

How Did Chenango County Spend Its Share of the Opioid Settlement Funds?

CHENANGO COUNTY – Chenango County recently began distributing its share of the opioid settlement funds received from several pharmaceutical manufacturers, distributors and pharmacies.

In 2022, Chenango County received its first payment from the state in a nationwide series of opioid settlement cases. More than 4,000 state and local governments across the United States sued companies found responsible for downplaying the drug's effects and addictive components while overstating its benefits.

Some of the companies that have agreed to settlements are Purdue Pharma, a pharmaceutical company owned by the infamous Sackler family, "The Big Three" distributors – McKesson, Amerisource Bergen and Cardinal Heath – and pharmacies including CVS, Walgreens and Walmart.

The total nationwide settlement payout is estimated to be about \$54 billion, making it the second-largest in history, following the 1998 tobacco settlement.

According to Chenango County Director of Community Services Elizabeth Warneck, the county has received \$587,594 in settlement funding, split into two portions.

The first portion is \$312,594 from the Office of Addiction Supports and Services (OASAS). This money is specifically designated for prevention services. Warneck said she is designating these funds for prevention because the county is "substantially underfunded for prevention services" from the state aside from the settlement funds, but OASAS has not provided a rationale.

"On average, we get about \$90,000 a year in state aid funds for prevention," she said. "But our neighboring counties get somewhere between \$300,000 to \$400,000. So there's a real disparity there."

The second portion of the funds is \$275,000 from New York State Attorney General Letitia James' office. The county retained 15% of this money for administrative oversight of the funds that went into the behavioral health services budget. Warneck said the remaining funds could be used for treatment, recovery or harm reduction services.

The board of supervisors selected Warneck to distribute the funds. She established and advertised a request for proposal (RFP) process to determine how to distribute the money best. Warneck said she wanted the RFP to be sustainable over three years to ensure the best possible outcomes for the county. The selection process was transparent and open to all eligible organizations.

In April 2023, the county settlement money was awarded to three agencies: Addiction Center of Broome County (ACBC), Friends of Recovery Delaware Otsego (FORDO) and Chenango Health Network. Warneck said these agencies were selected based on their track record in providing addiction support services and proposed initiatives, as well as their demonstrated ability to manage the funds effectively.

ACBC and FORDO each received half of the money the state attorney general's office funded, amounting to \$137,500. Although ACBC and FORDO have locations outside of Chenango County, the money they were awarded is only approved for use within Chenango County. Chenango Health Network received \$260,000 from the OASAS fund for prevention.

Warneck said she regularly meets with the agencies to ensure the funds benefit the community. She must report her findings to OASAS and the attorney general's office. She also invited all three agencies to speak separately at the past three Chenango County Health and Human Services Committee meetings.

Warneck said she reviews the agencies' expenditures but did not provide a detailed breakdown of how the funds were spent by the agencies.

"I think really looking at outcomes is always a challenge. One of the things I've been doing is meeting quarterly with each of the respective agencies to get updates and see how the services are going," Warneck said.

Warneck said the county received \$479,839 for the 2024 share of the opioid settlement funds. To determine how to spend the money, she conducted a substance use disorder-specific needs assessment to determine where it would be most needed. She is now waiting for the results.

"I've tried my best to be a good steward of the funds. I understand the significance of them in terms of the loss of life related to the opioid epidemic. I think it's a complex topic, and it's a complex set of money to navigate. And I'm committed to trying to get it out there for best use in Chenango County," Warneck said. "Trying to figure out how to do that with minimal data and information can be really challenging, and trying to elicit as much input as I can, as has been my goal all along."