

**COUNTY OF MILWAUKEE**  
Inter-Office Communication

Date: June 14, 2024

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Joe Lamers, Director, Office of Strategy, Budget and Performance *JOSEPH LAMERS*  
Heather Wolfgram, Strategy and Performance Project Manager, Office of Strategy, Budget and Performance

Subject: Report from the Director, Office of Strategy, Budget, and Performance, requesting allocation of \$8,512,627 in Opioid Settlement Funds to support recommended projects in FY24-FY26

File Type: Action Report

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**REQUEST**

The Office of Strategy, Budget and Performance recommends approval of \$8,512,627 in Opioid Settlement fund allocations for 7 proposals aimed at addressing the opioid crisis in Milwaukee County for fiscal years 2024, 2025, and 2026.

**POLICY**

The County Board authorized the Office of Corporation Counsel (OCC) to retain outside counsel under a contingency fee arrangement and to file suit against opioid manufacturers and distributors as the OCC deemed appropriate in [File 17-722](#).

2021 State Act 57 created Section 165.12, Wisconsin State Statutes (State Statutes), relating to the settlement of all or part of the Litigation. Section 165.12(4)(b)2, State Statutes, provides the proceeds from the Settlement Agreement must be deposited in a segregated account (the Opioid Abatement Account), and may be expended only for approved uses for opioid abatement, as provided in the Settlement Agreements.

The Milwaukee County Board approved Resolutions [21-1127](#) and [23-490](#) which authorized Milwaukee County OCC to enter into Settlement Agreements to receive funds from three Opioid Settlement distributors and five pharmacies. The settlements resulted in a net of \$102 million paid to Milwaukee County over the next 18 years.

**Table A: Summary of Opioid Settlement Awards**

Settlement	Wisconsin Total	Milwaukee County Total	Milwaukee County Net (after attorney fees)
First Settlement	\$420 million	\$71 million	\$56.6 million
Second Settlement	\$321 million	\$56.7 million	\$45.4 million
<b>Total</b>	<b>\$721 million</b>	<b>\$127.7 million</b>	<b>\$102 million</b>

Approved County Board Resolution [21-1127](#) called for the establishment of a segregated Opioid Abatement Account that is not part of the general fund. Any unused funds that remain at the end of the year will be carried over to the new year.

**BACKGROUND**

Milwaukee County gathered input from County stakeholders and facilitated a process to make allocation recommendations for the Opioid Settlement Funds. This process was presented to Supervisors during the December 2022 board cycle in [File 22-1135](#).

*Opioid Settlement Funded Projects- Cohort 1 (FY 23-25)*

In February 2023, the Milwaukee County Board adopted [File 23-114](#) granting fund authorization for \$11 million for 15 projects from four County departments. In September 2023, the Milwaukee County Board approved supplement funds [File 23-799](#) for four of the first 15 projects.

The Comptroller’s Office in partnership with Outside Counsel projects that Milwaukee County will receive approximately \$50M in Opioid Settlement funding between 2022-2027 based on a payment schedule provided by advisors.

Office of Strategy Budget and Performance created a schedule that projects the ceiling limit for each allocation cycle based on the anticipated payment schedule mentioned above. Each allocation cycle will include projects requesting funds for 1-3 years.

**Table B: Anticipated Payment and Project Allocation Schedule**

Fiscal Year:	FY22	FY23	FY24	FY25	FY26	FY27
<b>Anticipated Payments:</b>	\$11,916,929	\$2,068,598	\$15,876,304	\$6,581,671	\$6,979,115	\$6,979,115
<b>Allocations</b>						
FY23 Project Allocations		\$3,943,242	\$3,732,118	\$3,780,736		
Supplemental Allocations		\$496,396	\$2,288,637	\$2,231,341		
FY24 Allocation Ceiling			\$3,000,000	\$3,000,000	\$3,000,000	
<b>Total</b>		\$4,439,638	\$9,020,755	\$11,602,078	\$8,000,000	\$7,200,000
<b>Fund Balance</b>	\$11,916,929	\$16,590,522	\$14,494,746	\$10,487,138	\$9,102,611	\$8,518,084

The Allocation Process approved in [File 22-1135](#) will be repeated annually. The timeline for the 2024 allocation is below:

***Proposal Phase (January-February 2024)***

County service areas proposed projects that include one-time equipment, technology or capital items or programmatic expenses for up to three years. The proposal window will be replicated annually based on fund availability from current and future settlements.

***Review Phase (March-May 2024)***

An eight-person review panel was established and composed of four community professionals (50%), two county staff (25%) and two individuals with lived experience (25%). The panel reviewed proposals based on predetermined criterion and deliberated to make subject matter, equity-based spending recommendations that maximize the positive impact of opioid settlement funds in Milwaukee County. Ten proposals were prioritized through this initial review process. SBP then partnered with departments to provide feedback to enhance proposals. A second panel of three subject matter experts evaluated the 10 proposals and recommended seven for funding.

***Approval Phase (April-June 2024)***

The Milwaukee County Board of Supervisors is being presented with a request for fund authorization for seven recommended projects totaling \$8,512,627. Implementation will launch shortly thereafter.

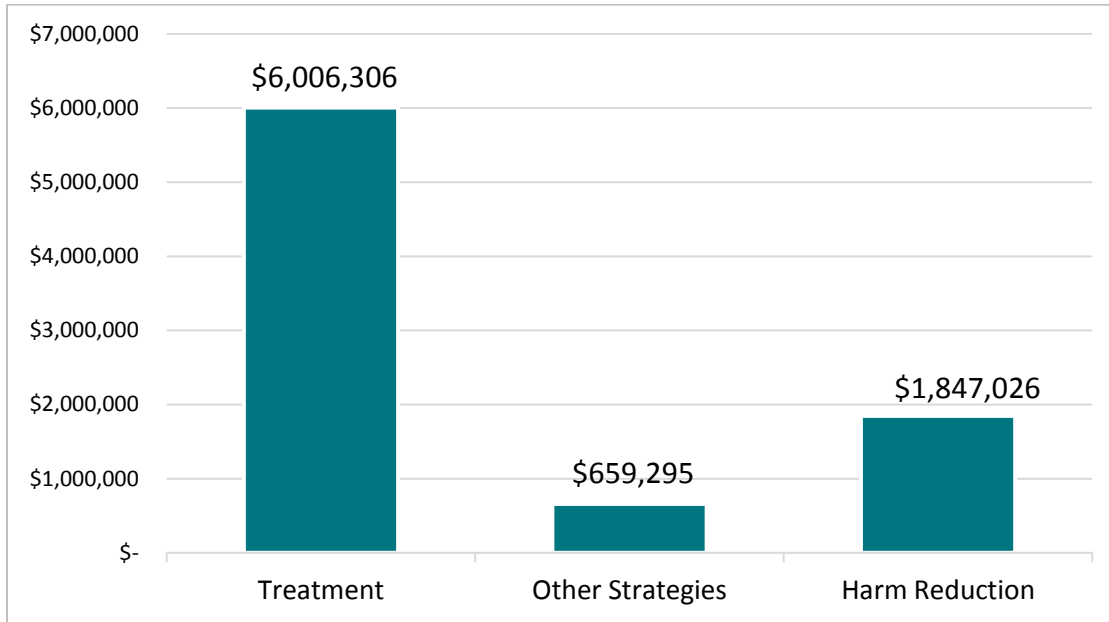
Review Panel Recommendation

The Opioid Settlement Review Panel recommends approval of \$8,512,627 in Opioid Settlement funds for 7 proposals aimed at addressing the opioid crisis in Milwaukee County for fiscal years 2024, 2025, and 2026. A summary of the proposals is provided below.

**Table C: Summary of Recommended Proposals by Department**

<b>Lead Department</b>	<b>Number of Proposals</b>	<b>Amount Requested</b>
Health and Human Services	4	\$3,440,954
Office of Emergency Management	2	\$5,042,673
Department of Administration	1	\$29,000
<b>Total:</b>	<b>7</b>	<b>\$8,512,627</b>

**Chart A: Amount Recommended by Remediation Category**



**Table D: Projects Recommended for Funding in FY24-26**

Project Title	Remediation Category	Lead Department	Request Amount
PATH: Pre/Post incarceration Access to Treatment	Treatment	OEM	\$1,066,966
Substance Use Disorder System Enhancement	Treatment	DHHS	\$2,565,352
Filling Gaps in Community Paramedic Coverage	Treatment	OEM	\$2,373,988
Overdose Prediction Model	Other Strategies	DAS	\$29,000
Prevalence of Adulterants	Harm Reduction	DHHS	\$1,421,026
Grief Outreach and Grief Informed Care	Other Strategies	DHHS	\$630,295
Respite Build-Out	Harm Reduction	DHHS	\$426,000
<b>Total Amount Requested</b>			<b>\$8,512,627</b>

A summary of the proposals can be found in Attachment A.

Funds will be transferred to departments following County Board approval in July 2024.

**ALIGNMENT TO STRATEGIC PLAN**

This item is directly related to the County's strategic goals 2A: *Determine what, where, and how we deliver services to advance health equity* and 3A: *Invest "upstream" to address root causes of health disparities*. The County seeks proposals that aim to address the opioid crisis utilizing multiple, innovative strategies including treatment, harm reduction, prevention, and other strategies.

**FISCAL EFFECT**

Approval of this action will provide a total of \$8,512,627 in Opioid Settlement Funds to 7 projects for fiscal years 2024, 2025, and 2026 in the Departments of Health and Human Services, Office of Emergency Management, and the Department of Administrative Services.

**VIRTUAL MEETING INVITES**

Joe Lamers, [joseph.lamers@milwaukeecountywi.gov](mailto:joseph.lamers@milwaukeecountywi.gov);  
Ashley Adsit, [ashley.adsit@milwaukeecountywi.gov](mailto:ashley.adsit@milwaukeecountywi.gov);  
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Heather Wolfgram, [heather.wolfgram@milwaukeecountywi.gov](mailto:heather.wolfgram@milwaukeecountywi.gov)

**PREPARED BY:**

Heather Wolfgram, Strategy and Performance Project Manager

**APPROVED BY:**

Joseph Lamers, Strategy, Budget & Performance Office Director *JOSEPH LAMERS*

**ATTACHMENTS:**

Attachment A: Milwaukee County Opioid Proposals Summary Chart  
Attachment C: PowerPoint  
Attachment D: Fiscal Note  
Attachment E: Resolution  
Attachment F: Anticipated Payment Schedule

cc: Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors  
Janelle M. Jensen, Legislative Services Division Manager, Office of the County Clerk