Opioid Distributor and Johnson & Johnson Settlement Agreements
Opioid Addiction and Overdose is an Epidemic in Idaho

For several years, the State and local governments have participated in nationwide investigations and litigation against many companies and individuals to hold accountable those responsible.
Opioid Distributor and Johnson & Johnson Settlement Agreements

Idaho is Participating in Two Nationwide Settlements

- These settlements resolve legal claims related to the opioid epidemic with Johnson & Johnson and three major pharmaceutical distributors.

- The State of Idaho, through the Governor and Attorney General, signed onto these settlements on August 20, 2021.

- Because the State is participating, eligible local governments in Idaho may now also participate in the settlement agreements.

- The Settlements will help the State address the opioid epidemic in two ways: (1) by providing funding for opioid remediation and (2) through broad injunctive relief.
Injunctive Relief

- Major changes in how prescriptions will be distributed and sold.
- Increased accountability and oversight.
- Independent monitor.
- National database, funded by Defendant distributors, to help stop deliveries of opioids to pharmacies where diversion and misuse are occurring.
- Johnson & Johnson will be prohibited from selling or promoting opioids.
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Funding for Idaho

Total Funds available to Idaho: ~$120 Million.

- Guaranteed $64 Million in Base Payments.
- Need Participation from Local Governments for additional ~$56 Million in Incentive Payments.

Payment Timeline:

- J&J: $22 Million over 9 years.
- Distributors: $98 Million over 18 years.

*Guaranteed money for the State participating.
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Incentive A
~$50 Million
Maximum money for achieving "Global Peace"
J&J: ~$11 Million
Accelerated payment for first 3 years (June 2022 Payment ~$4.2 Million vs. ~$1.4 Million w/out Incentive A).
Requires Participation/Bar of claims for:
1) All Counties
2) Cities > 10k or Litigating
3) School Dist. > 25K enrolled
4) Fire Dist. >25k population
5) Hospital Districts > 125 beds
Distributors: ~ $39 Million
Requires Participation/Bar of claims for:
1) All Counties
2) Cities > 10k or Litigating
3) School Dist. > 25K
4) Hospital Districts > 125 beds

Incentive B
~$8.9 to $31 Million
Sliding Scale based on Participation/Bar of claims of Litigating Local Governments.
J&J: ~$1.6 to 6.5 Million
Maximum payment available goes down over time (Oct 28, 2022 deadline for maximum funds).
Need at least 75% of population of litigating to be eligible and receive minimum funds and need 100% to receive maximum funds.
Distributors: $7.3 to $24.5 Million

Incentive C
~$4.7 to 19 Million
Sliding Scale based on Participation/Bar of claims of litigating and large local governments.
J&J: ~$1.3 to 4.5 Million
Need 60% of population of litigating and non-litigating counties and cities > 30k to be eligible and receive minimum and 100% to receive maximum funds.
Receive bonus if Top Ten most populous counties and cities join.
Distributors: ~ $3.6 to $14.5 Million

Incentive D ~$6 Million
"Look Back" Payment if certain Local Governments don’t file suit after agreement.
J&J: ~$1.1 Million
Payments starting in July 2027 if no surviving lawsuits have been filed by: (1)School Dist. > 25K enrolled (2) Fire Dist. >25k population or (3) Hospital Districts > 125 beds, as of February 1, 2027
Distributors: ~ $4.9 Million
Payments starting in July 2026 if no surviving lawsuits have been filed by local governments as of May 15, 2026.

Incentive Payments:
A+D or B+C+D
Idaho Opioid Settlement Intrastate Allocation Agreement

1) Idaho and local governments reached an agreement on how to split opioid settlements funds, including funds from potential future opioid settlements.

2) All funds must be spent on approved opioid remediation programs.

3) Expenditures must be annually reported to the Idaho Attorney Generals Office and will be made publically available.

<table>
<thead>
<tr>
<th>State: 40%</th>
<th>Participating Cities/Counties: 40%</th>
<th>Regional Public Health Districts: 20%</th>
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<tbody>
<tr>
<td>Funds placed in the dedicated State-Directed Opioid Settlement Fund established under Idaho Code § 57-825. Appropriations from the Fund are made by the Idaho Legislature based on recommendations by the Idaho Behavioral Health Council.</td>
<td>All counties and cities with population more than 10,000 eligible Funds are split between participating Cities and Counties based on population and certain opioid metrics as set forth in Exhibit B.</td>
<td>Funds placed in the Public Health District Fund established under Idaho Code § 39-422. Funds split between the health districts in proportion to the funds received by cities and counties within each health district’s boundaries as set forth in Exhibit C.</td>
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Approved Opioid Remediation Strategies

- Address the misuse/abuse of opioid products
  - Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids
  - Support efforts to discourage or prevent misuse of opioids
  - Support efforts to reduce overdose deaths and other harms
  - Increase availability of naloxone for first responders and outreach workers
  - Increase access to mental health services for at risk young people

- Treat or mitigate opioid use or related disorders
  - Expand availability/oversight of treatment for Opioid Use Disorder (OUD) and related disorders
  - Provide additional support services for people in recovery
  - Invest in infrastructure and education to connect those who need help to the help they need
  - Invest in programs to address needs of persons with OUD in the criminal justice system
  - Expand support of pregnant women with OUD and infants with neonatal abstinence syndrome

- Mitigate other effects of the opioid epidemic
  - Educating and supporting first responders and law enforcement as to appropriate practices
  - Supporting leadership, planning and coordination to abate opioid epidemic
  - Investing in infrastructure and training for government/ non-profits abating opioid epidemic
  - Investing in infrastructure to share information
  - Investing in research

A full list is included as Exhibit A to the Idaho Allocation Agreement.
The list was developed nationally consulting with various state public health officials, experts, and official with the United States Department of Health and Human Services.
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Important Dates

July 21, 2021
Initial deal announcement

August 21, 2021
Sign-on Period is scheduled to end for States

September 4, 2021
Defendants determine if # of States is sufficient

September 19, 2021
Official notice to subdivisions

September 30, 2021
Distributors pay initial payment into escrow

January 26, 2022
Subdivision initial participation deadline.

February 7, 2022
States’ deadline to inform if participation is sufficient

February 25, 2022
Defendants determine if subdivision participation is sufficient

Feb. 25 – Apr. 2, 2022
States obtain state court consent decrees memorializing settlements

April 2, 2022
Effective Date/Distributers make their first payment

July 1, 2022
J&J makes its first payment

July 15, 2022
J&J and Distributors make their second payment
The Attorney General is committed to protecting the legal rights of Idaho’s citizens and to working with local governments to fight the opioid crisis in Idaho.

Further information regarding the settlements is available at [https://www.ag.idaho.gov/consumer-protection/opioid-settlement/](https://www.ag.idaho.gov/consumer-protection/opioid-settlement/)

Please direct any questions to:

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