



COUNTY of VENTURA
COUNTY EXECUTIVE OFFICE

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September 26, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Approve the \$3,703,341 County Plan for an Expanded Multi-Agency Strategy to Combat the Opioid Crisis in the County of Ventura; Approve the Proposed Opioid Settlement Funding Plan for FY 2023-24; Adopt a Resolution Establishing Two (2) Regular and Four (4) Fixed Term Full-Time Equivalent Positions for Various Departments; and Authorize the Auditor-Controller's Office to Process the Necessary Accounting Transactions. (Recommendation #3 Requires 4/5th Vote)

RECOMMENDATIONS:

1. Approve the County's \$3,703,341 multi-year plan for an expanded multi-agency strategy to combat the opioid crisis in the County of Ventura, including an Opioid Settlement Fund spending plan. (Exhibit 1)
2. Adoption of the attached Resolution (Exhibit 5) to establish a total of 6 full-time equivalent positions, 2 regular and 4 fixed-term, to various budget units, effective October 1, 2023, as set forth below:

Business Unit	Dept. (Unit)	Classification Title	Class Code	FTE	Fixed Term End Date	Annual Salary Range
DAOVC	2103	Senior Attorney	01568	1.0	N/A	\$138,678.71 - \$198,483.45
PDOVC	2202	Community Services Coordinator	00406	1.0	N/A	\$58,785.18 - \$82,408.31
SHFVC	2543	Forensic Scientist III - Fixed Term	01953	1.0	9/30/26	\$91,766.94 - \$128,738.86

MEOVC	2880	Senior Medical Examiner Investigator-Fixed Term	01037	1.0	9/30/26	\$88,510.97 - \$118,655.83
HCAVC	3301	Alcohol/Drug Treatment Specialist II -Fixed Term	01474	1.0	9/30/26	\$45,425.42 - \$63,607.59
HCAVC	3223	Community Services Coordinator Fixed Term	00406	1.0	9/30/26	\$58,785.18 - \$82,408.31

3. Authorization for the Auditor-Controller to process the necessary budgetary transactions to revise the following appropriations and revenue (this recommendation requires 4/5ths vote):

DISTRICT ATTORNEY, Division #2100

INCREASE	2100-2103	Salaries & Benefits	\$210,000
DECREASE	G001	General Fund - Assigned Fund Balance – Program Mitigation	\$210,000

PUBLIC DEFENDER, Division #2200

INCREASE	2200-2202	Salaries & Benefits	\$97,500
INCREASE	2200-2202	Services & Supplies	\$70,000
INCREASE	2200-2202	Miscellaneous Revenue	\$167,500

PROBATION AGENCY, Division #2600

INCREASE	2600-2623	Services & Supplies	\$10,000
INCREASE	2600-2632	Services & Supplies	\$15,000
INCREASE	2600-2651	Services & Supplies	\$5,000
INCREASE	2600-2652	Services & Supplies	\$55,000
INCREASE	2600-2653	Services & Supplies	\$55,000
INCREASE	2600-2680	Services & Supplies	\$5,000
INCREASE	2600-2691	Services & Supplies	\$81,500
INCREASE	2600-2652	Miscellaneous Revenue	\$25,000
INCREASE	2600-2653	Miscellaneous Revenue	\$25,000
INCREASE	2600-2691	Miscellaneous Revenue	\$76,500
DECREASE	G001	General Fund - Assigned Fund Balance – Program Mitigation	\$100,000

SHERIFF - PATROL SERVICES, Division #2500

INCREASE	2500-2543	Salaries & Benefits	\$270,000
INCREASE	2500-2543	Services & Supplies	\$158,801
INCREASE	2500-2543	Intergovernmental Revenue	\$158,801

DECREASE G001 General Fund - Assigned Fund Balance –
Program Mitigation \$270,000

SHERIFF - DETENTION SERVICES, Division #2550

INCREASE 2550-2551 Services & Supplies \$135,348
INCREASE 2550-2551 Miscellaneous Revenue \$135,348

MEDICAL EXAMINER'S OFFICE, Division #2880

INCREASE 2880 Salaries & Benefits \$137,000
INCREASE 2880 Services & Supplies \$50,000
INCREASE 2880 Miscellaneous Revenue \$50,000
DECREASE G001 General Fund - Assigned Fund Balance –
Program Mitigation \$137,000

HCA-PUBLIC HEALTH, Division #3100

INCREASE 3100-3101 Salaries & Benefits \$211,892
INCREASE 3100-3101 Services & Supplies \$38,108
INCREASE 3100-3101 Miscellaneous Revenue \$250,000

HCA-SUBSTANCE USE SERVICES, Division #3220

INCREASE 3220-3221 Salaries & Benefits \$81,400
INCREASE 3220-3223 Salaries & Benefits \$464,878
INCREASE 3220-3223 Services & Supplies \$699,750
INCREASE 3220-3227 Services & Supplies \$355,800
INCREASE 3220-3221 Miscellaneous Revenue \$81,400
INCREASE 3220-3223 Miscellaneous Revenue \$1,164,628
INCREASE 3220-3227 Miscellaneous Revenue \$355,800

HCA-VENTURA COUNTY MEDICAL SYSTEM, Division #3300

INCREASE 3300-3301 Salaries & Benefits \$390,446
INCREASE 3300-3301 Services & Supplies \$67,918
INCREASE 3300-3301 Equipment \$38,000
INCREASE 3300-3301 Miscellaneous Revenue \$496,364

4. Authorization for the County Executive Officer or designee to sign related contracts and agreements, subject to review by County Counsel, make corrections, clarifications, technical changes, and other modifications to the spending plan, provided that the changes are consistent with the original purpose of the plan and Opioid Settlement guidelines as applicable, and do not result in additional cost to the County.

FISCAL/MANDATES IMPACT:

Mandatory: No [X] Yes [] Cite Authority:

Source of Funding: Opioid Settlement, General Fund – Fund Balance Assigned to Program Mitigation, Local Assistance Tribal Consistency Funds

Funding Match Required: No

Impact on Other Department(s): Health Care Agency, Sheriff, Probation, Public Defender, District Attorney, Medical Examiner's Office

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
Summary of Revenue and Total Costs		
Revenue:	\$2,986,341	\$2,000,376
Costs:		
Direct Cost	\$3,703,341	\$2,799,170
Indirect - Dept.	\$0	\$0
Total Costs	<u>\$3,703,341</u>	<u>\$2,799,170</u>
Net County Costs	\$717,000	\$798,794

BACKGROUND:

The County Executive Office and County Opioid Abuse Suppression Taskforce (COAST) have been working extensively over the past year to strategically identify proposed uses of the County's Opioid Settlement Funds that would also be in compliance with the Settlement guidelines (Exhibits 3 & 4). The follow-up process resulting from the multi-agency presentation to the Board on June 6, 2023, identified additional areas of need within our departments that would fall outside of the allowable uses in the guidelines, yet are essential to effectively tackle the opioid crisis in Ventura County. As a result, the County Executive Office, supported by COAST, is proposing an expanded multi-agency plan to augment evidence-based strategies and resources to reduce illicit opioid supplies, decrease opioid demand, and save lives by leveraging the County's Opioid Settlement Funds and other local funding streams.

Opioid Settlement Funds

In August 2019, the County filed a federal lawsuit against several opioid manufacturers, distributors, and pharmacies seeking damages for the harm caused to the County as a result of the opioid crisis. Thousands of other state and local governments filed similar lawsuits. As a result, multiple nationwide settlements, including ones against the three largest pharmaceutical distributors McKesson, Cardinal Health, and AmerisourceBergen (collectively, the "Distributors") and manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (collectively, "Janssen"), have been reached in the last two years, resulting in tens of billions of dollars now being distributed nationwide to state and local governments to help abate the opioid crisis.

The settlement funds are being paid out in annual installments over a period of years that vary with each individual settlement. Use of such funds is mostly restricted, however, to a pre-approved list of opioid abatement uses. Generally, these funds must be used for

opioid remediation activities and expenditures geared toward prevention, treatment, recovery, and/or harm reduction. More detail on the allowable uses of the Opioid Settlement Funds is provided in Exhibits 3 and 4 attached hereto, which are representative excerpts from one of the nationwide settlement agreements and the accompanying California-specific allocation agreement.¹ These allowable use restrictions are generally consistent across the various settlement agreements.

Funds must be expended or encumbered within five (5) years of receipt, or seven (7) years if used toward capital projects. The County may roll over funds from the previous year and/or encumber funds for future eligible purchases.

The County must provide annual reports to the State accounting for its use of the funds and demonstrating its compliance with the authorized uses in the settlement agreements. The Department of Health Care Services (DHCS) oversees this annual reporting, with the first report due September 30, 2023. The County is required to report on funds spent to date through June 30, 2023 (\$0 for FY 22-23) and planned activities over the next three years as of FY 23-24.

The County began receiving payments on November 15, 2022, and has received \$8.2M to date from the Distributors and Janssen settlements, as well as from the bankruptcy of opioid defendant Mallinckrodt.

Pharmacies Settlement Funds

Additional proposed nationwide settlements are currently pending with opioid manufacturers Teva and Allergan and pharmacies Walmart, Walgreens, and CVS (collectively, the "Pharmacies"). California stands to receive up to \$1.8 billion in abatement funding from these settlements, to be distributed amongst the state and local governments, and which will be similarly restricted.

COAST & Existing Resources

On June 6, 2023, COAST provided your Board with an overview of the current multi-agency efforts to combat the opioid crisis in Ventura County through collaboration and innovative efforts including, but not limited to, the existing strategies as described in Exhibit 2. While the County has been committed to fighting this epidemic for many years, it is estimated that in FY 23 alone the County dedicated over \$14M in resources towards fighting the opioid crisis.

County agencies have been working to address the growing opioid problem since 2012. However, this important work—including large scale local conferences, provider trainings on safe prescribing practices, and major opioid safety campaigns—was not mandated, but grew out of the Rx Drug and Heroin Workgroup, an alliance of government, non-profit,

¹ Further information, including links to full copies of the settlement agreements, is available at the following two links: 1) <https://nationalopioidsettlement.com/>; 2) <https://www.dhcs.ca.gov/provgovpart/Pages/California-Opioid-Settlements.aspx>

and treatment leaders coordinated by Ventura County Behavioral Health (VCBH) to move ahead despite the lack at that time of dedicated funding for cross-systems collaboration.

In 2018, COAST was formally launched as a three-year project led by VCBH with funding from the U.S. Department of Justice, Bureau of Justice Assistance (BJA), to foster interagency collaboration and to systematically apply local data to the opioid and heroin crisis. Key collaborators included the Sheriff's Office (VCSO), Medical Examiner's Office (MEO), Emergency Medical Services (EMS), and Health Care Agency (HCA). Successes included (1) First Responder Training on overdose death scenes, aiding Medical Examiner investigations and improving data quality; (2) Safe Drug Disposal and drug take-back events in cooperation with the Drug Enforcement Administration and local police, reducing the local supply of powerful prescription drugs; (3) Analysis of state prescription drug monitoring program (PDMP) data, showing levels and trends in prescribing among local physicians, and (4) the establishment of a Multi-Agency Data Dashboard, integrating and visualizing data in new ways to inform prevention efforts.

Although BJA funding ended, the commitment of collaborating agencies continued to grow. COAST members wanted to meet the challenges presented by fentanyl, a powerful synthetic opioid some 50 to 100 times more potent than morphine. Just before the COVID-19 pandemic, fentanyl arrived in Ventura County with devastating effects. Both locally and nationally, fentanyl quickly displaced heroin as the number one opioid of abuse and remains the leading cause of accidental overdose and poisoning, with a death toll of 181 individuals locally in 2022 alone. Using American Rescue Plan Act (ARPA) funds, COAST was funded to sustain and fortify what is now called the Opioid and Illicit Drug Workgroup, meeting regularly to share information, shape strategies, and save lives.

In early 2023, COAST collaborators were invited to the Board of Supervisors to share the latest local realities, with a focus on fentanyl. Brief presentations by Public Health, the Medical Examiner, the Sheriff's Office, and the District Attorney highlighted local countermeasures and a united stance in fighting fentanyl. Due to expanded prevention education and distribution of naloxone kits, some 2,138 residents received Rescue Kits last year, and more than 712 overdose reversals (lives saved) were documented in FY 2022-23; however, much more is needed to address this health and safety crisis.

DISCUSSION:

Recommendation # 1:

The County Executive Office and COAST have identified proposed activities for the County's Opioid Settlement Funds in compliance with the Settlement guidelines (Exhibits 3 & 4) as well as identified additional areas of need from our departments that would fall outside of the allowable uses in the guidelines. We recommend the additional allocation of County resources to these activities. We present to your Board for approval a comprehensive plan to expand the County's strategy to combat the opioid crisis that maximizes the use of both County resources and the County's Opioid Settlement Funds as outlined in Exhibit 1.

Each recommended action is tied to its specific funding source as shown in Exhibit 1. The approved activities for use of the Opioid Settlement Funds will be included in the annual DHCS report as FY 23-24 planned expenditures.

For the remaining balance of the County's Opioid Settlement Funds, the County Executive Office will continue evaluating the impacts of CalAIM payment reform and the Governor's Behavioral Health Modernization proposal on our substance use disorder services, evaluate the availability of other funding streams to leverage with the Opioid Settlement Funds for eligible infrastructure projects, and will return to your Board with additional proposals.

The departments will periodically evaluate progress and outcomes and recommend modifications accordingly in updates to your Board. We will incorporate ongoing maintenance of a data dashboard for use by key public agencies, for proactive and predictive purposes, as well as key indicator tracking by jurisdiction for coordinated public information and messaging across County agencies. Working with EvalCorp, we will also use a Results-Based Accountability (RBA) model to identify key metrics to track opioid abatement strategies over the course of funding.

Recommendation #'s 2 & 3

In connection with the activities included in Exhibit 1, the requested appropriations and new positions (Exhibit 5) will support the County's expanded plan by augmenting those programs and services.

This Board letter has been reviewed by the County Executive Office, Auditor-Controller's Office, County Counsel and Human Resources. If you have any questions regarding this item, please contact Assistant County Executive Officer, Mike Pettit at (805) 654-2864 or VCBH Acting Director Loretta Denering at (805) 981-2214.



Sevet Johnson, Psy. D
County Executive Officer

Attachments:

Exhibit 1 - Proposed Multi-Year Expansion of County Opioid Strategies Spending Plan as of FY 23-24

Exhibit 2 – Current County of Ventura Strategies to Combat Opioid Crisis

Exhibit 3 - "Exhibit E" to National Opioid Settlement with Distributors - List of Opioid Remediation Uses

Exhibit 4 - Excerpt from California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Distributor Settlement

Exhibit 5 - Resolution