

Minutes of the Meeting of December 8, 2022
Pennsylvania Opioid Misuse and Addiction Abatement Trust

- Attendees
 - David Wade – PA OAG
 - Jim Donahue – PA OAG
 - Brianna Trout – PA OAG
 - Tyler Ritchie – PA OAG
 - Gene DiGirolamo – Trustee
 - Jen Smith – Trustee
 - Tom VanKirk, Chair
 - Robert Postal – Trustee
 - Steve Jasper – Trustee
 - Shea Madden – Trustee
 - Jim Gregory – Trustee by phone
 - Nathan McClellan – Representative from Senator, not towards quorum
 - Kevin Boozel – Trustee
 - Christine Tartaglione – Trustee

- 1. Approval of the Minutes of 10/13/22; 8/12/22; 7/22/22
 - Minutes from previous meetings are under revision, so no minutes have been approved.

- 2. Introduction of Newest Trustee – VanKirk
 - Mark Rossi has been nominated and brought up to date on previous actions.

- 3. Update on Monies to be Received by Year-End – David Wade
 - J&J and Distributors 1st payments are in
 - \$90 million total
 - \$44 million – J&J
 - \$46 million – Distributors 1st payment

- 4. Anticipated Payouts by Year-End – David Wade
 - Counties and other subdivisions
 - Payment for attorneys' fees and costs or expenses
14 million – this amount may fluctuate based on participation

 - Set aside for Administrative Fees

\$300,000.00 – Tom suggested motion to increase from \$250K to \$300K to be transferred into a Trust-administered account to utilize for Administrative costs, Jen Smith agreed increasing the amount would cover any unforeseen expenses, Kevin Booze and Robert Postal abstained from vote, Jim Gregory made motion, Jen Smith second, all in favor (excluding abstentions)

5. Update on Discussions with CCAP to Handle Administrative Matters – VanKirk
 - Working on rough estimates, including attorney's fees, CCAP would likely not retain their regular law firm for this purpose.
 - CCAP Proposal – Hiring/supporting fulltime employee to handle all administrative work, website operations, licenses, etc.
 - First year will have some one-time set up costs, although fees will not drop much thereafter.
 - Tom asked them to "build-in" whatever may be needed to use to determine how successful the counties are with using the money – other counties can then learn about successful programs
 - With Year-End, CCAP may not be able to have it up and running until February or March – the proposal says March 1st - David Wade advised the AG's office can assist until then
 - CCAP would also handle banking, keep track of payees and contact them when needed
 - Robert Postal asked about tax reporting, Jim Donahue advised the bank will be doing a 1099 for the trust, so they will need to file a return, but will probably be \$0.00
 - Jen Smith will assist in working with CCAP because Kevin and Robert have to abstain, Gene DiGirolamo made the motion to allow Tom and Jen to be a committee, Shea Madden second motion, all in favor, Kevin and Robert abstained.

6. Discussion of Materials to be Needed for Payees to Justify Future Expenditures – VanKirk
 - Tom discussed the questions he has received from payees regarding what can be done with Trust money, and how payees should report compliance with Exhibit E. Tom raised a proposed cap for Administrative Costs. Members agreed that the counties should be required to provide information regarding how the money is spent, if the money is being spent over time, and the type of account the money is in.
 - If the money is spent over time, the account should generate interest, and all interest could be used for administrative expenses.
 - Expenditures should be categorized; direct assistance, housing, etc.
 - Jen would like to see financial reporting of money in, money out, times and amounts, by category
 - Other funding streams could be used in conjunction with this money. There is money in the drug and alcohol (D&A) space that could be combined with the

opiate settlement amounts – for this, the counties would need to provide a breakdown showing money toward D&A was used for D&A, and money for opiate abatement was used for opiate abatement

- Two counties asked if it could be used for Halfway Houses, even if they already support D&A , they should keep good track of money going in and the ratio of it (amount doing to D&A vs opiate abatement)
- Robert suggested a “curing time” for unacceptable proposals, should be allowed to question the proposal and give a three month curing process;
- Jim Gregory suggested a space to capture success in the process, not just quantifiable metrics, but also the success stories of individuals in treatment
- Kevin advised during the discussion with CCAP, the suggestion was to do breakout sessions and conference calls to go over best practices and provide avenue of education and success for what went well and what could go better

7. General Discussion of Requests for Advisory Opinions

a. Crawford County

b. Berks County

- One individual from Berks County wants to use the money on a Crisis Stabilization Center, wanted to know if there is ability to provide staffing support and it be a long term capital expenditure – going to retrofitting an existing building
- Christine felt the money should not be used for capital expenditures – it should go into programs that work
- Kevin said capital expenditures should be allowed, but have a requirement that it be spent over a reasonable period of time.
- A question was asked if the settlement allowed capital expenditures
- Jim Donahue said yes, it could be used for capital expenditures, but with context. Examples of appropriate uses could be:
 - Lack of doctors in the area to provide medical assistance or earn medical assistance training
 - Availability of treatment beds – making a physical space where there can be in-person treatment

c. Western PA Police Association

- Counties asked if the money could be used for hiring more police officers
- General consensus was no, and Tom suggested if it were being used for First Responders, Social workers, or EMS, that would be permissible, but not for hiring additional police officers

8. New Business – VanKirk
- No new business

Attached is a list of proposed meeting dates for 2023.

TRUST MEETING SCHEDULE FOR 2023

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| Thursday | January 26, 2023 | 1:00 – 3:30 pm |
| Thursday | March 30, 2023 | 1:00 – 3:30 pm |
| Thursday | May 18, 2023 | 1:00 - 3:30 pm |
| Thursday | September 7, 2023 | 1:00 - 3:30 pm |
| Thursday | November 30, 2023 | 1:00 - 3:30 pm |