

MEMORANDUM

To: All Counties and Litigating Subdivisions Recipients

From: Pennsylvania Opioid Misuse and Addiction Abatement Trust

Date: October 29, 2024

Re: Revised September 1, 2024 Notice of Estimated Distributions for 2024

The Pennsylvania Opioid Misuse and Addiction Abatement Trust (“Trust”) is pleased to report that the Pennsylvania Commonwealth Court approved the First Amended and Restated Trust Order (“Amended Order”) on October 15, 2024. The Amended Order, among other things, adds Wave II settlement funds on-hand (approximately \$192 million) to the Wave I funds the Trust will distribute to Participating Subdivisions in December.

Given this development, the Trust has revised the previous notice, provided on August 28, 2024, to include estimated distributions to Participating Subdivisions (*i.e.*, Counties and Litigating Subdivisions) and the Commonwealth for the next distribution cycle.¹ Capitalized terms used herein are as they are defined in the Amended Order. This notice is given in compliance with ¶ V.D.2. of the Amended Order.

ESTIMATED DISTRIBUTIONS FOR 2024

Enclosed with this Memorandum is an Excel file that provides updated estimated distributions of opioid settlement funds received by the Trust from the Distributors, J&J and Other Settlements (“Wave I”) and from Teva, Allergan, Walgreens, CVS and Walmart (“Wave II”).² **These are estimated distributions and are subject to change** due to payment of expenses such as administrative and litigation costs as well as the possibility of receipt of settlement funds from additional sources before disbursement occurs later this year. This spreadsheet, however, provides a reasonable estimate of what each recipient will receive.

The enclosed spreadsheet includes each recipient’s Unique ID and reflects distributions to be received from both the County Abatement Account (Order ¶ II.1.b.), Litigating Subdivision Account (Order ¶ II.1.c), and Commonwealth Account (Order ¶ II.1.a.). Costs and attorneys’ fees, as required by the Order, are also reflected. The tabs in the attached Excel file include:

¹ Pursuant to Section V.D.6. of the Trust Order, distributions to Participating Subdivisions will occur on or about December 15, 2024 and distribution to the Commonwealth will occur on about June 15, 2025.

² For additional detail regarding the payment sources for Wave I distributions, please refer to the spreadsheet distributed to Participating Subdivisions on August 28, 2024. For detailed projections of the Wave I distributions, please refer to the spreadsheet distributed to Participating Subdivisions on August 30, 2023. These spreadsheets are also available on the Trust’s website.

- **“Summary”**: This tab shows the total payments each County and Litigating Subdivision (Column A) will receive from the Wave II settlements (Column B) and the fourth payment under the Wave I settlements (Column C). The total funds to be distributed to each County and Litigating Subdivisions in December 2024 is included in the column entitled “Grand Total” (Column D).
- **“Wave II Payment Detail”**: This tab shows the total payments to each County from the Teva, Allergan, and Walmart settlements (Columns C through E) and the Walgreens and CVS settlements (Columns G through I). Distributions to Litigating Subdivisions, including Counties, are included for the Teva settlement (Columns K through M), Allergan settlement (Columns O through Q), Walgreens and CVS settlements (Columns S through U), and Walmart settlement (Columns W through X). To the extent certain Counties receive bellwether distributions under either the Teva or Allergan settlements, those distributions have also been included (Columns Y through AC). The total payments each County and Litigating Subdivision will receive from the Wave II settlements (Column AG) and the fourth payment under the Wave I settlements (Column AH) is also included. The total funds to be distributed to each County/Litigating Subdivision is included in the column entitled “Grand Total” (Column AJ).
- **“Distribution Breakdown”**: This tab shows the estimated annual distributions from the settlements with Teva (Column C), Allergan (Column D), Walgreens (Column E), CVS (Column F), and Walmart (Column G), as well as the estimated total annual payment under each settlement before any fees being deducted (Column H). To the extent attorneys’ fees are to be removed from the overall settlement amounts, those figures are also reflected (Column I through M), along with a total inclusive of fees (Column N). The inclusive total is then segregated into distributions to be made to the Commonwealth (Column O), Counties (Column P), and Litigating Subdivisions (Column Q), which is the total of the payments to Litigating Subdivisions under the Teva/Allergan settlements (Column R) and Pharmacy settlements (Column S). To the extent the settlements with the various defendants or any side letters issued pursuant thereto include funds to be held in escrow, those fund amounts are included (Columns T through X) and totaled (Columns Y). The gross amounts for distribution, deducting restitution and escrow, under the various settlement agreements is also included (Rows 30 through 34).
- **“County Breakdown”**: This tab shows the estimated annual distributions to Counties from the settlements with Teva (Column D), Allergan (Column E), Walgreens (Column F), CVS (Column G), and Walmart (Column H). Total distributions to Counties under the Teva, Allergan, and Walmart settlements (Column J) and Walmart and CVS settlements (Column K) are also included.
- **“Teva Allergan Walmart County”**: This tab shows the total estimated annual distribution to each County under the Teva, Allergan, and Walmart settlements (Columns C through O), and the total estimated distribution (Column P).

- **“Walgreens and CVS County”**: This tab shows the total estimated annual distribution to each County under the Walgreens and CVS settlements (Columns C through Q), and the total estimated distribution (Column R).
- **“Teva Allergan Lit Breakdown”**: This tab shows the total estimated annual amount to be distributed to the Litigating Subdivisions under the settlements with Teva (Column F) and Allergan (Column I).
- **“Teva Litigating”**: This tab shows the total estimated annual distribution to each Litigating Subdivision under the Teva settlement (Columns C through O), and the total estimated distribution (Column P). To the extent certain Counties receive bellwether distributions under the Teva settlement, those distributions have also been included (Rows 94 through 99).
- **“Allergan Litigating”**: This tab shows the total estimated annual distribution to each Litigating Subdivision under the Allergan settlement (Columns C through I), and the total estimated distribution (Column J). To the extent bellwether payments are to be made from the Allergan settlement, those figures are also included (Rows 89 through 92). Subdivisions subject to the Allergan Allocation Adjustment are included (Rows 96 through 104).
- **“Pharmacies Breakdown”**: This tab shows the total estimated annual amount to be distributed to Litigating Subdivisions under the settlements with Walgreens (Column D), CVS (Column E), and Walmart (Column I). The total estimated payment to Litigating Subdivisions under the Walgreens, CVS, and Walmart settlements is included (Column C).
- **“Walgreens and CVS Litigating”**: This tab shows the total estimated annual distribution to each Litigating Subdivision under the Walgreens and CVS settlements (Columns C through Q), and the total estimated distribution (Column R).
- **“Walmart Litigating”**: This tab shows the total estimated annual distribution to each Litigating Subdivision under the Walmart settlement (Columns C through H), and the total estimated distribution (Column I).

The Trust has worked and continues to work diligently to distribute all available settlement funds as quickly and efficiently as possible. In this regard, the Trust appreciates the cooperation and support of the Counties, Litigating Subdivisions and Commonwealth of Pennsylvania. Special thanks go to the Office of Attorney General, which has played and continues to play an important role in making this possible.

Enclosures: Trust_Payment_4_Revised_Notice.xlsx