

Pennsylvania Opioid Misuse and Addiction Abatement Trust
Special Public Meeting of the Board of Trustees
October 29, 2024 | 1:00 PM
Virtual

MINUTES

Board of Trustee Attendees (11):

- Chair Tom VanKirk
- Tumar Alexander
- Commissioner Kevin Boozel
- Erin Dalton
- Secretary Latika Davis-Jones
- Commissioner Gene DiGirolamo
- Shea Madden
- Commissioner Robert Postal
- Senator Greg Rothman
- Representative Jim Struzzi
- Senator Christine Tartaglione

Board of Trustees Not Attending (2):

- Steve Jasper
- Representative Mark Rozzi

Other Attendees:

- Nathan McClellan, Legislative Director for Senator Christine Tartaglione
- Diane Rosati, Bucks County SCA Executive Director
- Neil Mara, Office of Attorney General
- Tyler Ritchie, Office of Attorney General
- Jayson Wolfgang, Buchanan Ingersoll & Rooney
- Jordan Yeagley, Buchanan Ingersoll & Rooney
- Lisa Ritter, Maher Duessel
- Briana Anderson, CCAP

Announcements

- Welcome to members of the public attending.
- This meeting of the Pennsylvania Opioid Misuse and Addiction Abatement Trust has been duly advertised as a public meeting in accordance with the Sunshine Act and is therefore open to members of the public as observers.
- Participation in the meeting is limited to Trustees, representatives from their offices and guests from the Trust's advisors and partners.
- This meeting is being recorded and the video will be available on the Trust's website along with minutes from this meeting after they are approved.
- An Executive Session was held today immediately prior to this public meeting for the purpose of receiving legal updates and legal advice.
- A quorum of Trustees is present at the meeting.

Approval of Prior Meeting Minutes

Minutes from the public meeting held on August 22, 2024 were circulated in advance. Chair Tom VanKirk indicated that he would entertain a motion to approve the minutes. A motion to approve the minutes was made by Senator Christine Tartaglione and seconded by Tumar Alexander. There was no further discussion, and the minutes were approved unanimously by the Trustees in attendance

Resolution to Authorize a Revised September 1, 2024 Notice of Estimated Distributions

Chair Tom VanKirk presented an update on the current status of the Wave II settlements. He explained that, at the August 22, 2024 public meeting, the Pennsylvania Office of the Attorney General (OAG) announced it had successfully reached a resolution with several major defendants in the opioid litigation, including Allergan, Teva, Walmart, Walgreens, and CVS. At that time, the settlements had been finalized, but the OAG still needed to seek approval from the Commonwealth Court to authorize the Trust to make distributions of funds received by the Trust pursuant to these Wave II settlements.

Chair VanKirk noted that while the settlements were approved by the Commonwealth Court by the August 22, 2024 Board meeting, the First Amended and Restated Trust Order (the Amended Order), which would allow the Trust to distribute the Wave II funds, had not yet been approved at that time. As a result, there was uncertainty about whether the Amended Order would be approved in time for the December 15th distribution. To prepare for this, the Trust's accountant, Lisa Ritter from Maher Duessel, prepared a spreadsheet outlining the Wave II distributions, in the event the Amended Order was approved before the December deadline.

On October 15, 2024, the Commonwealth Court approved the Amended Order, granting the Trust the authority to distribute Wave II funds. Chair VanKirk encouraged attendees to review the Amended Order, as it not only authorized the Trust to distribute the Wave II funds but also introduced new reporting requirements for Litigating Subdivisions. These Litigating Subdivisions, which receive roughly 15% of the opioid settlement funds, had previously been inadvertently excluded from the reporting requirements under the original Trust Order. Pursuant to the Amended Order, the first reports from Litigating Subdivisions will be due during the March 15, 2025 reporting cycle, though their specific reporting periods will be determined at a later date. This is in addition to reports from Counties that will also be due at that time.

As Wave II funds will now be included in the December distributions, it was determined that the September 1 Notice, which detailed the estimated distributions to be made in December, required an update. Chair VanKirk discussed the revised September 1 Notice and accompanying spreadsheet (the Revised September 1 Notice), which were circulated to the Trustees in advance of the meeting. The Revised September 1 Notice provides details on the Wave II portion of Payment 4 from the Trust, which, pursuant to the Revised Trust Order, is scheduled to be distributed on or before December 15, 2024. Wave II funds will be distributed in December alongside Wave I funds on-hand, bringing the total distribution to approximately \$246 million. The funds will be subject to the same requirements as the previous distributions, including compliance with Exhibit E and the stipulation that the funds must be spent within 18 months of receipt. The only exception to this timing requirement is the portion of the Wave II funds received from Walmart, which made its full payment upfront. Participating Subdivisions will have 42 months to spend funds received as part of the Walmart settlement.

Chair VanKirk thanked both the Commonwealth Court and the OAG for their diligent work. He then opened the floor for questions. No questions were raised by the Trustees, and Chair VanKirk presented the following resolution:

RESOLVED, that, the County Commissioners Association of Pennsylvania (CCAP), the Trust's Administrator, is authorized to distribute the Revised September 1 Notice to Counties and Litigating Subdivisions in a form substantially similar to the Notice distributed to Trustees in advance of the meeting, and after it is distributed to post the same on the Trust's website.

Commissioner Kevin Boozel made a motion to approve the resolution as presented. Commissioner Robert Postal seconded the motion. Commissioner Kevin Boozel asked whether the December 15th distributions would be made in one transaction, with a memo detailing the various sources of funds that make up the total payment. Chair Tom VanKirk confirmed the same. With no further discussion, the motion was unanimously approved by the Trustees in attendance.

Chair VanKirk announced that, following the meeting, the Revised September 1 Notice and accompanying spreadsheet would be sent to Participating Subdivisions and posted on the Trust's website for public access.

Before adjourning, Chair VanKirk reminded everyone that the Dispute Resolution Committee would convene at 1:30 PM to hear and vote on an appeal from Northampton County.

New Business

No new business was identified. Chair Tom VanKirk expressed his gratitude to the attendees for joining the meeting and thanked them for their participation. With no further business, he adjourned the meeting at 1:23 PM.