

Durbin, Markey Press Administration To Track \$50 Billion In Opioid Settlement Money From Drug Corporations

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WASHINGTON – U.S. Senate Majority Whip Dick Durbin (D-IL) today joined U.S. Senator Edward J. Markey (D-MA) and Representative David Trone (D-MD-06) to urge the Biden Administration to more closely scrutinize and oversee over \$50 billion in opioid settlement money. State and local governments will receive this money over the next 15 years as a result of settlement agreements with the opioid manufacturers,

distributors, and pharmacies that fueled this epidemic. This settlement funding includes \$26 billion from the [2021 settlement agreement](#) involving Janssen, Johnson & Johnson, Cardinal Health, McKesson, and AmerisourceBergen.

The lawmakers urged the Biden Administration to enhance transparency efforts to ensure that these funds are appropriately distributed to the communities directly harmed by the opioid epidemic. These purposes include initiatives such as expanding access to naloxone, increasing funding for substance use disorder treatment programs, and youth prevention efforts in schools and communities.

Only 15 percent of expenditures from the opioid settlement funds are required to be reported; the remaining 85 percent, or \$42.5 billion, are subject to no significant oversight. History demonstrates the potential risk of failing to prioritize these funds for targeted public health purposes. In 1997, tobacco companies [entered](#) into a \$368 billion settlement for states and cities to use, yet only 2.7 percent of those funds [were](#) directed towards smoking prevention and cessation programs. Durbin has [sounded the alarm](#) about the need to heed the lessons from the missed opportunity with the tobacco settlement, and ensure that this opioid settlement funding is dedicated toward public health investments.

In their letter to the Biden Administration, the lawmakers wrote, “The opioid settlements — more strongly tethered to addressing the opioid epidemic — will give state and local governments an opportunity for historic investments to address this crisis. But we cannot risk looking back decades from now at these settlements as a squandered opportunity. Already, non-governmental entities are tracking the settlement funding and seeing a wide disparity in spending transparency and the amount of non-opioid-related funding. Meanwhile, the Biden administration and Congress are deciding how to spend billions of dollars in federal funding to address the opioid epidemic, with no clear understanding of how federal efforts will interact with state and local initiatives.”

They continued, “The severity of an opioid epidemic felt by every community across the country and that costs the American public trillions of dollars annually requires us to leverage to the fullest extent possible every dollar available to combat it. As you have recognized, ‘expanding access to treatment for substance use disorder, lifesaving interventions like naloxone, and recovery support services will reduce the harms of addiction and the overdose epidemic.’ To maximize our response, we must understand how funding from the federal government interacts with local and state spending drawn from the opioid settlements.”

To understand how the Office of National Drug Control Policy (ONDCP) oversees these national opioid settlements, the lawmakers request the Biden Administration answer the following questions by October 20, 2023:

1. How will ONDCP oversee faithful utilization of the settlement funds?
2. Has ONDCP considered requiring states that receive federal opioid use disorder or substance use disorder funding to adhere to and publicly report on the opioid abatement stipulations of the settlement agreements? If so, how? If not, why not?
3. Has ONDCP identified how states may appropriately use the settlement funds for opioid abatement— much like the Centers for Disease Control and Prevention made recommendations to the states on how they could use funds from the tobacco master settlement agreement for tobacco cessation?
4. Has ONDCP worked with states to ensure that the allocation of settlement funds is equitable and need-based? If so, how? If not, why not?

The letter was also signed by U.S. Senators Ron Wyden (D-OR) and Sherrod Brown (D-OH), and U.S. Representatives Lloyd Doggett (D-TX-35), Jeff Jackson (D-NC-14), Sheila Jackson Lee (D-TX-18), Barbara Lee (D-CA-12), Brittany Pettersen (D-CO-7), Shri Thanedar (D-MI-13), and Paul Tonko (D-NY-20).

A copy of the letter is available [here](#).

As part of his oversight efforts to learn the lessons of the opioid epidemic, Durbin has continuously called on the Drug Enforcement Administration (DEA) to rein in the pharmaceutical industry's demand for excessive and unjustified manufacturing quotas for opioid pills. Durbin, along with U.S. Senator John Kennedy (R-LA), was the lead author of the 2018 law that enhanced DEA's opioid quota-setting authority by improving transparency and enabling DEA to adjust quotas to prevent opioid diversion and abuse while ensuring an adequate supply for legitimate needs. Between 1993 and 2015, DEA allowed aggregate production quotas for oxycodone to increase 39-fold and hydrocodone to increase 12-fold. As a result, the pharmaceutical industry flooded tens of billions of painkillers to every corner of the nation, which ignited the current opioid epidemic by putting enough painkillers on the market for every adult in America to have a one-month supply of opioids. After two decades of dramatic increases to the volume of opioids allowed to come to the market, DEA heeded Durbin and Kennedy's call over the past five years to help prevent opioid addiction by responsibly reducing all opioid quotas.