

## *New Mexico's Opioid Settlements*

The United States is in the **midst of a crisis** on its streets and in its communities as **overdoses, homelessness, and disorder reach record levels**. Yet settlement proceeds secured by the State of New Mexico present an **unprecedented opportunity for generational investment** in treatment capacity for chronic substance abuse (CSA) and severe mental illness (SMI).

New Mexico is set to receive **more than \$800 million** (\$833,233,117.95) in opioid settlement funds—equal to nearly 90 percent of the state's share of the monumental Tobacco Master Settlement Agreement.<sup>1</sup> With twenty-two separate settlements and payments spread out over decades, the funds are **at risk of being squandered** through ad-hoc allocations to **diffuse and disorganized efforts**.

The state must ensure that this opportunity for treatment investment does not go underutilized. **New Mexico can make targeted investments in treatment capacity** that will **honor those who suffered** in the opioid crisis and **ensure accessible care** for decades to come.

New Mexico reserves 45 percent of settlement funds (\$394,377,267.26) for use by the state, held in the opioid settlement restricted fund, with the remainder allocated to subdivisions.<sup>2</sup> Statute restricts funds from immediate use by allowing only five percent of the restricted fund be allocated to the opioid crisis recovery fund.<sup>3</sup> The recovery fund is allocable by the state legislature, and is restricted for use among nine categories.<sup>4</sup> Each of the recommendations herein is eligible under state law. Allocations made by the state are not readily accessible as there is no transparency dashboard or comprehensive annual report published, making it difficult to exercise oversight of the state's spending priorities.

What limited information is available shows signs of misappropriation. The largest allocation in FY 2025 was for housing vouchers in excess of \$2 million, and another \$1 million was spent on improving "infant mental health."<sup>5</sup> For FY 2026, the legislature again approved these expenditures.<sup>6</sup>

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<sup>1</sup> With the exception of the McKinsey and Publicis settlements, of which the state controls 100 percent of funds.

The state must rein in the misallocation of these funds and prioritize investments in comprehensive treatment networks. **Three priorities** (Certified Behavioral Health Clinics, secure psychiatric beds, and community SMI/CSA response) **will ensure these funds have the largest impact** on New Mexico.

## Certified Community Behavioral Health Clinics (CCBHCs)

CCBHCs, designed to ensure access to coordinated comprehensive behavioral health care, have stable funding and are supported by all recent presidential administrations. CCBHCs are a key response to the crisis and can augment other services such as police crisis response teams, homelessness outreach and services, and outpatient psychiatric commitment services.

- **Solution: Fund the development and expansion of CCBHCs.**
  - o Expand the CCBHC footprint with an emphasis on a team-based approach to co-occurring disorders.
  - o Create a stepped approach to SMI/CSA treatment with services provided by the CCBHCs.
  - o Require CCBHCs to offer specific care pathways to meet the needs of individuals with co-occurring disorders.

## State Psychiatric Hospitals

Inpatient beds in secure facilities are critical for serving the highest-acuity psychiatric patients. New Mexico currently has only **2.3 state psychiatric beds** per 100,000 people available for civil (i.e., non-criminal) patients.<sup>7,8</sup> Treatment Advocacy Center recommends a rate of 30-60 beds per 100,000. Even counting non-public secure psychiatric beds, New Mexico still falls short of the minimum.<sup>9</sup> Secure beds are costly, but a necessary expenditure to protect patients with severe psychiatric disorders and the public at large.

- **Solution: Fund the expansion of civil psychiatric beds.**
  - o Invest in expanding state hospital capacity.
  - o Move forensic (criminal) commitments to a jail-based restoration facility.
  - o Apply for one of several Section 1115(a) waivers to expand Medicaid reimbursement for institutions for mental diseases (IMDs).

## Inpatient Stabilization Centers and Mobile Crisis Teams

Emergency departments (EDs) are supposed to be a last-resort for times of true emergencies, but are increasingly used for all types of immediate-need medical care. This is especially true for low- to medium-acuity mental health crises. In order for CCBHCs and

state psychiatric bed expansions to have the largest impact, there must be an immediate triage of low-acuity patients from higher-need patients, or else these investments will be drowned out, overburdened, and underutilized by those that need them most, just like emergency departments.

- **Solution: Fund community-based mental health response resources.**
  - Expand community-based recovery centers, including voluntary short-term respite housing, especially for young adults.
  - Leverage CCBHC resources to develop comprehensive mobile crisis response teams in conjunction with police crisis intervention teams (CIT).
  - Support integration with crisis networks such as the Lifeline to support those in need or provide guidance for concerned loved ones.

## NEW MEXICO

[Download all New Mexico opioid settlement documents](#)

[View settlement fund dashboard](#)

STATE-CONTROLLED FUNDS	ALL FUNDS	2025 EOY FUNDS RECEIVED - STATE	2025 EOY FUNDS RECEIVED - ALL	Av. Receipt (All Funds) / Yr (*20)
\$394,377,267.26	\$833,233,117.95	\$176,424,647.06	\$356,262,538.34	\$41,661,655.90

### 2021 National Opioid Settlement

*New Mexico v. Distributors*

- [Final Consent Judgment](#)
  - [Exhibit A "Distributor Settlement Agreement"](#)
  - [Exhibit B "New Mexico Opioid Allocation Agreement \("NMOAA"\)"](#)
- State of New Mexico, ex rel, Raúl Torrez, Attorney General, v. Purdue Pharma LP, et. al., First District Court, Sante Fe County, Case No. D-101-CV-201702541

*New Mexico v. Janssen<sup>ii</sup>*

- [Final Consent Judgment](#)
  - [Exhibit A "Janssen Settlement Agreement"](#)
  - [Exhibit B "New Mexico Opioid Allocation Agreement \("NMOAA"\)"](#)
- State of New Mexico, ex rel. Raúl Torrez, Attorney General, v. Purdue Pharma LP, et. al., First District Court, Sante Fe County, Case No. D-101-CV-201702541

### 2022 National Opioid Settlement

*New Mexico v. Allergan*

- [Final Consent Judgment](#)
- [Exhibit A "Allergan Public Global Opioid Settlement Agreement"](#)
- [Exhibit B "New Mexico Opioid Allocation Agreement \("NMOAA"\)"](#)
- [Addendum to NMOAA](#)
- State of New Mexico, ex rel. Raúl Torrez, Attorney General, v. Purdue Pharma LP, et. al., First District Court, Sante Fe County, Case No. D-101-CV-201702541

*New Mexico v. Teva*

- [Final Consent Judgment](#)
  - [Exhibit A "Teva Global Opioid Settlement Agreement"](#)
  - [Exhibit B "New Mexico Opioid Allocation Agreement \("NMOAA"\)"](#)
- [Addendum to NMOAA](#)

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<sup>ii</sup> "Johnson & Johnson will pay New Mexico its share of the settlement in 2022, rather than over the course of several years, if all New Mexico local governments sign onto the agreement by May 31, 2022" <https://legislativeanalysis.org/wp-content/uploads/2022/02/February-2022-CLM-FINAL.pdf>.

- State of New Mexico, ex rel. Raúl Torrez, Attorney General, v. Purdue Pharma LP, et al., First District Court, Sante Fe County, Case No. D-101-CV-201702541

### **Other Coalition Opioid Settlements**

#### *New Mexico v. McKinsey*

- [Final Consent Judgment](#)
- [McKinsey Allocation Amounts](#)
- State of New Mexico, ex rel. Hector Balderas, Attorney General, v. McKinsey & Company, Inc. United States, First District Court, Sante Fe County, Case No. D-101-CV-202100219

#### *New Mexico v. Mallinckrodt*

- [NOAT II Agreement](#)
- [Statewide Abatement Agreement](#)
- [Notice of Abatement Distribution](#)
- [Supplemental Notice of Abatement Distribution \(Reallocation\) \(City of Carlsbad\)](#)

#### *New Mexico v. Publicis*

- [Stipulated Judgment](#)
- State of New Mexico, ex rel, Raul Torrez, Attorney General for the State of New Mexico, v. Publicis Health, LLC, First District Court, Sante Fe County, Case No. D-101-CV-2024-00261

#### *New Mexico v. Endo*

- [Global Public Trust Agreement](#)
- [Notice of Abatement Distribution](#)

### **2025 National Settlements**

#### *New Mexico v. Purdue*

- [missing documents]
- State of New Mexico, ex rel., Hector Balderas, Attorney General v. Purdue Pharma L.P., et al., Sante Fe District, Case No. D-101-CV-201702541 [unconfirmed]

#### *New Mexico v. Mylan*

- [missing documents]

#### *New Mexico v. Apotex*

- [missing documents]

#### *New Mexico v. Indivior*

- [missing documents]

#### *New Mexico v. Sun Pharmaceuticals*

- [missing documents]

*New Mexico v. Alvogen*

- [missing documents]

*New Mexico v. Zydus*

- [missing documents]

**Independent Settlements**

*New Mexico v. CVS*

- [Consent Judgment](#)
  - [Exhibit 1 “Settlement Agreement and Full Release of Claims”](#)
- State of New Mexico, ex rel., Hector Balderas, Attorney General, v. Purdue Pharma L.P., et al., First District Court, Sante Fe County, Case No. D-101-CV-2017-02541

*New Mexico v. Walgreens*

- [Consent Judgment](#)
  - [“Settlement Agreement and Full Release of Claims”](#)
- State of New Mexico, ex rel., Hector Balderas, Attorney General, v. Purdue Pharma L.P., et al., First District Court, Sante Fe County, Case No. D-101-CV-2017-02541

*New Mexico v. Walmart*

- Consent Judgment [Exhibit B, below]
- [“Settlement Agreement and Full Release of Claims”](#)
  - Exhibit B “Consent Judgment” [p. 19]
- State of New Mexico, ex rel., Hector Balderas, Attorney General, v. Purdue Pharma L.P., et al., First District Court, Sante Fe County, Case No. D-101-CV-2017-02541

*New Mexico v. Kroger*

- Consent Judgment [Exhibit B, below]
  - [“Settlement Agreement and Full Release of Claims”](#)
    - Exhibit B “Consent Judgment” [p. 19]
- State of New Mexico, ex rel., Hector Balderas, Attorney General, v. Purdue Pharma L.P., et al., First District Court, Sante Fe County, Case No. D-101-CV-2017-02541

*New Mexico v. Amneal*

- Consent Judgment [Exhibit D, below]
- [“Settlement Agreement and Full Release of Claims”](#)
  - Exhibit D “Consent Judgment” [p. 41]
- State of New Mexico, ex rel., Hector Balderas, Attorney General, v. Purdue Pharma L.P., et al., First District Court, Sante Fe County, Case No. D-101-CV-2017-02541

*New Mexico v. Hikma*

- [Consent Judgment](#)
  - [Exhibit A “Settlement Agreement and Full Release of Claims”](#)
- State of New Mexico, ex rel., Hector Balderas, Attorney General, v. Purdue Pharma L.P., et al., First District Court, Sante Fe County, Case No. D-101-CV-2017-02541

*New Mexico v. KVK-Tech*

- [Consent Judgment](#)
  - Exhibit A “Settlement Agreement and Full Release of Claims” [p. 7]
- State of New Mexico, ex rel., Hector Balderas, Attorney General, v. Purdue Pharma L.P., et al., First District Court, Sante Fe County, Case No. D-101-CV-2017-02541

*New Mexico v. Albertsons*

- [Consent Judgment](#)
  - [Exhibit A “Settlement Agreement and Full Release of Claims”](#)
- State of New Mexico, ex rel., Hector Balderas, Attorney General, v. Purdue Pharma L.P., et al., First District Court, Sante Fe County, Case No. D-101-CV-2017-02541

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<sup>1</sup> KFF, “Actual Tobacco Settlement Payments Received by the States (in millions).” Accessed 8 September 2025. <https://www.kff.org/health-costs/state-indicator/tobacco-settlement-payments>.

<sup>2</sup> “New Mexico Opioid Allocation Agreement.” <https://drive.google.com/file/d/1L1hk5uMqVmbDwwSvHVxXg8-Ty-Mwl5kY/view?usp=sharing>.

<sup>3</sup> Section 6-4-28 NMSA 1978. <https://nmonesource.com/nmos/nmsa/en/item/4381/index.do#6-4-28>.

<sup>4</sup> Section 6-4-29 NMSA 1978. <https://nmonesource.com/nmos/nmsa/en/item/4381/index.do#6-4-29>.

<sup>5</sup> The Legislative Finance Committee published a brief in May 2024 providing limited insight into appropriations, naming only the agency receiving the funds, the purpose (explained in a single word at times), and the amount per fiscal year. See New Mexico Legislative Finance Committee, “LFC Hearing Brief: Update on Opioid Settlements.” May 2024. <https://www.nmlegis.gov/handouts/ALFC%20051424%20Item%2015%20-%20Hearing%20Brief%20-%20Opioid%20Settlement%20Update.pdf>.

<sup>6</sup> See New Mexico Legislative Finance Committee, “Legislating for Results: Post-Session Review Fifty-Seventh Legislature, First Session,” Appendix T. May 2025. [https://www.nmlegis.gov/Entity/LFC/Documents/Session\\_Publications/Post\\_Session\\_Fiscal\\_Reviews/May%202025%20Post%20Session.pdf](https://www.nmlegis.gov/Entity/LFC/Documents/Session_Publications/Post_Session_Fiscal_Reviews/May%202025%20Post%20Session.pdf).

<sup>7</sup> Treatment Advocacy Center, “New Mexico Psychiatric Beds Report.” 2023. <https://www.tac.org/wp-content/uploads/2023/10/NewMexicobedsinformation.pdf>.

<sup>8</sup> United States Census Bureau, “2023 American Community Survey – Total Population.” [https://data.census.gov/table/ACSDT1Y2023,B01003?q=population&t=Population+Total&g=010XX00US\\$0400000](https://data.census.gov/table/ACSDT1Y2023,B01003?q=population&t=Population+Total&g=010XX00US$0400000).

<sup>9</sup> Silver, Shanti, “Estimating Psychiatric Bed Need in the United States,” p. 2-4. Treatment Advocacy Center Office of Research and Public Affairs. January 2024. [https://www.tac.org/wp-content/uploads/2024/03/TAC\\_ORPA\\_ResearchSummary1.24.pdf](https://www.tac.org/wp-content/uploads/2024/03/TAC_ORPA_ResearchSummary1.24.pdf).