



**TO: LINDA GORTON, MAYOR
URBAN COUNTY COUNCIL**

**FROM: THERESA REYNOLDS, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS**

DATE: JANUARY 9, 2023

**SUBJECT: Acceptance of Disbursements received pursuant to Settlement Agreements in
the National Opioid Litigation**

Request: Council authorize the Mayor to accept disbursements in the total amount of \$2,891,826.38 from four defendants pursuant to settlement agreements executed as part of the National Opioid Litigation.

Why are you requesting? In 2017, LFUCG joined with over 30,000 other municipalities across the country in a lawsuit against manufacturers and distributors of opioid medications. Settlement agreements have been executed with Johnson & Johnson, McKesson, AmerisourceBergen and Cardinal Health. Disbursed funds represent the total amount owed by Johnson & Johnson and the first two of approximately eighteen disbursements from McKesson, AmerisourceBergen and Cardinal Health. Kentucky Revised Statutes 15.291 and 15.293, as well as an agreement with the Kentucky Attorney General, outline criteria for use of funds, which must relate to opioid use disorder or any co-occurring substance use disorder or mental health issues.

These are the first disbursements from the first settlement agreements executed in the litigation. Additional funds are expected pursuant to ongoing settlement negotiations and bankruptcy proceedings involving other defendants. Disbursement amounts received by LFUCG will vary annually.

What is the cost in this budget year and future budget years? Total disbursements of \$2,891,826.38 have been received pursuant to settlement agreements with four defendants in the National Opioid Litigation. Disbursed funds represent the total amount owed by Johnson & Johnson and the first two of approximately eighteen disbursements from McKesson, AmerisourceBergen and Cardinal Health.

Are the funds budgeted? Budget amendment will be completed once authorized.

File Number: 0041-23

Director/Commissioner: Amy Baker/Kacy Allen-Bryant

