



# Opioid Abatement Council Meeting

June 24, 2025

12:00pm – 3:00pm CT

Overton Co County Services Building

Livingston, TN

# Opioid Abatement Council Meeting

- Thank you for joining the Council meeting
- This meeting is being recorded and photographed, and the video and photos will be posted on the OAC website.
- The meeting will begin at 12:00CT

## Attending Virtually?

- If you are a **Guest**, please turn off your camera and mute yourself
- If you are a **Council member**, please leave your camera on and mute yourself

# Introductions & Roll Call

- **Dr. Stephen Loyd** - Chair, Opioid Abatement Council
- **Mary Shelton**, Executive Director, Opioid Abatement Council
- **Determine if there is a quorum.**

# Introductions

- **Commissioner Marie Williams**
- **Deputy Commissioner Matt Yancey**
- **Shawn Smith**, Deputy Director, OAC
- **Sam Boukli**, Legal Counsel to the OAC
- **J.P. Urban**, Senior Deputy Attorney General, Financial & Regulatory Section

# Our Why –

The logo consists of a red square containing the white letters 'TN' in a serif font. Below the red square is a thin horizontal blue bar.

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Recognizing OAC  
Members

# Charme Allen, Casey Cox & Karen Pershing



Charme Allen



Casey Cox



Karen Pershing

Thank you for giving your time and expertise to the planning and implementation of a solid opioid settlement disbursement plan.  
We wish you all the very best!

# Review & Approval of Minutes

- Dr. Stephen Loyd

## **Minutes from:**

- March 3, 2025
- April 28, 2025



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# OAC Staff Updates

# OAC Office Staff Updates

- OAC Program Director **Nathan Payne**
  - Started work with OAC Office June 9
  - Most recently Assistant Director of The Office of Faith Based Initiatives with TDMHSAS
  - Nathan is a former Lifeline Coordinator
  - Licensed Professional Counselor
- OAC Legal Counsel **Sam Boukli**
  - Recently promoted to TDMHSAS Deputy General Counsel
  - TBD on next steps with legal counsel

# Nathan Payne – OAC Program Director



Nathan holds a masters degree in mental health counseling from Tennessee Tech University. He is also Certified Peer Recovery Specialist with 10+ years of experience working in the addiction recovery field.

Most recently Nathan served as the Assistant Director of The Office of Faith Based Initiatives for TDMHSAS. Prior to this he served as the Director of The Tennessee Collegiate Recovery Initiative with Tennessee Association of Mental Health Organizations.

Nathan began his career in the field as a Project Lifeline Coordinator a program funded through TDMHSAS, where he spent just over 7 years working to engage communities and support their addiction recovery needs.

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# Motions from the Previous Meeting

# Motions from the Previous Meeting

- This is a new recurring agenda item
- The motions from the past meeting(s) will be shared at the following OAC Quarterly Meeting
- This will assist with continuity of business between meetings

# Motions from 3/3/2025 & 4/28/2025 OAC meetings

Meeting Date	Motion	Voting Results
3/3/2025	Motion to approve 12/03/2024 meeting minutes	passed
3/3/2025	Motion to approve 01/23/2025 minutes	passed
3/3/2025	Motion to approve adding a Vice Chair to the Council	passed
3/3/2025	Motion to approve Dr Clay Jackson as Vice Chair	passed
3/3/2025	Motion to approve the Communication Policy	passed
3/3/2025	Motion to approve the County Funding Policy	passed
3/3/2025	Motion to approve the OAC Office Responsibilities Policy	passed
3/3/2025	Motion to approve the Transparency Policy	passed
3/3/2025	Motion to approve 2 million in graduate school scholarships for 2 years	passed
3/3/2025	Motion to approve Cycle 2 Budget	passed
3/3/2025	Motion to approve approve grant funding cannot exceed 100% of agency's operating for any agency incorporated for 24 months or less prior to 12/3/2024.	passed
3/3/2025	Due to a lessor funding amount available for Community Grant Funding for Cycle 2 than for Cycle 1 and based on the number of applications received, Grantees shall be limited to one (1) awarded Grant per organization	no motion - to be discussed at the next meeting since this cycle is already closed and it may be time to discuss the next cycle at the next meeting.
4/28/2025	motion to approve the determination of necessity of emergency meeting	passed
4/28/2025	motion to approve the path forward for contracting with MTSU based on MTSU's revised grant project and budget plan for contracts 2023-1566 and 2023-1730	passed
4/28/2025	Motion for 10k annual discretionary fund at the discretion of the Executive Director for the OAC Office with a quarterly submission of invoices via a report to the Council this includes the purchase of the Owl Camera.	passed
4/28/2025	Motion to direct the OAC office to take the cash settlement payment from Teva	passed

# Multiple Applications Community Grants Cycle 2

- How does the OAC wish to handle multiple applications from the same organization?
- Any further discussion or motion?

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# Community Advocacy Panel



# Re-Opening Applications for Shelby County

- Applications for Panel representatives from **Shelby County/ Memphis** will re-open
- OAC will accept applications **June 25 – July 3**
- This is to allow for representation on the Community Advocacy Panel from **Shelby County/ Memphis area**.

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# Fiscal Updates

# Opioid Abatement Trust Fund

- Each meeting, the OAC Office will share the current monthly Opioid Abatement Trust Fund Statement
- Please note that the information is current to date the statement was created

# April 2025 Opioid Abatement Trust Fund Balance

Opioid Abatement Fund Activity	
As of the Period Ended April 2025 - FY25 Prd 10	
Description	Cash
McKinsey Deposit 3.31.2021	12,613,210.59
McKinsey Deposit 4.19.2022	651,080.54
Distributor Settlement 8.12.2022 - AmerisourceBergen Drug Corp., McKesson Corp., Cardinal Health, Inc. and AmerisourceBergen Corp.	14,914,621.88
Distributor Settlement 10.17.2022 - AmerisourceBergen Drug Corp., McKesson Corp., Cardinal Health, Inc. and AmerisourceBergen Corp.	15,674,540.42
Distributor Settlement 11.22.2022 - Janssen	59,709,854.06
Distributor Settlement 2.09.2023 - Mallinckrodt	4,112,865.67
McKinsey Deposit 4.03.2023	651,080.54
Distributor Settlement 8.16.23 - AmerisourceBergen Drug Corp., McKesson Corp., Cardinal Health, Inc. and AmerisourceBergen Corp.	15,674,540.42
Distributor Settlement 11.09.23 - Mallinckrodt	4,838,665.50
AmerisourceBergen Drug Corp.	8,635,214.64
Walmart Payment 1 3.15.24	50,466,781.27
Walgreens Payment 1 3.15.24	7,477,216.05
Walgreens Payment 2 3.15.24	4,935,462.14
CVS Payment 1 3.15.24	6,373,191.60
Allergan Payment 1 3.15.24	5,730,194.43
Teva Payment 1 3.15.24	5,178,688.17
McKinsey Deposit 4.03.24	651,080.54
Publicis Health 4.19.24	9,220,345.92
Distributor Settlement 7.31.24 - AmerisourceBergen	19,618,907.88
Distributor Settlement 7.31.24 - Allergan	5,733,961.61
Distributor Settlement 7.31.24 - TEVA	5,836,067.13
Distributor Settlement 7.31.24 - CVS	5,081,031.27
Distributor Settlement 7.31.24 - ENDO	8,468,085.32
Walgreens Payment 3 4.16.25	4,935,462.14
McKinsey Deposit 4.3.25	651,080.54
FY 22 Interest Earned	27,134.50
FY 23 Interest Earned	2,847,782.95
FY 24 Interest Earned	6,185,314.06
FY 25 Interest Earned	7,981,411.00
County Distributions	(86,860,087.82)
Community Payments	(19,551,669.26)
Departmental Expenses Reimbursed by Opioid Abatement Fund	(3,811,628.76)
<b>Totals</b>	<b>184,651,486.94</b>
Descr	Combined
Equity in Treasurer Cash	186,166,434.91
Accounts Payable	(1,514,947.97)
Cash Available	184,651,486.94
Departmental Expenses Not Reimbursed by OAC	(227,115.64)
<b>Net Cash Available</b>	<b>184,424,371.30</b>

# OAC Office Discretionary Fund Update

On April 28, 2025, the OAC approved a \$10,000/ year discretionary fund for the Executive Director to spend on OAC expenses with no other restrictions.  
The Fund is calculated on a calendar year basis.

Discretionary Fund Current Reimbursements for 2025		
Date	Description	Amount Paid
4/24/2025	Chuy's OAC Office Team Luncheon (Team updates, Rx Summit Debrief, New Employee, Elizabeth's Going Away)	\$296.53
4/30/2025	Owl Camera System for OAC Meetings	\$2,547.00
5/23/2025	Southern Trophy House (3 Acrylic Awards)	\$292.01
		<b>\$3,135.54</b>

# Community Grants Cycle 3

- The OAC Office has submitted the list of improvements for the SmartSimple portal to STS (Strategic Technology Solutions)
- The estimated cost for planning, preparation and implementing the new requirements is: **\$15,790.50**

# Discussion & Decision Points

- Will the OAC consider a motion to approve the estimated costs for the updated revisions for SmartSimple?

**Motion  
&  
Council Vote**

The logo for the Tennessee Department of Transportation (TNDOT) is located on the left side of the image. It consists of a red square with the letters "TN" in white, serif font. Below the red square is a thin blue horizontal bar. To the right of the blue bar is a small registered trademark symbol (®).

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# County Annual Payment Updates



# All 95 Counties Received their 2025 Annual Payment

- In 2025, the total amount disbursed statewide was **\$24,462,584**
- In 2024, the total amount disbursed statewide was **\$31,073,223**
- In 2023, the total amount disbursed statewide was **\$31,425,153**

Total disbursements to the Tennessee Counties:  
**\$86,960,960**

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# Policy Updates

# Draft Policies for Review

- Policy Development & Approval Process:



- The OAC Office is presenting 3 policies for review and discussion:
  - Community Advocacy Panel
  - Conflict of Interest
  - OAC Organizational Policy

# Policies for Review & Feedback

## POLICIES AND PROCEDURES

*Subject:*  
COMMUNITY ADVOCACY PANEL  
ORGANIZATIONAL POLICY

### 1. Purpose

Pursuant to state law, Tennessee Code Annot. 24-2-101, the Opioid Abatement Council is required to receive input from governments, state and local public health officials, law enforcement, judiciary representatives, opioid recovery advocates, and other parties, who are interested and actively involved in the council and its abatement. Further, the Council is required to provide a reasonable opportunity to receive input from the community. This policy is to establish the duties and responsibilities of the Community Advocacy Panel. This policy has been developed in furtherance of the council's mission and is designed as a result of input from particular groups and is designed as a result of community input.

### 2. Policy

This policy shall outline the composition, duties, and responsibilities of the Community Advocacy Panel to ensure they are

## POLICIES AND PROCEDURES

*Subject:*  
OAC ORGANIZATIONAL POLICY

Effective Date:  
June 24, 2025

Revision Number:  
1.0

### 1. Purpose

This policy provides guidance for the composition and duties of the Opioid Abatement Council.

### 2. Policy

This policy shall be followed as it relates to the duties and responsibilities of the Tennessee Opioid Abatement Council.

### 3. Definitions

- 3.1 The Council (the Council or OAC)- Refers to the Council established by the Tennessee General Assembly to receive and spend dollars received from lawsuits related to the opioid crisis.
- 3.2 OAC Office (the Office)- Refers to the staff of the Council that administers the Council.
- 3.3 OAC Executor Director- Refers to the Executive Director of the Opioid Abatement Council confirmed by the Council.
- 3.4 Council Chair (Chair)- Refers to the lead member of the Council as designated by the Governor.

## POLICIES AND PROCEDURES

*Subject:*  
OAC CONFLICT OF INTEREST  
POLICY

Effective Date:  
June 24, 2025

Policy Number:  
COU-25-001

Revision Date:  
1.0

Responsible  
Entity:  
OAC

### 1. Purpose

The purpose of this policy is to establish the duties and responsibilities of the Tennessee Opioid Abatement Council members as it relates to conflicts of interest.

### 2. Policy

Every Council member must avoid any action, whether specifically prohibited by statute, regulation, or the Conflict of Interest Attestation, which may result in or create the appearance of a Conflict of Interest. This policy replaces any pre-existing policy or statement.

### 3. Definitions

- 3.1 Conflict of Interest- Refers to a real or seeming incompatibility between a Council member's duties to the Opioid Abatement Council and his/her private interests.
- 3.2 Council Member- Refers to any member of the Opioid Abatement Council appointed pursuant to Tenn. Code Ann. § 33-11-103.
- 3.3 The Opioid Abatement Law (the Law)- Refers to Tenn. Code Ann. § 33-11-103.
- 3.4 The Council (the Council or OAC)- Refers to the Opioid Abatement Council established by the Tennessee General Assembly to decide how to best spend

# Discussion & Decision Points

- Does the OAC have any edits for the policies?
- Will the OAC consider a motion to approve the policies?

**Motion  
&  
Council Vote**

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# Cycle 1 Community Grants

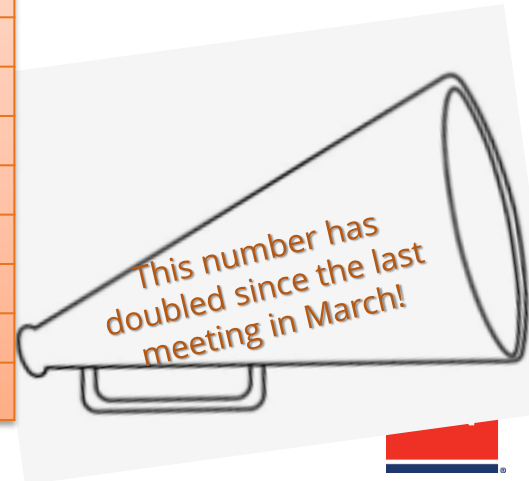
# 2024 Community Grants Award Summary

- Approximately \$78 million for 2024-2025
- 113 Grant Awards - **ALL** are EXECUTED as of 6/16
- 85 Distinct Organizations/Grantees
- Approximately \$235million over 3 years
- 1-3 year projects

# Community Grants Payments

## Community Grant Payments as of 6/20/2025

	# of Invoices	Amount Paid (or in Process)
July	0	\$ -
August	2	\$ 43,203.60
September	39	\$ 799,203.13
October	39	\$ 603,077.85
November	51	\$ 1,053,759.26
December	82	\$ 4,026,082.25
January	68	\$ 1,906,715.14
February	99	\$ 2,914,603.22
March	109	\$ 3,643,926.24
April	97	\$ 2,751,097.27
May	113	\$ 3,458,265.58
June	93	\$ 3,829,522.91
	<b>792</b>	<b>\$ 25,029,456.45</b>





# Cycle 1 Community Grant Program Monitoring Updates

**A total of six (6) program monitoring site visits completed during Q2 2025, representing all Community Grantees with a one-year community grant contract term.**

## **Program monitoring site visits revealed the following results:**

- ☐ Recommendations (0)
- ☐ Discrepancies (0)
- ☐ Concerns (1)
- ☐ Findings (2)

## **Community Grant Monitoring Next Steps**

- ☐ FY 2026 OAC Community Grant Monitoring Kick-off on July 29, 2025.
- ☐ The primary purpose of the kick-off meeting is to discuss the fiscal and program monitoring objectives, roles, responsibilities, and expectations in preparation for monitoring Cycle 1 two-year and three-year community grant contracts in FY26.

# Fiscal Monitoring Updates

## Fiscal Monitoring Results Summary (as of 5/31/25)

# of Recommendations	# of Discrepancies	# of Concerns	# of Findings	Unallowed Costs
1	0	0	0	\$ -
2	0	0	0	\$ -
4	1	2	0	\$ -
2	1	0	1	\$ 10,140.75
1	1	0	0	\$ 1,014.65
1	1	0	1	\$ 2,500.00
1	1	1	0	\$ -
0	0	0	0	\$ -
4	1	1	7	\$ 47,312.04
2	0	0	0	\$ -
1	0	0	0	\$ -
1	0	0	0	\$ -
1	0	1	0	\$ -
21	6	5	9	\$ 60,967.44

# Fiscal Monitoring Survey Comments

I couldn't have asked for a better monitoring experience. Melissa built capacity at our organization and we are running better because of it.

Both ladies were extremely helpful, kind and professional.

The fiscal monitoring was well organized, efficient and helpful. The monitors were professional and pleasant to work with. We benefitted from the process

The only suggestion I have would have been to receive the selections possibly a day or two ahead of time rather than the morning of the review. This would have allowed our team plenty of time to gather the data and could possibly have sped up the process. Otherwise, the monitoring review went very well and ran very efficiently.

The Fiscal monitoring was far more orderly, timely, and on point; VERY professional. Other audits should be this organized!

# OAC Community Grant Contract Oversight

- As the OAC Office expands its fiscal and program monitoring activities (i.e., , Semiannual reports, Outcomes Report Plans and fiscal and program monitoring desktop and/or site visits), **poor performance issues may be identified** that rise to the level where **termination of contract is considered**.
- During the April 25, 2024, OAC Meeting, the Council **approved a motion to allow the OAC Executive Director to amend and negotiate contracts in consultation with legal** without further approval by the Council, with exception of material or funding changes.
- Based on the April 25 motion above, the OAC Office is **seeking clarification regarding the Executive Director's scope of authority** for managing grant contracts to include **contract terminations** and in accordance with the Community Grant Contract.

# OAC Community Grant Contract Oversight

## Existing Contract Clause

**“D.4 Termination for Cause.** If the Grantee fails to properly perform its obligations under this Grant Contract in a timely or proper manner, or if the Grantee violates any terms of this Grant Contract (“Breach Condition”), the State shall have the right to immediately terminate the Grant Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Grant Contract.”

# OAC Community Grant Contract Oversight

## Existing Contract Clause

**“D.3 Termination for Convenience.** The State may terminate this Grant Contract without cause for any reason. A termination for convenience shall not be a breach of this Grant Contract by the State.

The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service that has not been rendered. The final decision as to the amount for which the State is liable shall be determined by the State. The Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the State's exercise of its right to terminate for convenience.”

# Discussion & Decision Points

- Will the OAC consider a motion to direct the Executive Director to develop a Grant Contract Corrective Action and Termination process for Grantees in accordance with the Grant contract and bring it back to the OAC for approval?

**Motion  
&  
Council Vote**

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# Community Grants Cycle 2



# Cycle 2 Community Grant Applications

**294 Cycle 2 Applications requesting \$416,994,997**

Strategy	Number of Applications	Percentage	Total Funding Request
Recovery Support	112	38%	\$135,451,058
Treatment	62	21%	\$127,249,023
Primary Prevention	53	18%	\$58,986,196
Education/Training	25	9%	\$35,931,273
Harm Reduction	29	10%	\$44,796,834
Research and Evaluation	13	4%	\$14,580,072

# Cycle 2 Community Grants

- The OAC received **294** applications
- **220** applications passed qualification & eligibility review
- The passing score is **66.67** (same as last year)

# Revised Cycle 2 Budget

- Based on additional payments and AGO predictions, the Trust Fund has gained an additional \$31million.

Cycle	Applications Period	Awards Announced	Award Contract Term	Total \$ awards per year	Max \$ total 3 years
Cycle 1	October 2023	March 2024	July 2024 – June 2027	\$81,000,000	\$243,000,000 (\$230,000,000 actual)
Cycle 2	October 2024	July 2025	Jan 2026 – Dec 2028	<b>\$25,000,000</b>	<b>\$75,000,000</b>
Cycle 3	March 2026	January 2027	July 2027 – June 2030	\$15,000,000 (estimated)	\$45,000,000 (estimated)
Cycle 4	October 2027	July 2028	Jan 2028 – Dec 2030	TBD	TBD
Cycle 5	March 2029	January 2030	July 2029 – June 2032	TBD	TBD

# Cycle 2 Community Grants Funding

**\$25million for year 1**

Strategy	Percentage	Year 1	# Awards	Year 2	# Awards	Year 3
Education/Training:	10.00%	\$2,500,000.00		\$2,500,000.00		\$2,500,000.00
Harm Reduction:	10.00%	\$2,500,000.00		\$2,500,000.00		\$2,500,000.00
Primary Prevention:	15.00%	\$3,750,000.00		\$3,750,000.00		\$3,750,000.00
Recovery Support:	20.00%	\$5,000,000.00		\$5,000,000		\$5,000,000.00
Research:	5.00%	\$1,250,000.00		\$1,250,000.00		\$1,250,000.00
Treatment:	40.00%	\$10,000,000.00		\$10,000,000.00		\$10,000,000.00
Totals:	100.00%	\$25,000,000.00	0	\$25,000,000.00	0	\$25,000,000.00

# Learnings from Cycle 1 Monitoring

- There have been operational & fiscal issues with agencies who were awarded more than their annual operating budget
- There have been operational & fiscal issues with agencies who have been in operation for less than five (5) years

# Cycle 2 Community Grant Package Options

- A Package is a grouping of applications whose total funding equals the target funding of the strategy
- OAC Office created Package options to start the OAC members' discussion on which applications to approve
- The OAC members may create own Packages
- Capital projects set at a maximum **8% of the total Community Grant funding** will go towards capital projects = **\$2,000,000**

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# Review Spreadsheets

# Discussion & Decision Point

Review applications on the packaging spreadsheets and vote to approve Cycle 2 Community Grant awards.

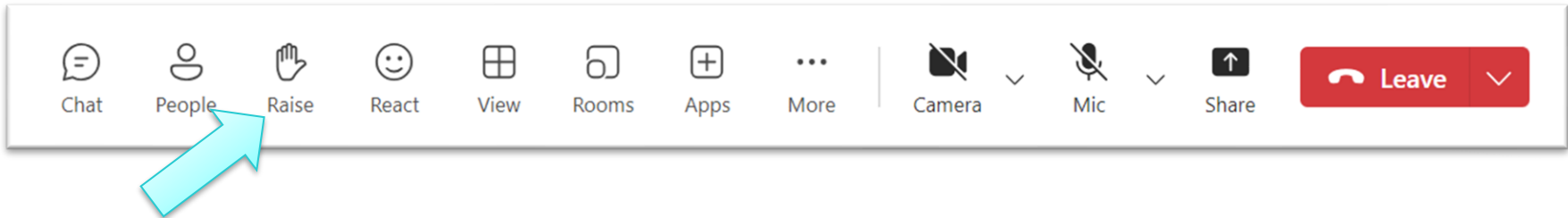
**Motion  
&  
Council Vote**



# Public Comment

The Opioid Abatement Council shall reserve a period for public comment to provide the public with the opportunity to comment on matters that are relevant to the items on the agenda for the meeting. At the appropriate time, the Chair will open the meeting for public comment. Guests attending in-person shall make their intent to speak known and the Chair will recognize the individual.

**In-Person:** please raise your hand



**Virtual:** please click the “**raise your hand**” icon located on the top menu bar (3<sup>rd</sup> from the left)

# 3<sup>rd</sup> Quarter 2025 Meeting

- West TN

# Motion to Adjourn

**Motion  
&  
Council Vote**