settlement Agreements. A copy of Exhibit E is attached

at Tab 3 to this Second Report for ease of reference. Exhibit E is expressly incorporated into the Trust Order by reference. (Trust Order ¶V(B).)

The Trust is directed to “review expenditures by subdivisions which receive Trust Funds to insure that such spending is consistent with Exhibit E.” (Trust Order ¶V(B)). Indeed, this is one of the key responsibilities of the Trust listed above. *See* Section II.B, *supra*.

B. Board Review and Action on Programs Reported March 15, 2024

Under Paragraph V(D)(11) of the Trust Order, “[e]ach County or Health Department of the city of the First Class shall submit a report to the Board of Trustees by March 15 beginning in the year 2023, showing the actual expenditures of such funds and the amount of the funds received but not spent by the close of the previous calendar year.” As noted above, the Trust was created on July 12, 2022 with the entry of the Trust Order. The Trust undertook expedited efforts to distribute initial transfers of Settlement Funds to Distributees in 2022, but such funds were not received by the Trust until the third and fourth quarters of that calendar year. As a result, distributions could not occur until August and December of 2022. The timing of these distributions made utilization of the distributions by the end of calendar year 2022 difficult if not impossible for Distributees. As a consequence, the Board of Trustees determined at a special meeting held on March 1, 2023, to waive the requirement for a March 15, 2023

report from Distributees regarding utilization of the funds distributed in 2022. Instead, all spending by Counties from 2022 and 2023 was reported to the Trust by March 15, 2024, which reports occurred during the Reporting Period covered in this Second Report.

As mentioned in the First Report, in 2023 the Trust engaged in negotiations with a consortium of the Pennsylvania State University, the University of Pittsburgh and Temple University (collectively, “Academic Researchers”) to develop reporting tools and procedures with respect to reports due to the Trust under the terms of the Trust Order and to provide assistance to Distributees with respect to uses of Trust Funds in compliance with the Trust Order.¹⁶ The Academic Researchers developed an internet-based reporting tool that was shared publicly in late 2023. Multiple webinars were held at which representatives of Participating Subdivisions could learn about the reporting tool, ask questions and provide input. Draft reports were invited to be submitted by February 15, 2024, with final reports required under the Trust Order to be submitted by March 15, 2024.

All 67 Counties in Pennsylvania and numerous Litigating Subdivisions timely submitted reports on or before March 15, 2024.¹⁷ Combined, the Counties

¹⁶ See Trust Order, ¶V(D)(11), authorizing the Board to “set the requirements of such reporting, with input from qualified academic researchers.”

¹⁷ It should be noted that the Trust Order requires Counties but not Litigating

reported 445 total programs by completing the online reporting tool and submitting additional documents and information to the Trust. The online reporting tool captured detailed information including, but not limited to, the name of each program, dollars spent and/or committed to each program, contact information for those responsible for each program, and the category(ies) under Exhibit E pursuant to which spending on each program was believed to be authorized. The Trust issued press releases and other communications summarizing the preliminary results of the March 15, 2024 reports, which showed more than \$70,000,000 already spent on or committed to opioid remediation and treatment efforts by local government agencies in Pennsylvania.

Beginning in April 2024, the Board undertook a detailed review of each County's March 15 report. By resolution of the Board, three Working Groups comprised of four Trustees each were created to divide the labor, with each Working Group assigned a list of Counties whose combined population was substantially similar to the lists of Counties assigned to the other two Working Groups. The Working Groups were not authorized by the Board to take action on behalf of the Trust, but rather reviewed the assigned reports to assess compliance

Subdivisions to report spending to the Trust. (Trust Order, ¶V(D)(11).) Because the Trust Order will be amended, *inter alia*, to accommodate Wave 2 Settlements, it is anticipated that this omission will be addressed at that time with a view towards a requirement that Litigating Subdivisions – in addition to Counties – will be required to report spending at least annually to the Trust so that compliance with Exhibit E can be monitored.

with Exhibit E. Each of the Working Groups met over multiple hours on multiple days to review the large number of programs each was assigned. Each Working Group then reported to the full Board at public meetings on May 2, June 20 and August 22, 2024,¹⁸ at which public meetings the opportunity for the Board to discuss each program reported by the Counties was provided and at which the Board voted on each program’s compliance with Exhibit E. The following chart reflects the results of Board action on all programs in the March 15 report, as taken at these three public meetings:

Status	Number	Percentage
Approved as compliant with Exhibit E	417	93.7%
Non-compliant	25	5.6%
Withdrawn	3	0.7%
TOTAL	445	100%

¹⁸ Although this public meeting is outside the Reporting Period covered in this Second Report, it is included here because it was one of the public meetings at which programs included in the March 15, 2024 reports were to be voted upon by the Board. Board action on all such programs is accounted-for in the chart above.

V. **Provisions of the Trust Order Relating to the Administration of the Trust**

Trust Funds deposited with Wilmington Trust and M&T are held in income producing accounts. While paragraph V(D)(9) of the Trust Order provides that the Board “may use up to 1% of the Trust Funds to retain such persons or firms to manage the investment and distributions,” the Board has used and plans to use interest income generated by the Trust Funds to pay for administrative services needed for Trust operations.

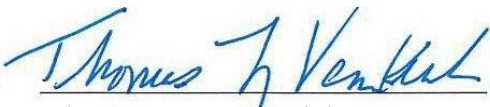
As noted above, interest income earned during the Reporting Period totaled \$2,338,274. By comparison, administrative expenses of the Trust during the Reporting Period totaled \$747,677. These included: bank fees; legal fees paid to Buchanan Ingersoll & Rooney PC for (a) general advice and (b) defense of administrative actions brought under the Pennsylvania Right-to-Know Law; premium on insurance coverage, which the Trust is contractually obligated to maintain; fees charged by the Trust’s accounting firm, Maher-Duessel (which was engaged during the Reporting Period); and, administration fees paid to the County Commissioners Association of Pennsylvania, which acts as administrator for the Trust. Specific categories of Trust administrative expenses for the Reporting Period covered in this Second Report, on a cash basis and paid during Reporting Period, are summarized at Tab 2. In addition to the expenses described above, the Trust has accrued administrative expenses to pay to academic researchers, which

haven't been paid yet due to delay in the final consummation of a contract. That contract contemplates that the Trust will pay Penn State \$180,000 per year over a three-year term.

Respectfully submitted,

The Pennsylvania Opioid Misuse and
Addiction Abatement Trust

Date: September 10, 2024

By: 
Thomas L. VanKirk
Chair of the Board of Trustees

Tab 1:
Trust Order

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

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243 MD 2022

**PENNSYLVANIA OPIOID MISUSE AND ADDICTION
ABATEMENT TRUST**

I. INTRODUCTION

- A. On April 18, 2022, the Commonwealth of Pennsylvania (“Commonwealth”) filed a complaint naming McKesson

Corporation, Cardinal Health, Inc. and AmerisourceBergen Corporation (“Distributors”) as Respondents, alleging their actions furthered the improper distribution of prescription opioid drugs made and marketed by pharmaceutical manufacturers (the “Commonwealth Distributor Claims”).

- B. The Complaint is docketed at 244 M.D. 2022.
- C. The Distributors each deny that they have engaged in any wrongdoing.
- D. On April 18, 2022, the Commonwealth filed a Complaint naming Johnson and Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. (collectively “J&J”) as Respondents, alleging that it had violated various Commonwealth laws through its manufacture, sale and promotion of prescription opioid products (The “Commonwealth J&J Claims”).
- E. The Complaint against J&J is docketed at 243 M.D. 2022.
- F. J&J denies that it has engaged in any wrongdoing.
- G. On April 25, 2022, the Commonwealth, the Distributors and J&J filed a stipulated application to consolidate the actions

Commonwealth v. AmerisourceBergen, Docket No. 244 M.D. 2022 and Commonwealth v. J&J, Docket 243 M.D. 2022.

- H. On April 29, 2022, the Commonwealth and the Distributors filed a settlement of the Commonwealth's Distributor's claims in the form of a Final Consent Judgment.
- I. On April 29, 2022, the Commonwealth and J&J filed a settlement of the Commonwealth's J&J Claims in the form of a Final Consent Judgment.
- J. The Distributors Settlement Agreement and J&J Settlement Agreement (the "Settlements") will deliver up to \$1,070,609,642 to the Commonwealth over as many as 18 years with payments to be made as described in Paragraph IV. C-D of the Distributors Settlement Agreement and Paragraphs V. B1 and V. B8 of the J&J Settlement Agreement.

After a motion from the Commonwealth, the Court orders the following:

II. ORDER

- A. **The creation of the Pennsylvania Opioid Misuse and Addiction Abatement Trust.**
 - 1. This Order creates a trust known as the Pennsylvania Opioid Misuse and Addiction Abatement Trust (the

“Trust”). All payments shall be made by the Distributors and J&J to the Trust pursuant to the terms of the Settlements. After the payment by the Trust of Attorneys’ Fees and Expenses as described in Section IX, Exhibit 4 into a fund to be maintained in the Delaware County Court of Common Pleas, the Trust Funds shall be divided into three accounts: The Commonwealth Account, the County Abatement Account and the Litigating Subdivision Account.

- a. The Commonwealth Account shall consist of Fifteen (15) % of the Trust Funds to be distributed and shall be paid to the Commonwealth for deposit to the Opioid Settlement Restricted Account as established by 72 P.S. § 1792-A.1.
- b. The County Abatement Account shall consist of Seventy (70) % of the Trust Funds to be distributed and shall be paid to Counties and other County Subdivisions in the manner described in the Allocation Section at ¶VII(A) below.

c. The Litigating Subdivision Account shall consist of Fifteen (15) % of the Trust Funds to be distributed and shall be paid directly to the Litigating Subdivisions in the manner described in the Allocation Section at ¶VII(B) below.

B. **Methodology and Requirements.** This Order sets forth the methodology and requirements for allocation and payment of funds achieved as the result of Pennsylvania’s Opioid Litigation, as defined below. Every Participating Subdivision that agrees to participate in the Settlements and accept the Trust Funds described herein shall be subject to the jurisdiction of this Court for compliance and enforcement of this order and also have standing to petition this Court for enforcement of this Order and payment of the funds allocated to it. No subdivision may challenge another subdivision’s use of funds, but subdivisions in the same geographic region are encouraged to coordinate their use of Trust Funds allocated by this Order.

III. DEFINITIONS

A. **OAG** – The Pennsylvania Office of Attorney General.

B. **Commonwealth.** The Commonwealth of Pennsylvania.

- C. **Companies** – collectively means McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, and J&J.
- D. **Board of Trustees** – Trustees appointed pursuant to this Order to manage and direct the Trust.
- E. **Covered conduct** – means “Covered Conduct” as defined in the Distributors Settlement Agreement at Paragraph I.O. and in the J&J Settlement Agreement at Paragraph I.16.
- F. **Counties**—Subdivisions, as enumerated and classified in 16 P.S. § 201 to 211.
- G. **County Subdivisions** – All political subdivisions within a given county, including, but not limited to, cities, townships, boroughs, school districts, and municipal authorities.
- H. **Intrastate Allocation Formula.** The formula for distributing funds from the County Abatement Fund contained in Exhibit 1.
- I. **Litigating Subdivisions.** Counties, County Subdivisions and District Attorneys that had existing litigation against the Companies as of July 21, 2021.

- J. **Non-Participating Subdivisions.** Counties and County Subdivisions with populations greater than 10,000 that have not chosen to participate in these Settlements.
- K. **Participating Subdivisions.** Counties, District Attorneys and County Subdivisions of more than 10,000 in population as established by the 2019 population estimate of the U.S. Bureau of Census that have agreed to participate in these settlements. The Participating Subdivisions are identified in Exhibit 5 to this order.
- L. **Pennsylvania’s Opioid Litigation.** The Coordinated Opioid Proceedings (CV-2017-08095) pending in the Delaware County Court of Common Pleas before the Hon. Barry C. Dozor, and any proceedings initiated by Litigating Subdivisions pending in *In re National Prescription Opiate Litig.* MDL No. 2804 (N.D. Ohio), pending before Hon. Dan Polster.
- M. **Population.** Whenever this Order refers to population, it refers to the 2019 estimate of the United States population by the U.S. Bureau of Census, except for purposes of calculating the Litigating Subdivision’s share, which uses 2020 Census figures.

- N. **Settlements.** The Distributors Settlement Agreement dated July 21, 2021 among the settling states, settling distributors and participating subdivisions; and the J&J Settlement Agreement dated July 21, 2021 among the settling states, participating subdivisions and J&J, for Covered Conduct by the Companies.
- O. **Other Settlement(s).** Any of the following pertaining to liability arising from the marketing, manufacturing, sale, promotion, distribution, prescribing or dispensing of opioids shall fall within the purview of this Order: a future settlement agreement entered into by OAG together with subdivisions, and District Attorneys, and any monetary amounts awarded as a result of such litigation by OAG together with subdivisions, and District Attorneys; or Court ordered distributions pursuant to a United States Bankruptcy Court approved plan for claims of the Commonwealth, its subdivisions and District Attorneys.
- P. **Single-county authorities (“SCAs”).** The agency designated under 4 PA. Code §§254.1 to 254.20 plan and coordinate drug and alcohol prevention, intervention and treatment services for a geographic area which may consist of one or more counties and to administer the provisions of such services funded

through the agency. Some Counties have agreements to coordinate the operation of a Single County Authority with other Counties either by having one County's SCA act for multiple counties or by retaining a vendor to perform such function for multiple counties. In either event, such organizations shall be considered an SCA for purposes of this Order.

Q. **Trust** – Pennsylvania Opioid Misuse and Addiction Abatement Trust.

IV. PARTIES TO THIS ORDER

- A. The Commonwealth, by and through the OAG.
- B. Participating Subdivisions.

V. PENNSYLVANIA OPIOID MISUSE AND ADDICTION ABATEMENT TRUST (TRUST)

- A. **Purpose.** The Pennsylvania Opioid Misuse and Addiction Abatement Trust shall have as its purpose to distribute Trust Funds obtained by the Commonwealth and its subdivisions from the Settlements and Other Settlements. The Trust shall receive Trust Funds, hold such funds until payment, and then

disburse such funds pursuant to the terms and conditions set forth herein.

B. Disposition of Trust Funds. The funds obtained and ultimately paid by the Trust shall be distributed to the Commonwealth and its Participating Subdivisions only for the purposes set forth in Exhibit E to the Settlements and the Trust shall review expenditures by subdivisions which receive Trust Funds to insure that such spending was consistent with Exhibit E. Exhibit E is incorporated into this Order by reference and all spending of funds allocated by this Order shall be consistent with the requirements of Exhibit E. The Trust shall also receive and distribute funds from Other Settlements pursuant to the terms of those Other Settlements.

C. Governance. The Trust shall be governed by a Board of Trustees consisting of the following 13 members:

1. Chairperson, appointed by the Governor. The Chairperson shall be non-voting, except in cases of a tie. The Chairperson may not be an individual qualified to serve under any category of state-level members. The Chairperson shall serve at the pleasure of the Governor.

2. A secretary of one of the Commonwealth's health and human services agencies, as appointed by the Governor.
The secretary may appoint a designee, who is an employee of the respective agency.
3. Four Legislative Member Trustees, with one trustee appointed by each:
 - a. The Speaker of the House;
 - b. The Minority Leader of the House;
 - c. The President Pro Tempore of the Senate; and
 - d. The Senate Minority Leader.
4. Seven Regional Trustees appointed by the following County or City Officials:
 - a. Mayor of the City of First Class;
 - b. The County Executive of the County Second Class;
 - c. County Commissioners or County Executives of the Counties in the Capital Region, defined as including the following 16 counties: Adams, Berks, Centre, Cumberland, Dauphin, Fulton,

Franklin, Huntingdon, Juniata, Lancaster,
Lebanon, Mifflin, Perry, Snyder, Union, and York;

- d. The County Commissioners or County Executives of the Northeastern Pennsylvania region, defined as including the following 18 counties: Bradford, Carbon, Clinton, Columbia, Lackawanna, Luzerne, Lycoming, Monroe, Montour, Northumberland, Pike, Potter, Schuylkill, Sullivan, Susquehanna, Tioga, Wayne, and Wyoming;
- e. The County Commissioners or County Executives of the Southeastern Pennsylvania region, defined as including the following 6 counties: Bucks, Chester, Delaware, Lehigh, Montgomery, and Northampton;
- f. The County Commissioners or County Executives of the Northwestern Pennsylvania, defined as including the following 13 counties: Armstrong, Cameron, Clarion, Clearfield, Crawford, Elk, Erie, Forest, Jefferson, Mercer, McKean, Venango, and Warren;

- g. The County Commissioners or County Executives of the Southwestern Pennsylvania, defined as including the following 12 counties: Beaver, Bedford, Blair, Butler, Cambria, Fayette, Greene, Indiana, Lawrence Somerset, Washington, and Westmoreland.

5. Appointment of Trustees

- a. The Chairperson shall be appointed by the Governor as soon as is practical following the final approval of this Order.
- b. The Trustee appointed by the Mayor of the City of the First Class shall be confirmed by a majority vote by the City Council of the City of the First Class within 30 days of final approval of this Order.
- c. The Trustee appointed by the County Executive of the County of the Second Class shall be appointed by the County Executive within 30 days of final approval of this Order.

- d. A Trustee appointed by the County Commissioners of the Five County Regions, under ¶(V)(B)(4)(c)-(g) shall be selected by a majority of votes from each County within each respective region. Each County shall have one vote for selecting the trustee for its respective region. In the event of a tie vote among the Counties in a region, the Chairperson shall select a Trustee from the pool of candidates from each region that received the highest number of equal votes. At the request of any county, the County Commissioners Association of Pennsylvania may provide assistance to facilitate the nomination and election of Trustees. These Regional Trustees shall be elected within 30 days of final approval of this Order.
- e. Subsequent Appointments to the Board of Trustees from the five regions shall be held in two-year intervals, beginning in 2025. The County with the largest population in each region shall be responsible for collecting nominations from each

County and preparing and distributing ballots in enough time to seat new Trustees, by July 1, 2025, if existing Trustees are not reelected. Counties in a region can retain an existing Trustee by unanimous consent without holding a new nomination and balloting process as long as the Trustee has not exceeded maximum term as described in ¶ V(B)(8)(b).

6. **Qualifications of Trustees**

Counties are encouraged to designate trustees from one or more of the following professional classifications.

- a. A County Commissioner, member of County Council or County Executive.
- b. SCA administrator or County Health Commissioner.
- c. Physician with specialized practice and training in the treatment of substance use disorder.
- d. Nurse with specialized practice and training the treatment of substance use.

- e. Certified peer support substance use disorder treatment provider/specialist.
- f. Licensed pharmacist.
- g. Emergency medical services provider.
- h. Re-entry specialist/service provider.
- i. Individual in recovery from substance use disorder.
- j. Parent or guardian of someone who has had opioid use disorder.
- k. A researcher with expertise in substance use from a college or university in the Commonwealth.

7. Residency:

- a. To qualify as a Regional Representative Trustee, an individual must reside in or have a principal place of business qualifying the individual for service on the Board of Trustees located in that region.

8. Terms:

- a. Legislative member trustees shall serve terms not exceeding two years, which shall expire at the

conclusion of each legislative session. Legislative member trustees may be re-appointed, with no limit on the number of times they may be re-appointed.

- b. Regional Representative Trustees, except for Trustees appointed in 2022, shall serve two-year terms and may be appointed three times consecutively. The term for Trustees appointed in 2022 shall continue until July 1, 2025. No individual shall serve more than ten years during the individual's lifetime as a Regional Trustee.
- c. A secretary of one of the Commonwealth's health and human services agencies or such secretary's designee shall serve a term of no more than eight years and may be replaced by the secretary at any time.
- d. In the event of a resignation or removal of a Trustee, the person appointing the Trustee shall appoint a replacement.

9. **Compensation:** Trustees shall serve as volunteers and shall receive no compensation for serving on the Board of Trustees. They shall be entitled to reasonable travel, lodging and subsistence expenses when attending meetings of the Board of Trustees, which shall be paid from the monies allocated for the Trust's management set forth in ¶IV(C)(9).

D. Operations

1. The Board of Trustees shall meet as frequently as the Chairperson determines is necessary to complete its work. During such meetings, the Trustees shall appoint a financial institution licensed by the United States Office of the Comptroller of the Currency to invest all funds received only in securities fully guaranteed by the Government of the United States of America and which shall have a maturity date of no more than one year.
2. Except for the year 2022, by September 1 of each year, The Board of Trustees shall notify each County and each Litigating Subdivision of the amounts each will receive

out of the County Abatement and Litigating Subdivision Accounts. In the year 2022, that notification shall occur 30 days before distribution of the funds allocated under this Order.

3. Except for the year 2022, by November 15 of each year, in order for funds to be paid from the County Abatement Account, each County or the Health Department of a city of the First Class shall submit to the Trust the certification attached as Exhibit 2 and list the payees and respective addresses to which the County Abatement Check shall be sent. Multiple Counties and the Health Department of the city of the First Class, County Subdivisions and District Attorneys may file joint certifications for some or all of the funds allocated to them. A joint certification shall designate the amount to be paid out of the joint applicants' allocation and the name and address of the payee.
4. Except for the year 2022, by November 15 of each year, in order for funds to be distributed from the Litigating Subdivision Account, each Litigating Subdivision shall

submit to the Trust the certification attached as Exhibit 3 and list the payees and respective addresses to which the County Abatement Check shall be sent in accordance with ¶ (VII)(B). Multiple Litigating Subdivisions may file joint certifications for some or all of the funds allocated to them.

5. In the year 2022, certifications shall be filed consistent with the terms of subparagraphs 2 3, and 4 above within 60 days of entry of this Order.
6. Except for the year 2022, the Board of Trustees shall pay the funds it holds in trust less the minimum amount needed to maintain its account for holding such funds on or about of June 15 of each year for funds to distributed to the Commonwealth Account, and on or about December 15 of each year for funds to be distributed from the County Abatement and Litigating Subdivision Accounts.
7. In the year 2022, the Trust shall distribute the funds it receives within 60 days of receipt in accordance with the allocations under (II)(A)(1).

8. The Trust Funds designated to the Commonwealth Account shall be distributed from the Trust to the Commonwealth's Opioid Settlement Restricted Account.
9. The Board of Trustees may use up to 1% of the Trust funds to retain such persons or firms to manage the investment, and distributions.
10. All funds must be spent within 18 months of receipt by the recipient unless a Subdivision elects to use such funds for a multi-year capital project in accordance with Exhibit E of Settlements.
11. Each County or the Health Department of the city of the First Class shall submit a report to the Board of Trustees by March 15 beginning in the year 2023 year, showing the actual expenditures of such funds and the amount of funds received but not spent by the close of the previous calendar year. Funds should be spent equitably across the County in a way that most effectively abates the effects of the Opioid misuse and addiction within the judgment of the County Commissioners, County Executive and County Council. The Board of Trustees

shall set the requirements of such reporting, with input from qualified academic researchers.

12. A Quorum of seven trustees shall be necessary to conduct business of the Board of Trustees.
13. The Board of Trustees may adopt any other operating procedures it deems fit, so long as such procedures are consistent with this Order and all applicable laws.

VI. RESPONSIBILITIES OF THE TRUST

- A. The Trust shall have the following responsibilities:
 1. Receiving, maintaining, and investing funds until final disbursement of all settlement funds.
 2. Reviewing certifications in accordance with the terms specified by this document.
 3. Reviewing annual reports on spending to ensure compliance with the settlement terms.
 4. Disbursing the Annual Shares to the Commonwealth Account, County Abatement Account and Litigating Subdivision Account for that year.
 5. Otherwise establishing its own operating rules and procedures.

6. Preparing an annual report and accounting for the authorizing court which shall be made public and undertaking all other reporting requirements consistent with the terms of the settlements.

VII. ALLOCATION

- A. The funds designated for the County Abatement Account shall be distributed directly to the Counties or such other organization designated by the County. Each County shall receive its share consistent with the methodology outlined in Exhibit 1, with each county receiving a minimum of \$1 million total combined from the Settlements. To the extent the Commonwealth receives less than the full amounts available under the Settlements, the Trustees shall reduce each County's share (identified in Exhibit 1) *pro rata*.
- B. The funds designated for the Litigating Subdivision Account shall be distributed directly to participating Litigating Subdivisions based on population according to the 2020 Census, with the following caveats:
 1. 25% of the Litigating Subdivision Account will be set aside for entities that have done substantial work to

advance litigation against the settling defendants. In the case of the Distributors and J&J Settlements, those entities are Delaware County, Carbon County, and the City of Philadelphia.

2. Allocation for District Attorneys' shares will be based on half of the population of the county they serve.
3. Allocation of Litigating Special Districts' shares will be based on 10% of the population that they serve.
4. The following minimum payments will apply, subject to availability of funds:
 - a. For subdivisions with populations smaller than 10,000: \$80,000 from the Distributors Settlement Agreement and \$20,000 from the J&J Settlement Agreement.
 - b. For subdivisions with populations between 10,000 and 50,000: \$200,000 from the Distributors Settlement Agreement and \$50,000 from the J&J Settlement Agreement.
 - c. For subdivisions with populations between 50,001 and 100,000: \$400,000 from the Distributors

Settlement Agreement and \$100,000 from the J&J Settlement Agreement.

d. For subdivisions with populations larger than 100,000: \$800,000 from Distributors Settlement Agreement and \$200,000 from the J&J Settlement Agreement.

C. If Incentive A described in the Settlements is achieved, funds to be paid through the Litigating Subdivision Account will be paid out over the following three years' worth of payments.

D. If a District Attorney does not participate in these settlements, then the Trust Funds that would have been paid to such non-participating District Attorney will be paid to those District Attorneys that agree to participate in these settlements. The amount for a non-participating District Attorney being reallocated to participating District Attorneys shall be allocated in the same manner as funds are allocated in ¶ VII B(2) above.

VIII. MISCELLANEOUS

A. The Trust shall be dissolved upon final disbursement of all funds from all covered settlements.

- B. The Trust shall not pay any Participating Subdivision in any year in which the subdivision fails to submit a certification by December 10 of the year in which the Trust has funds to distribute.
- C. The proceedings and meetings of this Trust shall be governed by the Sunshine Act, 65 Pa. C. S §§ 701-16.
- D. All Trustees and any person employed by the Trust shall be governed by and shall be considered Public Officials within the meaning of the Public Official and Employee Ethics Act, 65 Pa. C. S. §§ 1101-13 since such person will be either a Public Official or Public employee or appointed by Public Officials or appointed pursuant to this Order to perform a function administering a trust to protect the public interest.
- E. This Court shall maintain jurisdiction over the Trust and the funds it holds until the Trust is dissolved.
- F. Any beneficiary of the Trust may petition the Court to allow spending on an item of abatement not contained in Exhibit E, provided such spending is deemed by the Court to reduce incidence or rate of opioid addiction and overdose deaths in the Commonwealth.

- G. Any beneficiary of the Trust may file a complaint with the Board of Trustees if the beneficiary disputes an action by the Trust with regard to that beneficiary.
1. Such Complaint shall be in writing and the Board of Trustees must respond in writing to such beneficiary within 60 days of receipt of such complaint.
 2. If the Board of Trustees' response does not resolve the beneficiary's complaint, the beneficiary may petition this Court for a resolution of its complaint.
 3. No beneficiary shall have standing to challenge another beneficiary's use of funds under this Order or the Trust action with regard to another beneficiary.
 4. Nothing in this Order shall change the requirements for SCAs under Federal or State laws.

IX. ATTORNEYS' FEES:

A. The methodology for the payment of Attorneys' Fees and expenses for the Distributors and Johnson & Johnson settlements only is set forth in Exhibit 4.

X. FORFEITURE, PENALTIES AND INCENTIVES.

A. County Abatement Account Penalties and Incentives:

1. Any County which agrees to participate in these Settlements will receive 70% of the amount allocated to it under the Intrastate Allocation Formula (“Allocated Share”). Such County may receive up to an additional 30% of its allocated share by securing the participation of its constituent subdivisions as participants in these Settlements as follows:

- a. Any County where all the Litigating Subdivisions and all subdivisions with a population greater than 30,000 agree to participate in the Settlements will receive an additional 20% of its allocated share.
- b. Any County where all the non-litigating subdivisions with a population greater than 10,000 agree to participate in the Settlements will receive an additional 10% of its allocated share.
- c. A subdivision which agrees to participate in either the Distributors Settlement Agreement or the J&J Settlement Agreement, but not the other, the

payment to the County shall have its allocation reduced by 150% the pro-rata size of the Settlement to which the subdivision did not agree.

- d. Funds withheld pursuant to Section X-Forfeitures, Penalties and Incentives will be re-allocated to the Commonwealth Account.
- e. For the avoidance of doubt, nothing in this section shall apply to or authorize any penalty for a Participating Subdivision's failure or inability to secure the participation of a District Attorney within its jurisdiction.

B. Litigating Subdivision Penalties

- 1. Any Litigating Subdivision that fails to agree to participate in the Settlements shall receive nothing from the County Abatement Account, the Litigating Subdivision Account and shall not have any portion of its Attorney Fees or Costs paid out of the Settlements.

C. Inappropriate Spending and Failure to File Reports.

1. If a County or Litigating Subdivision spends some or all of its funds in a way that is not in accordance with the requirements of Exhibit E to the Settlements or fails to provide the Board of Trustees with an annual report of its spending, the Board of Trustee shall withhold the next year's payments to such County or Subdivision. The County or Litigating Subdivision will have up to 3 months to cure the misspending or provide the annual report of its spending and receive its full payment. If it is not cured after 3 months, the Board of Trustees may reduce or withhold payments going forward, and re-allocate the difference to the Commonwealth Account.

So Ordered:



J.

Exhibit 1

County shares have been determined based on a 4-metric formula, with the following weights:

- **All Overdose Deaths** – Number of all overdose deaths 2015-2019 as compiled by the CDC (40%)
- **OUD-Related Hospitalizations** – Number of unique individuals hospitalized for any OUD-related diseases 2016-2019 as compiled by the Pennsylvania Health Care Cost Containment Council (PHC4) via OpenDataPA (20%)
- **EMS Naloxone Administrations** -- Number of naloxone doses administered by Emergency Medical Services 2018-2020 as compiled by the Pennsylvania Department of Health (20%)
- **Adjusted MME** - Total Morphine Milligram Equivalents (MME) of prescription opioids dispensed by county 2006-2014 per ARCOS data, adjusted by the ratio of OUD prevalence rate or the ratio of overdose deaths, whichever was higher per county (20%)

The resulting County shares are as follows:

County	4-Metric (MME Adjusted) Formula (unequal weights: (40-20-20-20)
Adams	0.344%
Allegheny	11.524%
Armstrong	0.606%

Beaver	1.274%
Bedford	0.192%
Berks	1.891%
Blair	0.807%
Bradford	0.225%
Bucks	5.803%
Butler	1.369%
Cambria	1.587%
Cameron	0.072%
Carbon	0.644%
Centre	0.250%
Chester	2.230%
Clarion	0.147%
Clearfield	0.299%
Clinton	0.105%
Columbia	0.328%
Crawford	0.671%
Cumberland	1.048%
Dauphin	1.611%
Delaware	6.468%
Elk	0.168%
Erie	2.051%

Fayette	1.348%
Forest	0.049%
Franklin	0.514%
Fulton	0.077%
Greene	0.205%
Huntingdon	0.179%
Indiana	0.683%
Jefferson	0.189%
Juniata	0.061%
Lackawanna	1.393%
Lancaster	2.266%
Lawrence	0.989%
Lebanon	0.603%
Lehigh	2.107%
Luzerne	3.282%
Lycoming	0.642%
McKean	0.180%
Mercer	0.931%
Mifflin	0.173%
Monroe	0.827%
Montgomery	5.047%
Montour	0.143%

Northampton	1.686%
Northumberland	0.578%
Perry	0.231%
Philadelphia	23.146%
Pike	0.283%
Potter	0.067%
Schuylkill	0.986%
Snyder	0.109%
Somerset	0.425%
Sullivan	0.050%
Susquehanna	0.166%
Tioga	0.149%
Union	0.082%
Venango	0.336%
Warren	0.139%
Washington	1.647%
Wayne	0.315%
Westmoreland	3.227%
Wyoming	0.204%
York	2.571%

Exhibit 2

[Year]

[County of _____][City of Philadelphia] Abatement Account
Certification

I, _____, on behalf of [the County of _____] [City of Philadelphia] hereby Certify that the County Abatement Funds received by [the County of _____] [the City of Philadelphia] will be used in a manner consistent with the Abatement uses described in Exhibit E of the Settlements and that the payee(s) and their addresses and the amount indicated are:

Payee:

Address:

Amount:

Date: County of _____

By: _____

Title: _____

[Date: City of Philadelphia

By: _____

Title: _____

Exhibit 3

[Year]

[County of _____][City of Philadelphia]Litigating Subdivision
Certification

I, _____, on behalf of [the County of _____] [City of Philadelphia] hereby certify that the Litigating Subdivision Funds received by [the County of _____] [the City of Philadelphia] will be used in a manner consistent with the Abatement uses described in Exhibit E of the Settlements and that the payee(s) and their addresses and the amount indicated are:

Payee:

Address:

Amount:

Date: County of _____

By: _____

Title: _____

[Date: City of Philadelphia

By: _____

Title: _____]

Exhibit 4

**IN THE COURT OF COMMON PLEAS OF
DELAWARE COUNTY, PENNSYLVANIA
CIVIL DIVISION**

DELAWARE COUNTY, PENNSYLVANIA,	:	
	:	
Plaintiff,	:	COURT OF COMMON PLEAS
	:	DELAWARE COUNTY, PA
v.	:	CIVIL ACTION – LAW
	:	
PURDUE PHARMA L.P., et al.,	:	No. 2017-008095
	:	
Defendants.	:	
	:	
	:	

**[PROPOSED] ORDER GRANTING PLAINTIFFS’ MOTION TO
ESTABLISH A PENNSYLVANIA OPIOID FEE FUND AND
APPOINT A SPECIAL MASTER TO DETERMINE AND DISBURSE
ATTORNEYS’ FEES AND ESTABLISH A PROCEDURE FOR
REIMBURSING COUNSEL FOR DOCUMENTED EXPENSES AND
COSTS**

AND NOW, this _____ day of April 2022, after review of the Motion to Establish a Pennsylvania Opioid Fee Fund and Appoint a Special Master to Determine and Disburse Fees and Establish a Procedure for Reimbursing Counsel for Documented Expenses and Costs filed by Track 1 Plaintiffs Delaware County and Carbon County, Pennsylvania, it is hereby **ORDERED** and **DECREED** as follows:

This Attorney Fee and Cost Order is entered into as an adjunct to the Pennsylvania Opioids Trust and Allocation Order entered in [INSERT CASE CAPTION] (the “Trust”) to which this is Exhibit 4. Attached as exhibits to this Order are the National Janssen Settlement Agreement (Exhibit A), and the National Distributor Settlement Agreement (Exhibit B) referred to as “Settlement Agreements” hereafter. Unless otherwise set forth herein, defined terms in this Order shall have the same meanings in the National J&J and Distributor Settlement Agreements and the Trust.

I. Establishment of Pennsylvania Opioid Fee Fund

Consistent with the terms of the Trust and pursuant to 42 P.S. § 2503(8), an attorney fee fund shall be established and held in a separate account subject to the jurisdiction of this Court, to be held and disbursed in a manner consistent with the terms of this Order (the “Pennsylvania Opioid Fee Fund”).

A. Amount and Timing of Payments to Establish the Fund

The amount of the Pennsylvania Opioid Fee Fund shall not exceed 6.6% of all base and incentive payments governmental entities will receive

in the Commonwealth of Pennsylvania over the course of all payment years under the J&J and Distributor Settlement Agreements.

With respect to the timing, although the payment terms from the Settling Defendants extend over an eighteen year period, if the Commonwealth of Pennsylvania is eligible for “Incentive A” under the J&J and Distributor Settlements, the Pennsylvania Opioid Fee Fund shall be funded in its entirety in the first three years, less any amounts required for suspensions, offsets or reductions pursuant to Sections IV, VII and XII of the Settlement Agreements. Under the following payment schedule: 50% paid in 2022; 25% paid in 2023; and 25% in paid in 2024.¹ Alternatively, if the Commonwealth of Pennsylvania is not eligible for Incentive A, the Pennsylvania Opioid Fee Fund shall be funded in its entirety in the first five years, less any amount required for suspension, offsets and reductions provided for in the Settlement Agreements, with equal payments made in each settlement payment year, understanding that if Incentive A is not

¹ For illustrative purposes only, if the Commonwealth will receive \$1,000,000,000 in payments from the settlements, with Incentive A, the Pennsylvania Opioid Fee Fund will receive \$66,000,000 total, with \$33,000,000 paid in payment year one, \$16,500,000 paid in payment year two, and \$16,500,000 paid in payment year three.

achieved, participation levels in the Commonwealth may increase in subsequent years, which may result in an increase in the overall funds to the Commonwealth and a corresponding increase of the Pennsylvania Opioid Fee Fund, causing some fluctuation in the amount of the payment each year such that each payment is not equal.²

Attorneys' fees and expenses awarded by the Special Master under Sections III, IV, and V of this Order shall be payable from the Pennsylvania Opioid Fee Fund upon award, notwithstanding the existence of any objections thereto, or potential for appeal therefrom, or collateral attack on the Trust or the Settlements or any part thereof. Any counsel who pursues an objection, appeal, or collateral attack on the Trust or the Settlements or any part thereof shall be ineligible for any attorneys' fees or expenses awarded by the Special Master until Sections III, IV, or V of this Order until such objection, appeal, or collateral attack is resolved. Counsel shall only have

² For illustrative purposes only, if the Commonwealth will receive \$900,000,000 in payments from the settlements, without Incentive A, the Pennsylvania Opioid Fee Fund will receive \$59,400,000 total, with \$11,880,000 paid in payment year one, \$11,880,000 paid in payment year two, \$11,880,000 paid in payment year three, \$11,880,000 paid in payment year four, and \$11,880,000 paid in payment year five, but if participation levels increase, the payment amounts in payment years three to five may increase and not be equal.

standing to object to its own fee or cost award, and shall not have standing to object to a fee or cost award of any other counsel.

In addition, in the event an objection, appeal, or collateral attack is unsuccessful, any such counsel:

a) Must reimburse all fees and costs of the Special Master incurred in defending any award made under this Order;

b) Pay to Pennsylvania Opioid Fee Fund interest on the amount objected to at the rate of 5%;

c) Pay the fees of the Trust and the Pennsylvania Office of Attorney General incurred during the objection, appeal or collateral attack.

To ensure that payments to counsel do not exceed 6.6% of all base and incentive payments governmental entities will receive in the Commonwealth of Pennsylvania over the course of all payment years under the J&J and Distributor Settlement Agreements, in the event that any counsel appeals its own award of attorneys' fees or costs, the funds in dispute only shall be held in the Pennsylvania Opioid Fee Fund pending the appeal. If the appeal is resolved in favor of counsel who filed the appeal, those funds, together with any interest, shall be payable immediately upon decision by the highest court to which the award was appealed, and the time

to appeal or seek further review has expired. If the appeal is resolved against counsel who filed the appeal, the reserved funds, together with any interest, shall be distributed *pro rata* consistent with the Mathematical Formula for contingency fees described in Section IV.

As discussed in detail below, in order to be eligible to participate in the Pennsylvania Opioid Fee Fund, counsel must agree to waive enforcement of their fee contracts with respect to the Pennsylvania client(s) for whom they are seeking to recover fees. If the total population of the clients whose counsel do not agree to waive their fee agreements is between 10.01% to 25% of the total population of Participating Subdivisions (with the population of District Attorneys measured by half the population of the counties they serve), the amount of the Pennsylvania Opioid Fee Fund shall be reduced on a pro-rata basis, based on the percentage of the population of Participating Subdivisions represented by counsel who do not agree to waive their fee contracts.³ If counsel for 10% or fewer of Litigating Subdivisions (measured by population of the clients for whom counsel is not

³ For illustrative purposes only, if the Pennsylvania Opioid Fee Fund is to be funded at \$66,000,000, but 15% of the eligible clients, by population, do not agree to waive their contracts and participate in the fund, then the amount of the fund shall be reduced by \$9,900,000, for a total of \$56,100,000.

participating) do not agree to waive their fee, the amount of the Pennsylvania Opioid Fee Fund shall not be reduced. If counsel for greater than 25% of Litigating Subdivisions (measured by participation of the clients for whom counsel is not participating) do not agree to waive their fee, there will be no further reductions to the amount of the fund beyond those that occur for greater than 10% up to 25%.

B. The Pennsylvania Opioid Fee Fund Shall Be a Qualified Settlement Fund

The Pennsylvania Opioid Fee Fund shall constitute a single qualified settlement fund within the meaning of section 468B of the Internal Revenue Code of 1986, as amended, and Treasury Regulation Sections 1.468B-1, *et seq.* and will be disbursed consistent with the terms of this order, and will remain subject to the continuing and exclusive jurisdiction of this Court. The Fund will be an account where assets will be segregated from the general assets of the Defendant(s) and related persons or entities.

This Court has jurisdiction over this matter under Treas. Reg. § 1.468B-1(c)(1), which states in relevant part that a Qualified Settlement Fund “is established pursuant to an order of, or is approved by, the United

States, any state (including the District of Columbia), territory, possession, or political subdivision thereof, or any agency or instrumentality (including a court of law) of any of the foregoing and is subject to the continuing jurisdiction of that governmental authority.”

No bond shall be required and all amounts deposited in the Pennsylvania Opioid Fee Fund shall be invested conservatively in a manner designed to assure timely availability of funds, protection of principal and avoidance of concentration risk. All payments into the Pennsylvania Opioid Fee Fund, and any interest thereon, will be held until disbursed in a manner consistent with this Order. No distributions shall be made from the Pennsylvania Opioid Fee Fund except through the process established by this Order. No parties or their counsel shall be considered to be in constructive receipt, as determined under federal income tax principles, of any amounts held by the Pennsylvania Opioid Fee Fund.

II. Appointment of Special Master and Administrator

The Court hereby appoints, retired Magistrate Judge Joel Schneider as Special Master, to oversee and allocate the Pennsylvania Opioid Fee Fund,

and ARCHER Systems, LLC as Administrator to oversee administration and administrative costs of the Fund.

A. Special Master

Judge Schneider served as United States Magistrate Judge in the District of New Jersey for 14 years. During his tenure, he managed, settled, and decided thousands of cases in all aspects of civil litigation, including employment, civil rights, intellectual property, class/collective actions, products liability, contract, data breach, pharmaceutical, and other disputes. While on the bench, Judge Schneider developed a well-deserved reputation for effectively managing and settling complex and multi-party individual and class action cases, including three multidistrict litigations: Caterpillar Engine, Benicar and Valsartan. Specifically, Judge Schneider was recently appointed by the court to mediate the multi-billion dollar LTL/J&J bankruptcy litigation involving J&J's baby powder. He was largely responsible for resolving the fairly recent \$350 million Benicar settlement (approximately 8000 claimants) and finalizing the attorneys' fee allocation. Judge Schneider also presently acts as the Special Master in the Johnson & Johnson MDL talc litigation (38,000 cases) and the coordinated talc (mesothelioma) cases pending in New Jersey state court. Judge Schneider is currently Of Counsel in the Alternative Dispute Resolution

Practice Group at the law firm of Montgomery McCracken Walker & Rhoads LLP. Prior to his judicial appointment, he practiced in the tristate area for 26 years, where he specialized in complex civil litigation.

Judge Schneider was provided with a list of all Plaintiffs' counsel in these Coordinated Proceedings, and has advised he has no conflicts of interest with any of those counsel.

The Special Master shall be responsible for designing and implementing processes and procedures for the allocation of fees, costs, and expenses, consistent with the criteria set forth in this Order. To carry out these responsibilities, the Special Master may set deadlines for any submissions and hold hearings with all or any group of counsel without further consultation with the Court. The Special Master may also employ the services of assistants to act under his direction to accomplish the objectives set forth in this Order. Subject to review by this Court under an abuse of discretion standard, the Special Master shall have the sole authority for making decisions regarding allocations, disbursements, and payments from the Pennsylvania Opioid Fee Fund.

The Special Master may communicate *ex parte* with counsel when such communication is necessary: (a) to maintain confidentiality or a privilege related to specific information; (b) to ensure the efficient

administration and management and oversight of his responsibilities, including scheduling meetings, conferences, calls, or hearings; or (c) for other procedural, routine, or general non-substantive matters. Counsel shall not engage in *ex parte* communications with the Special Master regarding substantive matters.

The Special Master, and any assistant to whom he delegates any aspect of his responsibilities in this Order, including any third parties hired at the Special Master's direction, shall be immune from any liability resulting from any award made under this Order, or any action conducted pursuant to this Order as part of making any award. See *Binder v. Triangle Publications, Inc.*, 442 Pa. 319, 323, 275 A.2d 53, 56 (1971) (“All communications pertinent to any stage of a judicial proceeding are accorded an absolute privilege which cannot be destroyed by abuse.”).

The services of the Special Master and any assistants to whom he delegates any part of his duties under this Order, the Administrator, and any vendors and services they determine to be necessary and appropriate to conduct and complete their work, shall be paid or reimbursed from the Pennsylvania Opioid Fee Fund. The Court has been advised that the Special Master will bill his time at \$800/hour.

As a threshold step in the fee allocation process, the Special Master shall allocate fifty percent (50%) of the Pennsylvania Opioid Fee Fund to be used exclusively for the payment of Agreed Litigation Conduct Fees, and the remaining fifty percent (50%) to be used for contingency fee awards.

B. Administrator

The Administrator shall assist the Special Master and shall be responsible for making any necessary tax filings and payments of taxes, estimated taxes, and associated interest and penalties, if any, by the Pennsylvania Opioid Fee Fund. The Administrator shall be responsible for responding to any questions from, or audits regarding such taxes by, the Internal Revenue Service or any state or local tax authority, as well as questions from the Department of Labor. The Administrator shall also be responsible for complying with all tax information reporting and withholding requirements with respect to payments made by the Pennsylvania Opioid Fee Fund, as well as paying any associated interest and penalties. All such tax, interest, and penalty payments and all expenses and costs incurred in connection with taxation of the Pennsylvania Opioid Fee Fund (including, without limitation, expenses of tax attorneys and accountants) shall be paid from the Pennsylvania Opioid Fee Fund and shall be considered administrative costs. The Administrator will obtain a Federal

Taxpayer Identification Number for the Fund upon entry of an order by this Court establishing the Fund. The Administrator shall be authorized, upon final distribution of all monies paid into the Fund to take appropriate steps to wind down the Fund and thereafter be discharged from any further responsibility with respect to the Fund.

The Administrator and/or its attorneys shall be indemnified and held harmless against reasonable expenses, costs and fees (including attorney fees), judgment, awards, and liabilities of all kinds incurred by the Administrator from any and all claims made by any person or entity that attempts to assert a right of payment, reimbursement or garnishment against the Fund, except to the extent that it is finally determined by this Court that the Administrator and/or its attorneys was/were negligent or acted with willful misconduct in connection with the administration of this Fund.

The Administrator shall have the right to rely upon any affidavit, certificate, letter, notice, electronic mail or other document provided to the Administrator and in the Administrator's reasonable judgment believed to be genuine and sufficient. By way of example, this may include but is not limited to, wire instructions, IRS Form W-9, Plaintiffs' Counsel communications, payment instructions, fee deferment instructions, and the like.

The Court further appoints Huntington Bank as the custodian of the Fund who shall be responsible for any and all investment-related decisions, pursuant to the terms and conditions described in this Order.

III. Awards for Agreed Litigation Conduct Fees

With respect to the Agreed Litigation Conduct portion of the Pennsylvania Opioid Fee Fund, the Court hereby directs the Special Master to: (1) set up a process to receive requests for Agreed Litigation Conduct fees and set forth the required materials to be provided to the Special Master in connection with fee requests; (2) make a preliminary recommendation on the distribution of Agreed Litigation Conduct fees; and (3) address any requests to be heard regarding that preliminary recommendation by attorneys that sought common-benefit fees and then, make a final determination regarding the distribution of Agreed Litigation Conduct fees to qualifying counsel. This Court may review the final determination of an approved distribution of any Agreed Litigation Conduct funds. Any review by this Court of an award made by the Special Master concerning the Agreed Litigation Conduct funds shall be under an abuse of discretion standard.

Counsel shall only be eligible to apply for Agreed Litigation Conduct fees concerning work incurred in connection with the representation of

Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania and executed Participation Agreements to participate in the J&J and Distributor Settlements. If counsel represents clients whose cases are pending in federal court in MDL 2804 or who do not participate in the J&J and Distributor Settlements, counsel may not be awarded Agreed Litigation Conduct fees for work incurred in connection with representation of those clients.

In making determinations for payments for Agreed Litigation Conduct fees, the Special Master shall give consideration to the factors set forth in *In re Baby Prod. Antitrust Litig.*, 708 F.3d 163, 176–77 (3d Cir. 2013) and *Maldonado v. Houstoun*, 256 F.3d 181, 187–88 (3d Cir. 2001).

As these have been applied and interpreted by courts with reference to Agreed Litigation Conduct and other court-awarded fees, as well as the following factors, which may be applied and given relative weight in the Special Master’s discretion:

- the applicant’s contemporaneously recorded time and labor dedicated to Pennsylvania Participating Subdivisions. Claimed “time” shall not be automatically accepted by the Special Master but shall be critically reviewed. Time and labor incurred by contract lawyers for document review shall not be

included in connection with any applicant's request for Agreed Litigation Conduct fees, but rather such time shall be submitted as an expense, for the actual cost of those services;

- the novelty, time, and complexity of the work performed for Pennsylvania Participating Subdivisions;
- the preclusion of other employment by the applicant due to time dedicated to Pennsylvania Participating Subdivisions;
- the "common benefit," if any alleged to have been conferred by the applicant with respect to the coordinated proceedings pending before this Court;
- the amount of the expenditures paid by the applicant which were necessary to prosecute the applicant's case(s);
- the experience, reputation, and ability of the applicant;
- the status of discovery in the cases primarily handled by the applicant in the coordinated proceedings pending before this Court;

- the nature of any work by the applicant on “bellwether” cases or cases that were similarly active in the coordinated proceedings pending before this Court;
- any pressure points successfully exerted by the applicant in cases against the Settling Defendants or any risk for Settling Defendants created by the applicant in cases against them in the coordinated proceedings pending before this Court;
- any risk for defendants created by applicants in cases against the Settling Defendants in the coordinated proceedings pending before this Court;
- successful and unsuccessful motion practice in cases worked on by the applicant in the coordinated proceedings pending before this Court;
- the date of filing of any cases filed by the applicant in the coordinated proceedings pending before this Court;
- the number and population of entities represented by the applicant and the fees that would have been awarded under the

extinguished contingent fee agreements with respect to the applicant's Pennsylvania Participating Subdivisions;

- whether the applicants' Pennsylvania Participating Subdivision clients brought claims against the Settling Defendants;
- whether the applicant has had a leadership role in the coordinated proceedings pending before this Court;
- whether the applicant has had a leadership role in any negotiations aimed at resolving the litigation in the coordinated proceedings pending before this Court; and
- any other factors that the Special Master finds to be appropriate to consider.

IV. Fee Awards Based on Contingent Fee Contracts

With respect to the contingent fee portion of the Pennsylvania Opioid Fee Fund, the Special Master is directed to establish and implement procedures for the distribution fees to compensate eligible counsel for work on behalf of Pennsylvania Participating Litigating Subdivisions, in lieu of enforcement of contingency fee contracts. As part of that process, counsel submitting fee petitions for each Participating Litigating Subdivision shall

represent they waive enforcement rights against the subdivision clients of all contracts entered into in conjunction with the representation of Pennsylvania clients for whom they are seeking to recover contingency fees, prior to applying for contingency fees from the Pennsylvania Opioid Fee Fund.

With respect to contingency fee awards from the Pennsylvania Opioid Fee Fund, any counsel who represents Pennsylvania clients who executed Participation Agreements to participate in the J&J and Distributor Settlements shall be eligible to apply for contingency fees, regardless of the jurisdiction where they filed their cases, provided they comply with the other requirements in this Attorney Fee and Expense Order.

Awards of contingency fees shall be made by applying a mathematical model identical or substantially similar to the Mathematical Model attached as part of Exhibit R to the National Settlement Agreements (see Distributor Settlement Agreement at pp. R-22 to R-25 (the “Mathematical Model”) to the Pennsylvania Participating Subdivisions that are part of the coordinated proceedings pending before this Court. Awards of contingency fees made by the Special Master shall be based exclusively on (1) the settlement amount that will be received by each participating Pennsylvania Litigating Subdivision, the terms of each participating Pennsylvania Litigating Subdivision’s contingency fee contract, and the filing date for each

participating Pennsylvania Litigating Subdivision. No other factors or subjective criteria may be used by the Special Master in calculating contingency fee awards. The Special Master is encouraged to work with counsel who developed the above referenced the Mathematical Model. The Special Master shall oversee the application of the Mathematical Model and resolve any questions or disputes concerning eligibility. The Special Master is empowered to hear disputes concerning and ensure the accuracy of the mathematical calculation. As to awards from the Contingency Fee Fund, there shall be no right of appeal.

V. Reimbursement of Costs and Expenses

Consistent with the terms of the Trust, counsel shall be reimbursed for documented costs and expenses incurred in connection with the representation of Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania and whose clients executed Participation Agreements to participate in the J&J and Distributor Settlements.

Requests for costs and expenses from the Pennsylvania Opioid Fee Fund shall be submitted in two parts, which counsel must segregate in their applications. The first part shall be for all costs and expenses incurred in connection with the representation of Pennsylvania clients who filed cases in

the Unified Judicial System of Pennsylvania and executed Participation Agreements to participate in the J&J and Distributor Settlements, except for costs for document review by contract attorneys. Before submitting requests for costs and for these types of costs, counsel must first apply to the cost fund established in connection with the Distributor and J&J Settlements in the MDL. However, because the MDL cost fund may not make awards in time for the Special Master to take into account those awards in these proceedings, counsel may elect to submit a request for cost and expenses from the Pennsylvania Opioid Fee Fund while a request to the MDL cost fund remains pending. If counsel make this election, counsel shall certify that they will (1) report all amounts subsequently received from the MDL cost fund incurred in their representation of Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania; and (2) immediately reimburse the Pennsylvania Opioid Fee Fund in any amount awarded by the MDL cost fund for expenses incurred in the representation of Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania, plus accrued interest at the same net rate as is earned by the Pennsylvania Opioid Fee Fund. Counsel shall be reimbursed for these costs within a reasonably prompt time following the receipt of a request from counsel that complies with this Order.

The second part of counsel's request shall be for costs for document review by contract attorneys incurred in connection with the representation of Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania and executed Participation Agreements to participate in the J&J and Distributor Settlements. Counsel are not required to apply to the cost fund established in connection with the Distributor and J&J Settlements in the MDL before submitting requests for these types of costs. Once counsel submits a request that complies with this Order, these costs shall be reimbursed in 2022.

To the extent that counsel are not fully reimbursed by the MDL Cost Fund for costs and expenses incurred the representation of Pennsylvania clients who filed cases in the Unified Judicial System of Pennsylvania and executed Participation Agreements to participate in the J&J and Distributor Settlements, counsel shall be reimbursed for such costs and expenses from the Pennsylvania Opioid Fee Fund.

To the extent the Special Master requires assistance to further the purpose of this Order, the Special Master is authorized to retain and utilize, under his supervision, accountants and/or other professionals and vendors, as necessary and appropriate, to assist in the administration and distribution of expenses.

VI. Miscellaneous

To prevent insolvency of the Pennsylvania Opioid Fee Fund, no award shall be made until all applications have been received and award amounts for each applicant are finalized.

SO ORDERED, this _____ day of _____,
2022.

BY THE COURT:

Hon. Barry C. Dozor

Exhibit 5

The participating subdivisions are identified below:

1. Abington Township, Montgomery County
2. Adams County
3. Adams Township, Butler County
4. Aliquippa City, Beaver County
5. Allegheny County
6. Allentown City, Lehigh County
7. Altoona City, Blair County
8. Amity Township, Berks County
9. Antrim Township, Franklin County
10. Armstrong County
11. Aston Township, Delaware County
12. Beaver County
13. Bedford County
14. Bensalem Township, Bucks County
15. Berks County
16. Berwick Borough, Columbia County
17. Bethel Park Municipality, Allegheny County
18. Bethlehem City, Lehigh County, Northampton County
19. Bethlehem Township, Northampton County
20. Blair County
21. Bloomsburg Town, Columbia County
22. Bradford County
23. Bristol Township, Bucks County
24. Buckingham Township, Bucks County
25. Bucks County
26. Butler City, Butler County
27. Butler County
28. Butler Township, Butler County
29. Caln Township, Chester County
30. Cambria County
31. Cameron County
32. Carbon County

33. Carlisle Borough, Cumberland County
34. Cecil Township, Washington County
35. Center Township, Beaver County
36. Centre County
37. Chambersburg Borough, Franklin County
38. Cheltenham Township, Montgomery County
39. Chester City, Delaware County
40. Chester County
41. Chestnuthill Township, Monroe County
42. Clarion County
43. Clearfield County
44. Clinton County
45. Coal Township, Northumberland County
46. Coatesville City, Chester County
47. College Township, Centre County
48. Columbia Borough, Lancaster County
49. Columbia County
50. Concord Township, Delaware County
51. Coolbaugh Township, Monroe County
52. Cranberry Township, Butler County
53. Crawford County
54. Cumberland County
55. Cumru Township, Berks County
56. Darby Borough, Delaware County
57. Dauphin County
58. Delaware County
59. Derry Township, Dauphin County
60. Derry Township, Westmoreland County
61. Dingman Township, Pike County
62. District Attorney Of Berks County
63. District Attorney Of Bucks County
64. District Attorney Of Chester County
65. District Attorney Of Clearfield County
66. District Attorney Of Dauphin County
67. District Attorney Of Delaware County

68. District Attorney Of Erie County
69. District Attorney Of Northampton County
70. District Attorney Of Westmoreland County
71. Douglass Township, Montgomery County
72. Dover Township, York County
73. Doylestown Township, Bucks County
74. Dunmore Borough, Lackawanna County
75. East Bradford Township, Chester County
76. East Cocalico Township, Lancaster County
77. East Goshen Township, Chester County
78. East Hempfield Township, Lancaster County
79. East Lampeter Township, Lancaster County
80. East Norriton Township, Montgomery County
81. East Pennsboro Township, Cumberland County
82. East Stroudsburg Borough, Monroe County
83. East Whiteland Township, Chester County
84. Easton City, Northampton County
85. Easttown Township, Chester County
86. Edwardsville Borough, Luzerne County
87. Elizabeth Township, Allegheny County
88. Elizabethtown Borough, Lancaster County
89. Elk County
90. Emmaus Borough, Lehigh County
91. Ephrata Borough, Lancaster County
92. Ephrata Township, Lancaster County
93. Erie City, Erie County
94. Erie County
95. Exeter Borough, Luzerne County
96. Exeter Township, Berks County
97. Fairview Township, Erie County
98. Fairview Township, Luzerne County
99. Fairview Township, York County
100. Falls Township, Bucks County
101. Fayette County
102. Ferguson Township, Centre County

103. Forest County
104. Forks Township, Northampton County
105. Forty Fort Borough, Luzerne County
106. Franconia Township, Montgomery County
107. Franklin County
108. Franklin Park Borough, Allegheny County
109. Fulton County
110. Greene County
111. Greene Township, Franklin County
112. Greensburg City, Westmoreland County
113. Guilford Township, Franklin County
114. Hamilton Township, Franklin County
115. Hampden Township, Cumberland County
116. Hanover Borough, York County
117. Hanover Township, Luzerne County
118. Hanover Township, Northampton County
119. Harborcreek Township, Erie County
120. Harrisburg City, Dauphin County
121. Hatfield Township, Montgomery County
122. Haverford Township, Delaware County
123. Hazleton City, Luzerne County
124. Hempfield Township, Westmoreland County
125. Hermitage City, Mercer County
126. Hilltown Township, Bucks County
127. Hopewell Township, Beaver County
128. Horsham Township, Montgomery County
129. Huntingdon County
130. Indiana Borough
131. Indiana County
132. Jefferson County
133. Jefferson Hills Borough, Allegheny County
134. Johnstown City, Cambria County
135. Juniata County
136. Kingston Borough, Luzerne County
137. Lackawanna County

138. Lancaster City, Lancaster County
139. Lancaster County
140. Lancaster Township, Lancaster County
141. Lansdale Borough, Montgomery County
142. Lansdowne Borough, Delaware County
143. Lawrence County
144. Lebanon City, Lebanon County
145. Lebanon County
146. Lehigh Township, Northampton County
147. Lehman Township, Pike County
148. Limerick Township, Montgomery County
149. Lock Haven City, Clinton County
150. Logan Township, Blair County
151. Lower Allen Township, Cumberland County
152. Lower Burrell City, Westmoreland County
153. Lower Macungie Township, Lehigh County
154. Lower Makefield Township, Bucks County
155. Lower Merion Township, Montgomery County
156. Lower Moreland Township, Montgomery County
157. Lower Paxton Township, Dauphin County
158. Lower Pottsgrove Township, Montgomery County
159. Lower Providence Township, Montgomery County
160. Lower Saucon Township, Northampton County
161. Lower Southampton Township, Bucks County
162. Loyalsock Township, Lycoming County
163. Luzerne County
164. Lycoming County
165. Mahoning Township, Carbon County
166. Manchester Township, York County
167. Manheim Township, Lancaster County
168. Manor Township, Lancaster County
169. Marple Township, Delaware County
170. Mccandless Township, Allegheny County
171. Mckean County
172. Mercer County

173. Middle Smithfield Township, Monroe County
174. Middletown Township, Bucks County
175. Middletown Township, Delaware County
176. Mifflin County
177. Milford Township, Bucks County
178. Millcreek Township, Erie County
179. Monroe County
180. Montgomery County
181. Montgomery Township, Montgomery County
182. Montour County
183. Morrisville Borough, Bucks County
184. Mount Joy Township, Lancaster County
185. Mount Lebanon Township, Allegheny County
186. Mount Pleasant Township, Westmoreland County
187. Muhlenberg Township, Berks County
188. Munhall Borough, Allegheny County
189. Murrysville Municipality, Westmoreland County
190. Nanticoke City, Luzerne County
191. Nether Providence Township, Delaware County
192. New Britain Township, Bucks County
193. New Castle City, Lawrence County
194. New Garden Township, Chester County
195. New Kensington City, Westmoreland County
196. Newberry Township, York County
197. Newtown Township, Bucks County
198. Newtown Township, Delaware County
199. Norristown Borough, Montgomery County
200. North Huntingdon Township, Westmoreland County
201. North Lebanon Township, Lebanon County
202. North Middleton Township, Cumberland County
203. North Strabane Township, Washington County
204. North Union Township, Fayette County
205. North Versailles Township, Allegheny County
206. North Whitehall Township, Lehigh County
207. Northampton County

208. Northampton Township, Bucks County
209. Northumberland County
210. Palmer Township, Northampton County
211. Patton Township, Centre County
212. Penn Hills Township, Allegheny County
213. Penn Township, Lancaster County
214. Penn Township, Westmoreland County
215. Penn Township, York County
216. Perry County
217. Peters Township, Washington County
218. Philadelphia City, Philadelphia
219. Philadelphia School District, Philadelphia County
220. Phoenixville Borough, Chester County
221. Pike County
222. Pine Township, Allegheny County
223. Pittsburgh City, Allegheny County
224. Plains Township, Luzerne County
225. Plumstead Township, Bucks County
226. Plymouth Township, Montgomery County
227. Pocono Township, Monroe County
228. Potter County
229. Pottstown Borough, Montgomery County
230. Pottsville City, Schuylkill County
231. Radnor Township, Delaware County
232. Rapho Township, Lancaster County
233. Reading City, Berks County
234. Richland Township, Bucks County
235. Richland Township, Cambria County
236. Ridley Township, Delaware County
237. Robinson Township, Allegheny County
238. Ross Township, Allegheny County
239. Rostraver Township, Westmoreland County
240. Salisbury Township, Lancaster County
241. Salisbury Township, Lehigh County
242. Sandy Township, Clearfield County

243. Schuylkill County
244. Scranton City, Lackawanna County
245. Sharon City, Mercer County
246. Silver Spring Township, Cumberland County
247. Snyder County
248. Somerset County
249. Somerset Township, Somerset County
250. South Lebanon Township, Lebanon County
251. South Middleton Township, Cumberland County
252. South Union Township, Fayette County
253. South Whitehall Township, Lehigh County
254. Southeastern Pennsylvania Transportation Authority,
255. Spring Garden Township, York County
256. Spring Township, Berks County
257. Springettsbury Township, York County
258. Springfield Township, Delaware County
259. Springfield Township, Montgomery County
260. St. Marys City, Elk County
261. State College Borough, Centre County
262. Stroud Township, Monroe County
263. Sugar Notch Borough, Luzerne County
264. Sullivan County, Sullivan County
265. Susquehanna County
266. Susquehanna Township, Dauphin County
267. Swatara Township, Dauphin County
268. Tioga County, Tioga County
269. Towamencin Township, Montgomery County
270. Tredyffrin Township, Chester County
271. Union County, Union County
272. Union Township, Lawrence County
273. Unity Township, Westmoreland County
274. Upper Allen Township, Cumberland County
275. Upper Chichester Township, Delaware County
276. Upper Darby Township, Delaware County
277. Upper Dublin Township, Montgomery County

278. Upper Gwynedd Township, Montgomery County
279. Upper Macungie Township, Lehigh County
280. Upper Merion Township, Montgomery County
281. Upper Moreland Township, Montgomery County
282. Upper Providence Township, Delaware County
283. Upper Providence Township, Montgomery County
284. Upper Southampton Township, Bucks County
285. Upper St Clair Township, Allegheny County
286. Upper Uwchlan Township, Chester County
287. Uwchlan Township, Chester County
288. Venango County
289. Wampum Borough, Lawrence County
290. Warminster Township, Bucks County
291. Warren County
292. Warrington Township, Bucks County
293. Warwick Township, Bucks County
294. Warwick Township, Lancaster County
295. Washington City, Washington County
296. Washington County
297. Washington Township, Franklin County
298. Wayne County
299. Waynesboro Borough, Franklin County
300. West Bradford Township, Chester County
301. West Chester Borough, Chester County
302. West Goshen Township, Chester County
303. West Hanover Township, Dauphin County
304. West Hempfield Township, Lancaster County
305. West Lampeter Township, Lancaster County
306. West Manchester Township, York County
307. West Mifflin Borough, Allegheny County
308. West Norriton Township, Montgomery County
309. West Pittston Borough, Luzerne County
310. West Whiteland Township, Chester County
311. Westmoreland County
312. Westtown Township, Chester County

313. White Township, Indiana County
314. Whitehall Borough, Allegheny County
315. Whitehall Township, Lehigh County
316. Whitmarsh Township, Montgomery County
317. Whitpain Township, Montgomery County
318. Wilkes Barre Township, Luzerne County
319. Wilkes-Barre City, Luzerne County
320. Williamsport City, Lycoming County
321. Willistown Township, Chester County
322. Windsor Township, York County
323. Worcester Township, Montgomery County
324. Wright Township, Luzerne County
325. Wyoming Borough, Luzerne County
326. Wyoming County
327. Wyomissing Borough, Berks County
328. Yeadon Borough, Delaware County
329. York City, York County
330. York County
331. York Township, York County

Tab 2

Pennsylvania Opioid Misuse and Addiction Abatement Trust

Settlement Funds Received and Distributed July 1, 2023 - June 30, 2024

Based on information provided by the Pennsylvania Office of Attorney General and Wilmington Trust

Settlement Funds Received	Payments
Wave 1 (J&J)	\$ 38,541,271.72
Wave 1 (Distributors McKesson, Cardinal Health, AmerisourceBergen)	\$ 66,654,911.76
Mallinckrodt	\$ 8,258,835.52
Total Settlement Funds Received	\$ 113,455,019.00
Other Funds Received	
Interest	2,338,273.86
Total Receipts	\$ 115,793,292.86

Settlement Funds Distributed	Distribution
Counties (67)	
Adams	\$ 228,016.05
Allegheny	\$ 6,052,085.62
Armstrong	\$ 313,004.07
Beaver	\$ 672,221.31
Bedford	\$ 115,722.21
Berks	\$ 913,336.93
Blair	\$ 375,053.66
Bradford	\$ 130,532.77
Bucks	\$ 3,056,928.66
Butler	\$ 636,243.38
Cambria	\$ 801,134.27
Cameron	\$ 66,809.56
Carbon	\$ 447,686.38
Centre	\$ 116,187.64
Chester	\$ 1,333,945.85
Clarion	\$ 86,058.08
Clearfield	\$ 177,336.13
Clinton	\$ 87,661.11
Columbia	\$ 188,711.74
Crawford	\$ 311,847.54
Cumberland	\$ 610,656.57
Dauphin	\$ 782,457.38
Delaware	\$ 3,887,694.81
Elk	\$ 78,078.07
Erie	\$ 1,104,022.47
Fayette	\$ 688,385.28
Forest	\$ 66,809.56
Franklin	\$ 313,159.96
Fulton	\$ 66,809.56

Greene	\$	112,400.54
Huntingdon	\$	104,193.56
Indiana	\$	363,774.60
Jefferson	\$	87,837.81
Juniata	\$	66,809.56
Lackawanna	\$	750,239.51
Lancaster	\$	1,053,124.57
Lawrence	\$	500,637.70
Lebanon	\$	280,244.54
Lehigh	\$	1,363,276.66
Luzerne	\$	1,706,596.42
Lycoming	\$	367,343.03
McKean	\$	83,655.06
Mercer	\$	501,371.57
Mifflin	\$	80,401.84
Monroe	\$	464,531.19
Montgomery	\$	2,345,595.61
Montour	\$	66,809.56
Northampton	\$	845,613.56
Northumberland	\$	319,653.29
Perry	\$	107,357.36
Philadelphia	\$	13,217,949.00
Pike	\$	161,418.74
Potter	\$	66,809.56
Schuylkill	\$	526,385.40
Snyder	\$	66,809.56
Somerset	\$	197,518.94
Sullivan	\$	66,809.56
Susquehanna	\$	77,148.61
Tioga	\$	88,799.63
Union	\$	66,809.56
Venango	\$	156,156.13
Warren	\$	66,809.56
Washington	\$	865,167.47
Wayne	\$	146,396.39
Westmoreland	\$	1,668,693.53
Wyoming	\$	111,853.12
York	\$	1,412,297.77
District Attorneys (10)		
Berks County DA	\$	194,789.49
Bucks County DA	\$	292,931.71
Chester County DA	\$	242,359.10
Clearfield County DA	\$	36,592.36
Dauphin County DA	\$	129,761.82

Delaware County DA	\$	262,004.06
Erie County DA	\$	122,989.41
Lehigh County DA	\$	257,879.45
Northampton County DA	\$	141,838.73
Westmoreland County DA	\$	160,861.38
Subdivisions - Other Litigants (36)		
Aliquippa City, Beaver County	\$	1,572.18
Allentown City, Lehigh County	\$	70,962.90
Bensalem Township, Bucks County	\$	30,163.85
Bristol Township, Bucks County	\$	34,261.17
City of Lock Haven, Clinton County	\$	5,978.87
Coatesville City, Chester County	\$	16,709.08
Edwardsville Borough, Luzerne County	\$	6,683.63
Exeter Borough, Luzerne County	\$	6,683.63
Fairview Township, Luzerne County	\$	16,709.08
Forty Fort Borough, Luzerne County	\$	6,683.63
Hanover Township, Luzerne County	\$	16,709.08
Hazleton City, Luzerne County	\$	17,357.21
Kingston Borough, Luzerne County	\$	16,709.08
Lower Makefield Township, Bucks County	\$	18,495.19
Lower Southampton Township, Bucks County	\$	16,709.08
Mahoning Township, Lawrence County	\$	1,572.18
Middletown Township, Bucks County	\$	21,931.16
Morrisville Borough, Bucks County	\$	5,978.87
Nanticoke City, Luzerne County	\$	16,709.08
New Castle City, Lawrence County	\$	3,930.45
Newtown Township, Bucks County	\$	14,947.18
Norristown Borough, Montgomery County	\$	17,028.56
Pittsburgh City, Allegheny County	\$	168,689.25
Plains Township, Luzerne County	\$	6,767.76
SEPTA	\$	49,698.91
Sugar Notch Borough, Luzerne County	\$	6,683.63
Union Township, Lawrence County	\$	1,572.18
Wampum Borough, Lawrence County	\$	1,572.18
Warminster Township, Bucks County	\$	18,680.87
Warrington Township, Bucks County	\$	17,009.41
West Norriton Township, Montgomery County	\$	14,947.18
West Pittston Borough, Luzerne County	\$	6,683.63
Wilkes-Barre City, Luzerne County	\$	24,681.10
Wilkes-Barre Township, Luzerne County	\$	6,683.63
Wright Township, Luzerne County	\$	6,683.63
Wyoming Borough, Luzerenre County	\$	6,683.63
Commonwealth of PA	\$	10,021,310.55
Attorneys' Fee Fund	\$	11,515,940.92

Total Settlement Funds Distributed	\$ 78,324,677.89
Administrative Expenses	
Bank Fees	14,815.44
Insurance	76,781.76
Accounting	54,708.00
Administrator	145,358.55
Right- to - Know Legal	137,922.00
Legal	318,090.86
Total Administrative Expenses	\$ 747,676.61
Total Funds Distributed and Administrative Expenses	\$ 79,072,354.50

* AmerisourceBergen changed its name to Cencora August 30, 2023.

Tab 3:
Exhibit E

EXHIBIT E

List of Opioid Remediation Uses

Schedule A Core Strategies

States and Qualifying Block Grantees shall choose from among the abatement strategies listed in Schedule B. However, priority shall be given to the following core abatement strategies (“*Core Strategies*”).¹⁴

- A. **NALOXONE OR OTHER FDA-APPROVED DRUG TO REVERSE OPIOID OVERDOSES**
1. Expand training for first responders, schools, community support groups and families; and
 2. Increase distribution to individuals who are uninsured or whose insurance does not cover the needed service.
- B. **MEDICATION-ASSISTED TREATMENT (“MAT”) DISTRIBUTION AND OTHER OPIOID-RELATED TREATMENT**
1. Increase distribution of MAT to individuals who are uninsured or whose insurance does not cover the needed service;
 2. Provide education to school-based and youth-focused programs that discourage or prevent misuse;
 3. Provide MAT education and awareness training to healthcare providers, EMTs, law enforcement, and other first responders; and
 4. Provide treatment and recovery support services such as residential and inpatient treatment, intensive outpatient treatment, outpatient therapy or counseling, and recovery housing that allow or integrate medication and with other support services.

¹⁴ As used in this Schedule A, words like “expand,” “fund,” “provide” or the like shall not indicate a preference for new or existing programs.

C. **PREGNANT & POSTPARTUM WOMEN**

1. Expand Screening, Brief Intervention, and Referral to Treatment (“*SBIRT*”) services to non-Medicaid eligible or uninsured pregnant women;
2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for women with co-occurring Opioid Use Disorder (“*OUD*”) and other Substance Use Disorder (“*SUD*”)/Mental Health disorders for uninsured individuals for up to 12 months postpartum; and
3. Provide comprehensive wrap-around services to individuals with OUD, including housing, transportation, job placement/training, and childcare.

D. **EXPANDING TREATMENT FOR NEONATAL ABSTINENCE SYNDROME (“*NAS*”)**

1. Expand comprehensive evidence-based and recovery support for NAS babies;
2. Expand services for better continuum of care with infant-need dyad; and
3. Expand long-term treatment and services for medical monitoring of NAS babies and their families.

E. **EXPANSION OF WARM HAND-OFF PROGRAMS AND RECOVERY SERVICES**

1. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments;
2. Expand warm hand-off services to transition to recovery services;
3. Broaden scope of recovery services to include co-occurring SUD or mental health conditions;
4. Provide comprehensive wrap-around services to individuals in recovery, including housing, transportation, job placement/training, and childcare; and
5. Hire additional social workers or other behavioral health workers to facilitate expansions above.

F. **TREATMENT FOR INCARCERATED POPULATION**

1. Provide evidence-based treatment and recovery support, including MAT for persons with OUD and co-occurring SUD/MH disorders within and transitioning out of the criminal justice system; and
2. Increase funding for jails to provide treatment to inmates with OUD.

G. **PREVENTION PROGRAMS**

1. Funding for media campaigns to prevent opioid use (similar to the FDA’s “Real Cost” campaign to prevent youth from misusing tobacco);
2. Funding for evidence-based prevention programs in schools;
3. Funding for medical provider education and outreach regarding best prescribing practices for opioids consistent with the 2016 CDC guidelines, including providers at hospitals (academic detailing);
4. Funding for community drug disposal programs; and
5. Funding and training for first responders to participate in pre-arrest diversion programs, post-overdose response teams, or similar strategies that connect at-risk individuals to behavioral health services and supports.

H. **EXPANDING SYRINGE SERVICE PROGRAMS**

1. Provide comprehensive syringe services programs with more wrap-around services, including linkage to OUD treatment, access to sterile syringes and linkage to care and treatment of infectious diseases.

I. **EVIDENCE-BASED DATA COLLECTION AND RESEARCH ANALYZING THE EFFECTIVENESS OF THE ABATEMENT STRATEGIES WITHIN THE STATE**

Schedule B Approved Uses

Support treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

PART ONE: TREATMENT

A. **TREAT OPIOID USE DISORDER (OUD)**

Support treatment of Opioid Use Disorder (“*OUD*”) and any co-occurring Substance Use Disorder or Mental Health (“*SUD/MH*”) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:¹⁵

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of Medication-Assisted Treatment (“*MAT*”) approved by the U.S. Food and Drug Administration.
2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine (“*ASAM*”) continuum of care for OUD and any co-occurring SUD/MH conditions.
3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including *MAT*, as well as counseling, psychiatric support, and other treatment and recovery support services.
4. Improve oversight of Opioid Treatment Programs (“*OTPs*”) to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.
5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.
6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.
7. Support evidence-based withdrawal management services for people with OUD and any co-occurring mental health conditions.

¹⁵ As used in this Schedule B, words like “expand,” “fund,” “provide” or the like shall not indicate a preference for new or existing programs.

8. Provide training on MAT for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including telementoring to assist community-based providers in rural or underserved areas.
9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH conditions.
10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.
11. Offer scholarships and supports for behavioral health practitioners or workers involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, or other incentives for providers to work in rural or underserved areas.
12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 (“*DATA 2000*”) to prescribe MAT for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.
13. Disseminate of web-based training curricula, such as the American Academy of Addiction Psychiatry’s Provider Clinical Support Service–Opioids web-based training curriculum and motivational interviewing.
14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry’s Provider Clinical Support Service for Medication–Assisted Treatment.

B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.
2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.
3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.

4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved medication with other support services.
5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.
6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.
7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.
8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.
9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.
10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.
11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.
12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.
13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including new Americans.
14. Create and/or support recovery high schools.
15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

**C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED
(CONNECTIONS TO CARE)**

Provide connections to care for people who have—or are at risk of developing—OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.
2. Fund SBIRT programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.
3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.
4. Purchase automated versions of SBIRT and support ongoing costs of the technology.
5. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments.
6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MAT, recovery case management or support services.
7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.
8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co-occurring SUD/MH conditions or persons that have experienced an opioid overdose.
9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid-related adverse event.
10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.
11. Expand warm hand-off services to transition to recovery services.
12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.
13. Develop and support best practices on addressing OUD in the workplace.

14. Support assistance programs for health care providers with OUD.
15. Engage non-profits and the faith community as a system to support outreach for treatment.
16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:
 1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative (“*PAARP*”);
 2. Active outreach strategies such as the Drug Abuse Response Team (“*DART*”) model;
 3. “Naloxone Plus” strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;
 4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion (“*LEAD*”) model;
 5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or
 6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.
2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MAT, and related services.
3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.

4. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are incarcerated in jail or prison.
5. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.
6. Support critical time interventions (“*CTP*”), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.
7. Provide training on best practices for addressing the needs of criminal justice-involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

E. ADDRESS THE NEEDS OF PREGNANT OR PARENTING WOMEN AND THEIR FAMILIES, INCLUDING BABIES WITH NEONATAL ABSTINENCE SYNDROME

Address the needs of pregnant or parenting women with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with neonatal abstinence syndrome (“*NAS*”), through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MAT, recovery services and supports, and prevention services for pregnant women—or women who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to families affected by Neonatal Abstinence Syndrome.
2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for uninsured women with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.
3. Provide training for obstetricians or other healthcare personnel who work with pregnant women and their families regarding treatment of OUD and any co-occurring SUD/MH conditions.
4. Expand comprehensive evidence-based treatment and recovery support for NAS babies; expand services for better continuum of care with infant-need dyad; and expand long-term treatment and services for medical monitoring of NAS babies and their families.

5. Provide training to health care providers who work with pregnant or parenting women on best practices for compliance with federal requirements that children born with NAS get referred to appropriate services and receive a plan of safe care.
6. Provide child and family supports for parenting women with OUD and any co-occurring SUD/MH conditions.
7. Provide enhanced family support and child care services for parents with OUD and any co-occurring SUD/MH conditions.
8. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.
9. Offer home-based wrap-around services to persons with OUD and any co-occurring SUD/MH conditions, including, but not limited to, parent skills training.
10. Provide support for Children’s Services—Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

PART TWO: PREVENTION

F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).
2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.
3. Continuing Medical Education (CME) on appropriate prescribing of opioids.
4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.
5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs (“*PDMPs*”), including, but not limited to, improvements that:

1. Increase the number of prescribers using PDMPs;
2. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or
3. Enable states to use PDMP data in support of surveillance or intervention strategies, including MAT referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.
6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation's Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.
7. Increasing electronic prescribing to prevent diversion or forgery.
8. Educating dispensers on appropriate opioid dispensing.

G. PREVENT MISUSE OF OPIOIDS

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse.
2. Corrective advertising or affirmative public education campaigns based on evidence.
3. Public education relating to drug disposal.
4. Drug take-back disposal or destruction programs.
5. Funding community anti-drug coalitions that engage in drug prevention efforts.
6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration (“SAMHSA”).
7. Engaging non-profits and faith-based communities as systems to support prevention.

8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.
9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.
10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co-occurring SUD/MH conditions.
11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.
12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health workers or other school staff, to address mental health needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.
2. Public health entities providing free naloxone to anyone in the community.
3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.
4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.
5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.
6. Public education relating to emergency responses to overdoses.

7. Public education relating to immunity and Good Samaritan laws.
8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.
9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.
10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.
11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.
12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co-occurring SUD/MH conditions.
13. Supporting screening for fentanyl in routine clinical toxicology testing.

PART THREE: OTHER STRATEGIES

I. FIRST RESPONDERS

In addition to items in section C, D and H relating to first responders, support the following:

1. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.
2. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.

J. LEADERSHIP, PLANNING AND COORDINATION

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment

intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.
3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.
4. Provide resources to staff government oversight and management of opioid abatement programs.

K. TRAINING

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.
2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (*e.g.*, health care, primary care, pharmacies, PDMPs, etc.).

L. RESEARCH

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.
2. Research non-opioid treatment of chronic pain.
3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.

4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.
5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.
6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (*e.g.*, Hawaii HOPE and Dakota 24/7).
7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring (“*ADAM*”) system.
8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.
9. Geospatial analysis of access barriers to MAT and their association with treatment engagement and treatment outcomes.

CERTIFICATE OF COMPLIANCE

I, Jayson R. Wolfgang, Esquire, hereby certify that this filing complies with the provisions of the *Case Records Public Access Policy of the Unified Judicial System of Pennsylvania* that require filing confidential information and documents differently than non-confidential information and documents.

/s/ Jayson R. Wolfgang
Jayson R. Wolfgang

DATE: September 10, 2024

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a copy of the foregoing document upon the persons indicated below via the Court’s PACFile (e-service) system, which service satisfies the requirements of Pa. R.A.P. 121:

Neil Mara James A. Donahue III Tyler Ritchie Patrick M. Greene Ann R. Johnston Cheryl Jacobs Office of Attorney General 14th Floor Strawberry Square Harrisburg, PA 17120-0001 <i>Counsel for Petitioner</i>	David F. Abernethy Faegre Drinker Biddle & Reath LLP 1 Logan Square, Suite 2000 Philadelphia, PA 19103-6996 <i>Counsel for Ortho-Mcneil-Janssen Pharmaceuticals, Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc.</i>
Abraham J. Rein Jodi S. Wilenzik Post & Schell, P.C. 1600 JFK Boulevard 4 Penn Center Philadelphia, PA 19103-2808 <i>Counsel for McKesson Corporation</i>	Douglas K. Rosenblum Marc S. Raspanti Mark T. Sottile Pietragallo Gordon Alfano Bosick & Raspanti, LLP 1818 Market Street, Suite 3402 Philadelphia, PA 19103 <i>Counsel for Cardinal Health, Inc.</i>
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/s/ Jayson R. Wolfgang
Jayson R. Wolfgang, Esquire

DATE: September 10, 2024