

# Opioid Settlements Expenditure Reporting Form Training SFY 2025-26

# Housekeeping

- » If you have a technical question, please send a direct message to Abena Asare from Aurrera Health Group.
- » Questions can be submitted at any time via the Q&A feature on your Zoom control panel.
- » Today's meeting materials will be available on the DHCS website following the webinar.

# Past Webinars

- » [Annual Meeting on California Opioid Settlements Expenditures Report for State Fiscal Year 2023-24](#) (May 20, 2026)
- » [Opioid Settlements 101 Webinar](#) (January 21, 2026)

# Agenda

- » California Opioid Settlements & Bankruptcy Overview and Required Reporting
- » State Fiscal Year (SFY) 2025-26 Expenditure Reporting Form Preview
- » Next Steps
- » Q&A

# **Opioid Settlements & Bankruptcies Overview and Required Reporting**



# Opioid Settlements Oversight Entity

» The [Department of Health Care Services](#) (DHCS) oversight responsibilities include:

- 1 Monitoring cities and counties for compliance
- 2 Designating additional High-Impact Abatement Activities
- 3 Conducting related stakeholder engagement
- 4 Preparing annual reports

» DHCS does not make payments to cities and counties. All payments come from third-party settlement administrators.

# Agreements and DHCS Oversight

## Full Oversight

- **Allergan**
- **CVS**
- **Distributors**
- **Janssen**
- **Kroger**
- **Mallinckrodt\***
- **McKinsey** (*states-only*)
- **Publicis** (*states-only*)
- **Teva**
- **Walgreens**
- **Walmart**

## Partial Oversight

- **Endo\*** (*only payments made to the state*)

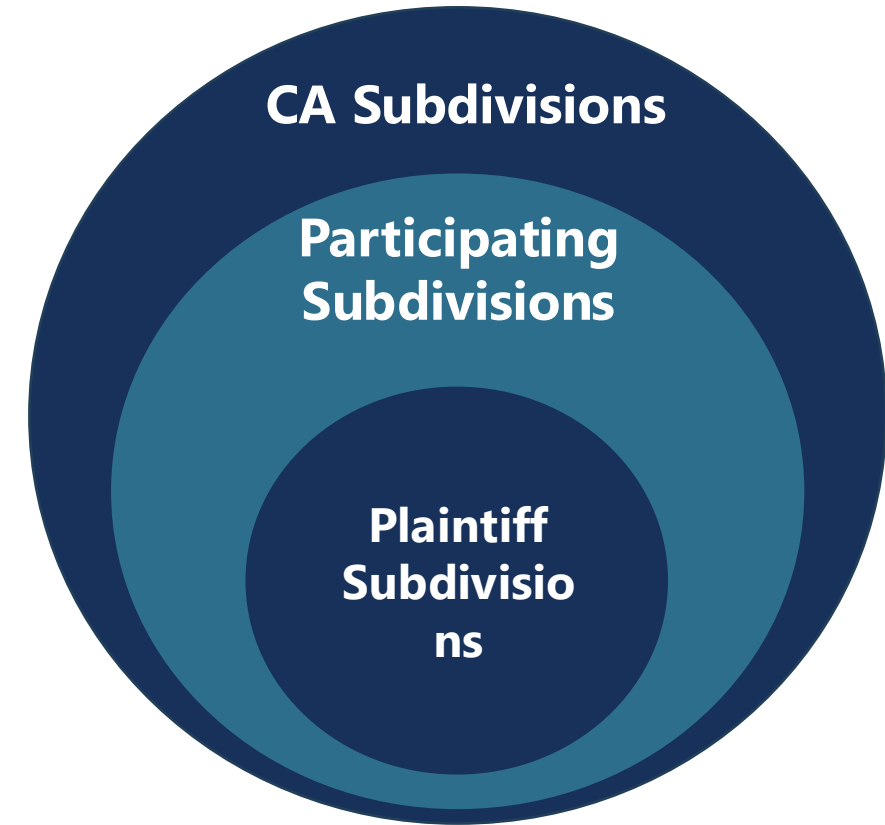
## No Oversight

- **McKinsey** (*class action settlement*)

\* Mallinckrodt and Endo are bankruptcies.

# Key Definitions: Participating, Plaintiff, and CA Subdivisions

- » **CA Subdivision:** How DHCS refers to both CA Participating and CA Plaintiff Subdivisions.
- » **CA Plaintiff Subdivision:** A Subdivision located in California, other than a Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official act of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.\*
- » **CA Participating Subdivision:** A Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. Eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigation Special Districts) and/or Exhibit I to the Distributor Settlement Agreement.\*



*\*This definition originated from the California State-Subdivision Agreements for the [Janssen](#) and [Distributors](#) Settlements. For the purposes of this webinar, DHCS is using "cities and counties" instead of "CA Subdivisions."*

# Payments for this Reporting Cycle

- » Cities and counties will report on payments received and expenditures during SFY 2025-26 which ran from July 1, 2025, to June 30, 2026.
- » Depending on which agreements your city or county has opted into, you may have received payments from:
  - Allergan
  - CVS
  - Distributors
  - Janssen
  - Kroger
  - Mallinckrodt
  - Teva
  - Walgreens
  - Walmart

# Required Reporting

**Expenditure  
Period**

**July 1, 2025**

**June 30, 2026**

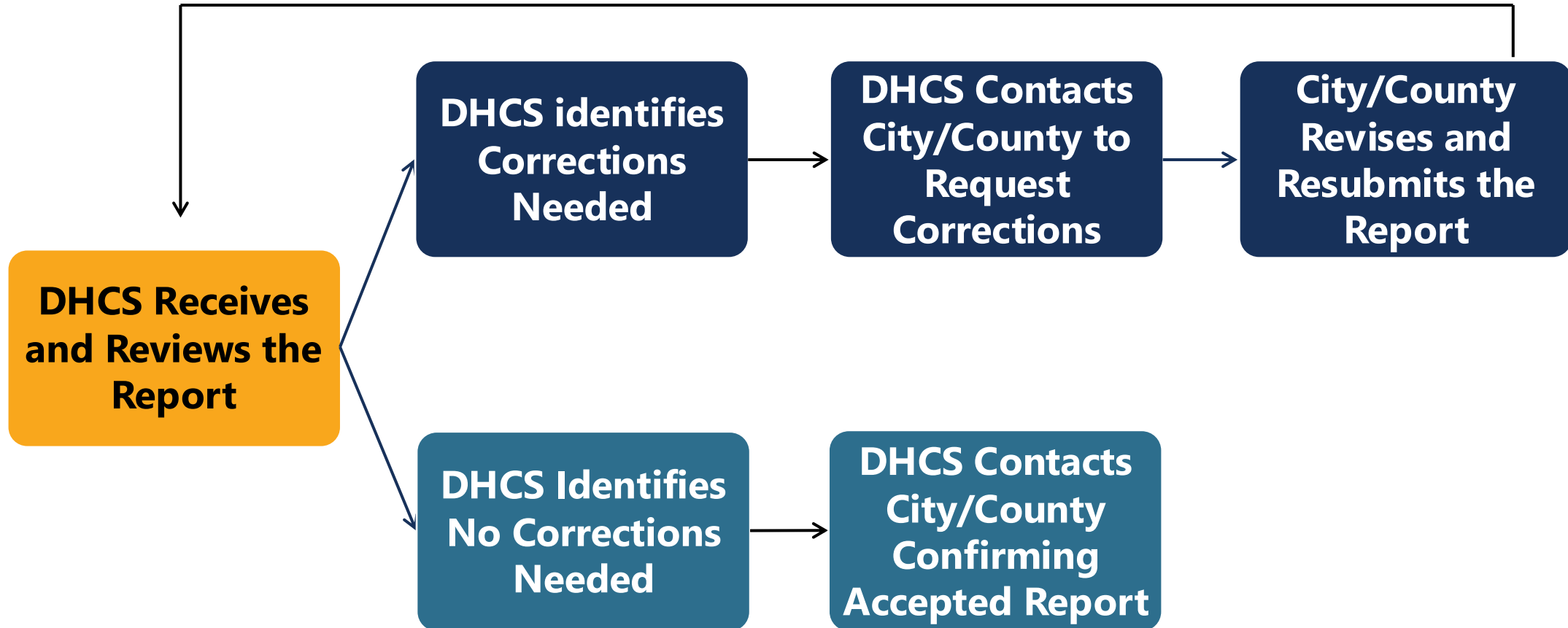
**Reporting  
Period**

**July 1, 2026**

**September 30, 2026**

- » Cities and counties are required to submit annual reports, which include payments received and activities funded, for the previous SFY, or **Expenditure Period**, each year.
- » The online reporting form is open to cities and counties during the **Reporting Period** each year.
- » Per the California State-Subdivision Agreements, DHCS will prepare an annual written report regarding the State's use of funds from the settlements until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS website.

# DHCS Report Monitoring Process



DHCS meets with and provides **technical assistance** to each city/county during this process

# **SFY 2025-26 Opioid Settlements Expenditure Reporting Form**



# Form Structure

<b>Section</b>	<b>Components</b>
General Information	Information about the city or county and the individual completing the form.
Payments	Funds received and interest earned from all settlements and bankruptcies (Abatement, Subdivision, and/or Mallinckrodt).
Reallocated Funds Information	Funds, including interest earned, sent to or received from another city or county (Abatement, Subdivision, and/or Mallinckrodt).
California Abatement Accounts Fund – Allowable Expense Reporting	Expenditures and/or encumbrances for funds from the California Abatement Accounts Fund (including administrative expenses).
California Subdivision Fund – Future Opioid-Related Expenses	Future opioid-related expenses from the California Subdivision Fund.
California Subdivision Fund – Reimbursements for Past Opioid-Related Expenses	Past opioid-related expenses (including legal expenses) from the California Subdivision Fund.
Mallinckrodt Bankruptcy – Allowable Expenses Reporting	Expenditures for funds from the Mallinckrodt bankruptcy (including administrative expenses).
Attestations	Preparer signs and submits on behalf of the city or county.

# Submission Requirements

- » Cities and counties shall only submit one (1) expenditure report annually for funds received from the settlements and bankruptcy.
- » It is the city or county's responsibility to collect all required information regarding the opioid settlement funds they have received and to compile it into a singular report. This includes information from contractors or subgrantees.
  - Do not send the link to the reporting form to contractors or subgrantees to whom you may have awarded your opioid settlement funds.
- » Please note that the online form can only be completed by one (1) person.

# Support Documents

- » [Expenditure Reporting Form Document Preview](#)
- » [Opioid Settlements Expenditure Reporting Form Necessary Materials Checklist](#)
- » [Opioid Settlements Expenditure Reporting Q&A](#)
- » [List of Opioid Remediation Uses](#) (Exhibit E)
- » [List of California Participating Subdivision payments](#) (DHCS webpage – Payment Information)

# **Preview of Online Expenditure Reporting Form**



# Overview of Changes

Section	Updates for This Year
Payments	Cities and counties no longer need to check each settlement that was received and instead only check if they received any settlement funds during SFY 2025-26 (Yes/No)
Allowable Expenses Reporting	Encumbered funds are now reported as a single amount and no longer need to be separated by direct and indirect costs.
Reimbursement for Past Opioid-Related Expenses	Added clarification that Special Master Award of Subdivision Costs payments should not be included.
Mallinckrodt Bankruptcy - Allowable Expenses Reporting	Added breakdown of indirect costs by Approved Opioid Abatement Use per time period (Jul - Dec 2025 and Jan - Jun 2026) to the expenditure table.
Mallinckrodt Bankruptcy - Allowable Expenses Reporting	Indirect cost reporting is now by Approved Opioid Abatement Use instead of as a total sum by time period.
N/A	Back-Stop payment reporting will be handled by DHCS and BrownGreer

# Section 1: General Information

- » This section of the form will ask for information about the city or county and the person completing the report.

This section of the survey will ask for general information about your city or county and the person preparing the report.

Do not include personal information such as phone numbers, email addresses, or personal health information (PHI, 432 CFR). Only submit business information related to the public entity that you are representing. These reports will be made available to the public.

**Participating Subdivision/Local Government:**

*(Select the Participating Subdivision/Local Government for which you are reporting. A list of Participating Subdivisions and Local Governments is available in the individual State Subdivision Agreements on the [DHCS OSF website](#).)*

**Participating Subdivision/Local Government Address:**

Address line 1:	<input type="text"/>
Address line 2:	<input type="text"/>
City:	<input type="text"/>
State:	<input type="text"/>
Zip Code	<input type="text"/>

**Department, agency, or organization:**

*(Please indicate the department, agency, or organization within your Participating Subdivision/Local Government that is responsible for preparing the expenditure reporting forms.)*

**Name of preparer:**

*(Please include the first and last name of the individual preparing this form.)*

# Section 2: Payments

- » This section of the form will ask if your city or county has received settlement funds.
- » This section will also ask if you have any unspent or unallocated Mallinckrodt bankruptcy funds

This section of the survey will ask if your city or county received funds from the California opioid settlements and bankruptcies.

Has your city or county ever received any of these settlement funds? If yes, and if any portion of those funds remained unspent, unreported, and not reallocated, you must select yes below. This includes the current SFY 2025-26 and the previous SFY years (SFY 2022-23, SFY 2023-24, and SFY 2024-25). More information on each settlement agreement can be found on the [DHCS OSF website](#). The [Payment Information tab](#) includes a List of Payments made to Participating Subdivisions. Settlements include:

- Allergan
- CVS
- Distributors - McKesson, Cardinal Health and Cencora, previously Amerisource Bergen
- Janssen Pharmaceuticals, Inc.
- Kroger
- Teva
- Walgreens
- Walmart

Yes

No

Is your Participating Subdivision also a Plaintiff Subdivision?

A Plaintiff Subdivision is a Subdivision located in California, other than a Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants as described in the California State-Subdivision Agreements.

# Section 3: Reallocated Funds Information

- » This section of the form will cover any reallocations of funds between cities and counties.

CA Abatement Fund Reallocations			
	Participating Subdivision that received the reallocated funds	Which SFY were funds reallocated from? These amounts must be listed separately for each SFY.	Abatement amount being reallocated (not including interest)
1	<input type="text"/>	<input type="text"/>	<input type="text"/>
2	<input type="text"/>	<input type="text"/>	<input type="text"/>
3	<input type="text"/>	<input type="text"/>	<input type="text"/>
4	<input type="text"/>	<input type="text"/>	<input type="text"/>
5	<input type="text"/>	<input type="text"/>	<input type="text"/>
6	<input type="text"/>	<input type="text"/>	<input type="text"/>
7	<input type="text"/>	<input type="text"/>	<input type="text"/>
8	<input type="text"/>	<input type="text"/>	<input type="text"/>

# Section 4: California Abatement Accounts Fund – Allowable Expenses Reporting

- » This section of the form will collect information on all CA Abatement Accounts Fund activities.

## Allowable Activities

Answer the following questions for each activity or program you will be reporting on for funds from the **CA Abatement Accounts Fund**. See the [California Opioid Settlement Expenditure Reporting Q&A](#) document for a more detailed explanation.

Please answer the following questions for **Activity #1**.

1. Activity or Program Name:

2. Activity or Program description (please limit to 750 characters):

Please do not include any demographic percentages or data with numbers 10 or less when referring to those served, as these numbers may create potentially identifiable personal information for those served. Please review the [DHCS Data De-Identification Guidelines](#) for more information.

3. List the associated direct and indirect costs for this activity or program from the **CA Abatement Accounts Fund**.

For additional guidance, indirect costs are described in the [DHCS Administrative Costs policy](#).

# Section 5: California Subdivision Fund – Future Opioid-Related Expenses

- » This section will cover future opioid related expenses.
- » Plaintiff Subdivisions will categorize expenditures by broad categories of opioid remediation.

Answer the following set of questions for each activity or program you will be reporting on for the **CA Subdivision Fund**. Please answer based on the SFY 2025-26.

Future opioid-related expenses are defined in the California State-Subdivision Agreement and the [California Opioid Settlement Expenditure Reporting Q&A](#) document.

Please answer the following questions for **Activity #1**.

List how much was expended on this activity or program during the SFY 2025-26 from your **CA Subdivision Fund**.

2. Select one Allowable Expenditure type that applies for this activity.

1 – Address the misuse and abuse of opioid products;

2 – Treat or mitigate opioid use or related disorders;

3 – Mitigate the other alleged effects of, including on those injured as a result of, the opioid epidemic.

# Section 6: California Subdivision Fund – Reimbursements for Past Opioid-Related Expenses

- » This section will cover any reimbursement of past opioid-related expenses, including legal costs.
- » Plaintiff Subdivisions will categorize reimbursements by broad categories of opioid remediation.

Eligible “non-opioid remediation” uses as described in the National Opioid Settlement Agreements are referred to as “Past Opioid-Related Expenses” in the California State-Subdivision Agreements. Plaintiff Subdivisions may reimburse themselves for past opioid-related expenses using the CA Subdivision Fund. Plaintiff Subdivisions are not allowed to spend funds on activities that are not related to opioid remediation or past opioid-related expenses. Please see the Resources Document and [BHIN 26-011 California Plaintiff Subdivision Use of Opioid Settlement Funds Allocated from the California Subdivision Fund](#) for additional information.

If you are unsure if your Participating Subdivision/Local Government has spent funds on past fees and expenses related to opioid litigation, please contact your city or county counsel.

During SFY 2025-26, did your Plaintiff Subdivision use settlement funds to cover any of the below expense categories? Select all that apply.

Past legal expenses, which may include fees and expenses related to litigation against any Opioid Defendant as defined by the California State-Subdivision Agreements. (Do not include Special Master Award of Subdivision Costs payments which were previously reported in the Payment Section of this form.)

Reimbursements for past opioid-related expenses

None of the above

# Section 7: Mallinckrodt Bankruptcy – Allowable Expenses Reporting

- » This section of the form will collect information on any Mallinckrodt bankruptcy funds expended.

Select the Approved Opioid Abatement Use and state the total amount of funds spent on direct and indirect costs.

Per Section 2 of the NOAT II Trust Distribution Procedures, no more than five percent (5%) of the bankruptcy funds may be used to fund expenses incurred in administering the distribution for the Approved Opioid Abatement Uses.

Please see [Exhibit E](#) before completing this section. Select the best option that aligns with the activity.

	Approved Opioid Abatement Use	Direct Costs Total Expenditures	Indirect Costs Total Expenditures	Direct Costs Total Expenditures	Indirect Costs Total Expenditures
		July – December 2025	July – December 2025	January - June 2026	January - June 2026
1					
2					
3					
4					
5					

# Section 8. Attestations

- » This section collects attestations related to compliance with opioid settlement spending requirements and accuracy.

## California Abatement Accounts Fund – Administrative Cost Policy

Pursuant to Section 1 of the National Opioid Settlement Agreements, qualifying expenditures may include reasonable related administrative expenses (indirect costs). Please refer to the DHCS Administrative Costs Policy for additional guidance.

I have read the [DHCS Administrative Cost Policy](#) and on behalf of my Participating Subdivision, I acknowledge and understand the information in that document.



## California Subdivision Fund Expenditure Policy

I certify and attest that reported expenditures from the CA Subdivision Fund were spent pursuant to the requirements set forth in the National Opioid Settlement Agreements and the California State-Subdivision Agreements. Additionally, I understand that any reported expenditures from the CA Subdivision Fund spent on reimbursing past legal expenses, including, if applicable, reimbursements awarded from the Special Master, are required to be reported to the Directing Administrator, BrownGreer PLC.

# Next Steps

The image features the text "Next Steps" in a bold, dark blue font, centered on a white background. Below the text are two decorative, wavy horizontal lines. The top line is a medium teal color, and the bottom line is a darker blue. Both lines have a slight curve and taper at their ends.

# Next Steps

- » The online reporting form link will be sent to all participating city and county contacts on Tuesday, July 1st. Please reach out to [OSF@dhcs.ca.gov](mailto:OSF@dhcs.ca.gov) if you do not receive the link.
- » Only one report should be submitted for each city and county.
- » **The reporting form will open on July 1, 2026, and close on September 30, 2026.**

# Reporting Form Q&A Sessions

- » DHCS will host two expenditure reporting form Q&A sessions from **1-2 P.M. PT** on **Thursday, July 16<sup>th</sup>** and **Wednesday, September 9<sup>th</sup>**.
  - An email with a link to register will be sent alongside the online reporting form link.
- » These Q&A sessions are intended for cities and counties preparing their annual expenditure reports and will focus on answering questions related to completing and submitting the SFY 2025-26 expenditure reporting form.

# More Information & Resources

- » For more information on opioid settlement funds, visit the [DHCS OSF webpage](#).
- » For questions on today's presentation, please email [OSF@dhcs.ca.gov](mailto:OSF@dhcs.ca.gov).
- » To request technical assistance, fill out the [TA request form](#) located on the DHCS OSF webpage.

**Questions?**

The image features the word "Questions?" in a bold, dark blue font, centered on a white background. Below the text are two decorative, wavy horizontal lines. The top line is a medium teal color, and the bottom line is a darker blue. Both lines have a slight curve and taper at the ends, creating a modern, abstract graphic element.

# How to Ask Questions

- » Type your comments in the Q&A box on your Zoom control panel.
- » If you have questions about your specific plan for spending settlement funds, please complete a [TA form](#) and send via email to [OSF@dhcs.ca.gov](mailto:OSF@dhcs.ca.gov).

**Thank you!**

