

OAA Memorandum to Cities and Counties
RE: New Opioid Settlement Payments
FROM: J. Adam Rosatell, Director of Finance

May 3, 2024
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On April 11, 2024, the Office of the Attorney General provided information via email to counsel and administrators representing the non-litigating localities regarding additional settlement payments that cities and counties should have received on or about April 15, 2024. These additional payments to Virginia total approximately \$108.4 million, of which cities and counties collectively will receive 30 percent, less amounts held back for the “Deficiency Fund*,” which range from 4.5% to 7.5%, depending on the settlement.

[The Opioid Abatement Authority \(OAA\) has updated its look-up tool to reflect these additional payments to cities and counties.](#) (Please note: Refresh and/or clear cached files from your browser to view the updated tool [April 2024 at top])

The information communicated by the Office of the Attorney General to counsel and administrators is as follows:

“Counsel and administrators—

I am writing to follow up on my previous message regarding upcoming payment distributions from several opioid settlements.

*We have now received confirmation from BrownGreer, the settlement administrator, that the following settlement payments will be going out on **Monday, April 15**:*

- The first payments due under the Teva, Allergan, and CVS settlements;*
- The first **two** payments due under the Walgreens and Walmart settlements; and*
- The accelerated prepayments of the 2027 payments by Cencora (formerly AmerisourceBergen) and Cardinal Health.*

There will be a separate disbursement (i.e., a separate wire transfer or check, depending on which payment method you have chosen) for each settlement—i.e., one wire transfer or check for Teva, one wire transfer or check for Allergan, one wire transfer or check for CVS, etc.

*Please note that for the Walgreens and Walmart settlements, the April 15 distribution will include the first **two** payments due under those settlements, but those payments will be combined in a single disbursement for each settling defendant. That is, you will receive a single wire transfer or check for the Walgreens settlement that combines the first two payments due under that settlement, and you will receive a single wire transfer or check for the Walmart settlement that combines the two payments due under the settlement.*

You therefore should receive seven separate payments (i.e., seven wire transfers or checks) on or shortly after April 15—one each for Teva, Allergan, CVS, Walgreens, Walmart, Cencora, and Cardinal Health.

*Another note regarding the Walmart payment: Because Virginia qualified for the highest incentive level in the Walmart settlement, Virginia and its localities will be receiving their **entire** allocations from that settlement in the upcoming disbursement. Originally, it was expected that there would be two separate payments in 2024 for the Walmart settlement—an initial payment consisting of the “base” component, and a subsequent payment consisting of the “incentive” component. However, those payments will now be combined into a single disbursement that will go out on April 15. So, you will receive your entire Walmart settlement allocation in the April 15 disbursement. There will be no further Walmart settlement payments in future years, because Virginia and its localities will be receiving their full allocations from that settlement in the upcoming April 15 disbursement.”*

Should you have any questions or concerns regarding these additional settlement payments, please do not hesitate to contact the OAA by phone or at info@voaa.us.

*The Deficiency Fund was created pursuant to the Virginia Opioid Abatement Fund and Settlement Allocation Memorandum of Understanding (“MOU”) to cover attorney’s fees and costs incurred by litigating subdivisions’ counsel. The balance of remaining Deficiency Fund amounts, net of what is drawn down to cover litigating attorneys’ fees, is later redistributed to localities on a pro-rata basis.