



Maryland's Office of Overdose Response

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Maryland's Opioid Restitution Fund

Opioid Restitution Fund Primer

Background

In 2021, the first legal settlements with pharmaceutical manufacturers and distributors related to the roles these companies played in misleading the public regarding the risk of prescription opioids were finalized. Several additional legal settlements have been reached since, and others remain in active litigation and could be finalized in the coming years.

Prescriptions for opioids started to rise in 1990, and, between 1999 and 2023, nearly 308,000 people died from a prescription opioid overdose.^{1,2} Additionally, when restrictions on access to prescription opioids began to increase around 2010, many people who had developed opioid use disorder from prescription opioids turned to heroin (and then later fentanyl), which precipitated historic rises in fatal overdoses nationwide.³ In all, over 1,000,000 Americans have lost their lives to an opioid-related overdose since 1999.⁴

The country is still dealing with these devastations, and we continue to lose loved ones, friends, and neighbors to overdoses. In Maryland, nearly four people lose their lives to an opioid overdose every day.⁵ Opioid settlement funds are intended to redress these harms, and, as such, transparency and impactful spending are of the utmost importance.

¹ <https://www.cdc.gov/overdose-prevention/about/understanding-the-opioid-overdose-epidemic.html>

² <https://www.cdc.gov/overdose-prevention/about/prescription-opioids.html>

³ <https://www.cdc.gov/overdose-prevention/about/understanding-the-opioid-overdose-epidemic.html>

⁴ <https://publichealth.jhu.edu/2024/nearly-one-third-of-us-adults-know-someone-whos-died-of-drug-overdose>

⁵ <https://health.maryland.gov/dataoffice/Pages/mdh-dashboards.aspx>

In Maryland

In 2019, Maryland established the [Opioid Restitution Fund](#) (ORF) to receive all proceeds awarded to the state through prescription opioid-related legal settlements. As of August 2025, Maryland has received payments from eight different settlements, including the following:

- Mallinckrodt
- McKinsey & Company
- Janssen (includes McKesson, Cencora, and Cardinal Health)
- Walmart
- Walgreens
- Allergan
- Teva
- Publicis Health

Five of the eight settlements are part of the National Opioid Settlement; Mallinckrodt, McKinsey, and Publicis are not and have different allocation formulas and guiding principles. In 2024, Maryland reached a settlement agreement with Kroger, payments through which will begin in fiscal year 2026.

In 2025, Maryland reached settlement agreements with Purdue Pharma and the following distributors: Alvogen, Amneal, Apotex, Hikma, Mylan (now part of Viatris), Sun, and Zydus. Settlement award amounts and a payment schedule for these settlements are not available at this time. Under settlements with current payment schedules, Maryland will receive payments until fiscal year 2038. Some settlements use front-loaded payments, and the amount received will decrease each year. In Maryland, 58 subdivisions agreed to drop their individual lawsuits and joined the state's settlement agreements.

Participating subdivisions include: Allegany County, City of Cumberland, City of Frostburg, Anne Arundel County, City of Annapolis, Baltimore County, Calvert County, Caroline County, Carroll County, City of Westminster, Cecil County, Town of Charlestown, Town of Elkton, Town of Northeast, Town of Perryville, Charles County, Dorchester County, City of Cambridge, Town of Vienna, Frederick County, City of Frederick, Garrett County, Town of Grantsville, Town of Mountain Lake Park, Town of Oakland, Harford County, City of Aberdeen, Town of Bel Air, City of Havre de Grace, Howard County, Kent County, Montgomery County, City of Gaithersburg, City of Rockville, City of Takoma Park, Prince George's County, City of Bowie, City of College Park, Town of Cottage City, Town of Forrest Heights, City of Greenbelt, City of Hyattsville, City of Laurel, City of New Carrollton, Town of North Brentwood, City of Seat Pleasant, Town of Upper Marlboro, Queen Anne's County, Somerset County, St. Mary's County, Talbot County, Town of Easton, Washington County, City of Hagerstown, Wicomico County, City of Salisbury, Worcester County and Town of Berlin.

Note: While Baltimore City opted into Maryland's settlement with Walmart, it pursued independent litigation against all other parties. You can learn more about their opioid settlements [here](#).

Maryland's Settlement Framework

The State-Subdivision Agreements of [2022](#) and [2023](#) specify how funds will be shared between the state and all participating subdivisions. In Maryland, 70% of funds subject to this agreement are distributed at the local level to each of the 58 subdivisions mentioned above. In addition to [State Finance and Procurement Article § 7-331](#), which outlines allowable uses for these funds as outlined in [Exhibit E](#), the State-Subdivision Agreements also identifies additional parameters for allowable spending in Maryland.

Maryland's Office of Overdose Response (MOOR) has been designated as the administrator of the ORF. MOOR supports the Opioid Restitution Fund Advisory Council (which makes recommendations on state spending), collects expenditure reporting from subdivisions and others receiving ORF funds, submits an annual report to the state legislature, and executes the state discretionary abatement grants.

Funding Breakdown

There are four distinct funding streams for settlements in the [National Opioid Settlement](#). [Local Subdivisions \(70%\)](#)

Local subdivisions receive 70% of the total funds through two funding streams:

- **Local Direct (25%):** Local Direct allocation payments go directly from the settlement administrator, Brown Greer, PLC, to participating subdivisions.
- **Targeted Abatement Grants (TAG) (45%):** TAG funds are deposited into the state ORF account, but are strictly to be used to provide formula-based grants to the participating subdivisions. Upon submission and approval of a Local Abatement Plan (LAP) demonstrating a plan for allowable spending that is compliant with the State-Subdivision Agreement, opioid settlement agreements, and applicable law, those funds may be released by MOOR to the local subdivision. Targeted Abatement Grant funds cannot be utilized by the state.

There are eight qualifying charter counties that are not required to submit a LAP due to an agreement made during the settlement process: Anne Arundel County, Baltimore City (only for the Walmart settlement), Baltimore County, Frederick County, Harford County, Howard County, Montgomery County, and Prince George's County.

State Portion (30%)

Funds at the state level are split between the State Allocation and State Discretionary Abatement Fund.

- **State Allocation (15%):** Used for allowable expenditures at the state's discretion. Legislative mandates should come from this fund.
- **State Discretionary Abatement Fund (SDAF) (15%):** The SDAF is required to be made available through competitive grants.

Apart from national settlements, McKinsey, Mallinckrodt, and Publicis payments that go to the state will fall in the State Allocation fund. Mallinckrodt (also known as "NOAT-II") also has local payment distributions to counties, which can be found [here](#). Publicis does not have local subdivision payments.

Note: *The McKinsey settlement also involves local distributions, however, this settlement occurred outside of the state agreement with McKinsey. As such, the state is not involved in the administration of those funds, and those amounts are not included in the calculations above.*

Funds Received

You can view the current projected payment schedule for the national settlement [here](#).

For the non-national opioid settlements, McKinsey has paid its full settlement amount of \$12,084,129.00 as of fiscal year 2025, and Publicis paid out its one-time payment of \$7,239,389.04 in the 2024 fiscal

year. Mallinckrodt has paid out the total settlement amount of \$2,200,943.11. Mallinckrodt also has local payment distributions to counties, which can be found [here](#).

Based on current projections, a total of \$670,823,954.48 will be received by Maryland and its subdivisions over the next 18 years. Of this, \$160,093,417 will be distributed directly to local subdivisions, \$284,763,252.13 will be distributed to local subdivisions through TAG distributions, \$122,014,862.59 will be designated for the State Allocation, and \$100,490,400.97 will be designated for State Discretionary Abatement Fund grants.

Funds Spent

For information about funds expended, please review the [Maryland Opioid Restitution Fund Expenditure Report: Fiscal Year 2025](#). As required by [Senate Bill \(SB\) 589 of 2025](#), Maryland will soon have a public ORF dashboard where this information will also be available.

Allowable Spending

All ORF funds are required to be used to further opioid remediation in the State of Maryland. [Exhibit E](#) is the guiding document for allowable uses for opioid remediation. It was established in the National Opioid Settlement Agreement and therefore governs allowable spending for all states in the settlement agreement.

The State-Subdivision Agreements of [2022](#) and [2023](#) are specific to Maryland and stipulate that 15% of the local allocation may be permissible to be used for past opioid remediation, subject to the requirements of the opioid settlements. This spending must be for allowable uses in Exhibit E. The majority of ORF funds distributed by MOOR are required to be used specifically for future opioid remediation.

Additionally, [Annotated Code of Maryland State Finance and Procurement Article § 7-331](#) states “money expended from the Fund for the programs and services described under subsection (f) of this section is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for the programs and services”. This makes clear that supplantation of previous funding with ORF funds is not permissible.

MOOR would like to note that the opioid settlement payments are front-loaded, so smaller payments will trickle in over the next several years. In order to make strategic investments and create sustainable programs and interventions, the state and local subdivisions may need to maintain a balance in the ORF.

You can learn more by reading our [Opioid Restitution Fund Policy Bulletin: Allowable Spending](#).

Reporting

Annually, MOOR is required to report to the state legislature on expenditures from the ORF. You can see MOOR's report to the state legislature from fiscal year 2025 [here](#).

Local subdivisions are also required to submit reporting to MOOR annually, which MOOR uses in its report to the state legislature. This report requires local subdivisions to align all spending with allowable provisions from [Exhibit E](#), as well as identify performance measures for funded programs. Under the State-Subdivision Agreement, local subdivisions shall cooperate reasonably with the Attorney General, the Secretary, and the Executive Director regarding the statewide coordination of planning, activities, expenditures, and reporting under the 2022 State-Subdivision Agreement, the 2023 State-Subdivision Agreement, and the National Settlement Agreements, including by providing contact information for persons responsible for the management and expenditure of funds received under opioids settlements. In addition, recipients of state discretionary abatement grant funds may be required to provide reporting to support public dashboard efforts.

Per [Senate Bill 589](#) of 2025, MOOR is required to create a dashboard that will display all ORF expenditures for the public, including local spending. As of September 2025, MOOR is currently partnering with the MDH Data Office to establish this dashboard.

Opioid Restitution Fund Advisory Council

Maryland's Opioid Restitution Fund Advisory Council (ORFAC) was established in 2022 to provide recommendations regarding the use of the state portion of prescription opioid-related legal settlement funds. As specified by state statute ([Maryland Health General Article §7.5–903](#)), the council consists of 12 members who serve for terms of two years.

Recommendations for 2025 can be viewed [here](#).

Visit StopOverdose.maryland.gov/ORF-AdvisoryCouncil to learn more or see meeting materials.

Helpful documents

State-Subdivision Agreements of [2022](#) and [2023](#)

[Annotated Code of Maryland State Finance and Procurement Article §7-331](#)

[Exhibit E Allowable Spending](#)

[National Opioid Settlement I](#) (Janssen, Walmart, Walgreens, Allegan, Teva, Kroger)

[National Opioid Settlement II](#) (Malinkrodt)

[Brown Greer payment distribution website](#)

[Local subdivision settlement fund projections](#) (download in Excel)

[MOOR's ORF Resource page](#)

[FY2024 Annual Expenditure Report](#) for the General Assembly

[FY2025 Annual Expenditure Report](#) for the General Assembly

This document will be updated periodically as new settlement information becomes available. Last update November 3rd, 2025. For questions, please reach out to orf.moor@maryland.gov