



OPIOID FUNDING SUMMARY

SUMMARY OF FUNDING STREAMS

Currently, there are multiple funding and resource streams for opioid-related work that are in process of being aligned within the Executive Office of Health and Human Services (EOHHS). These include:

- **Opioid Stewardship Fund:** Transfer of the existing fund to EOHHS from RIDOH.
- **McKinsey Settlement:** Transfer existing dollars (prior to Opioid Settlement Agreement) to EOHHS from RIDOH.
- **Original Opioid Settlement Agreement:** Newly negotiated by RIAG and established via MOU at EOHHS and under advisement of the Opioid Settlement Advisory Committee.
 - **Teva and Allergan Settlement:** Recently negotiated by RIAG to be added to Opioid Settlement Agreement and under the advisement of the Opioid Settlement Advisory Committee.
 - **Pending Purdue Settlement:** Recently negotiated and awaiting finalization. Will be added to Opioid Settlement Agreement and under the advisement of the Opioid Settlement Advisory Committee.
- **Opioid-Related Grants:** Across EOHHS member agencies and being aligned across agency budgets.

A. OPIOID STEWARDSHIP FUND OVERVIEW

The Opioid Stewardship Fund (OSF) was established in 2019, financed by an assessment on opioid products sold or distributed in Rhode Island, prorated by market share, up to a cap of \$5 million. The purpose is to fund opioid treatment, recovery, prevention, and education services – and these dollars are often extremely useful because they can pay for things that Federal dollars are prohibited from covering.

In FY22 Enacted Budget (\$5,194,237):

- Expansions of Recovery Housing for Alcohol Use Disorder - \$780,000 (critical because State Opioid Response (SOR) dollars cannot fund alcohol-related programs)
- Medication Assisted Program (MAT) for uninsured and undocumented Rhode Islanders - \$500,000 (critical especially through a race equity lens because federal dollars cannot serve people who are undocumented)
- MAT and Substance Use Disorder (SUD) treatment and recovery counseling services for incarcerated people - Total of ~\$2.3 million
- Support for Regional Substance Abuse Prevention Task Forces - \$500,000 (Note that these dollars were added to the OSF by the legislature last session, and we have added them again this year.)

In FY22 Governor's Revised Recommended Budget (\$4,560,603):

EOHHS is proposing small changes, including a reduction of staffing charges for the Prescription Drug Monitoring Program (PDMP), and moving funding for two HIT projects that cannot be achieved this year to the FY23 budget. These projects are funding for BHDDH's data system overhaul and a PDMP programming project (total funding reduction of \$633,634).

In FY23 Proposed Budget/FY23 Proposed Budget Amendment:

The total amount requested to be allocated under the Opioid Stewardship Fund for FY23 is \$8,250,395 which is \$301,404 less than the Governor's budget of \$8,551,799 which recognizes a reduction of available funding as an estimated refund to CVS Pharmacy, Inc. Funding is proposed to be used for:

- Overdose Task Force Director FTE
- Evidence-based communications campaigns on polysubstance use, fentanyl, and harm reduction
- SUD residential services, recovery housing, recovery-friendly workplaces
- RIDOC MAT, treatment, and recovery programs, as well as rapid overdose death detection
- Narcan vending machines, naloxone, harm reduction infrastructure, and needle exchange*
- Regional Prevention Coalition funding to support local priorities and resource gaps**

Note:** The funding provided to the Regional Prevention Coalitions is executed through the policies and procedures of State procurement which typically necessitate negotiated contract requirements, work tasks, and associated deliverables based on programmatic gaps. Moving forward, consideration will be made towards general capacity-building dollars, where applicable. *Note:** In light of the recent Teva and Allergan settlement announcement, an FY23 revised budget amendment may be needed regarding the planned allocation of \$1M to Naloxone. However, until a schedule of drug deliveries is determined, the EOHHS request remains as currently outlined, to ensure no gap in services or essential rescue resources. EOHHS will communicate with the General Assembly once the naloxone deliveries are confirmed.

B. MCKINSEY SETTLEMENT

In FY23 Proposed Budget/FY23 Proposed Budget Amendment:

The total amount requested to be allocated under the McKinsey Settlement fund is \$1,500,000 which is \$610,000 more than the Governor’s budget of \$890,000.

The McKinsey Settlement funding allocation includes the following items, as developed in partnership with RIAG:

- FY23 Naloxone needs and a requested FY22 carry-forward for naloxone***
- Peer Recovery Specialist Workforce Recruitment and Retention initiative
- Providence/Pawtucket Drop-In Centers and safe smoking kits, including fentanyl test strip supplies
- Evidence-based communications campaigns on polysubstance use, fentanyl risk, and harm reduction

*****Note:** In light of the recent Teva and Allergan settlement announcement, an FY23 revised budget amendment may be needed as it relates to MAT and Naloxone. However, until a schedule of drug delivery is determined, the EOHHS request remains as currently outlined to ensure no gap in services or essential rescue resources. EOHHS will communicate with the General Assembly once the naloxone deliveries are confirmed.

C. OPIOID SETTLEMENT AGREEMENT (ORIGINAL)

A total of 80% of the settlement funds will be for the State opioid abatement efforts and EOHHS will steward these funds and staff the Advisory Committee. Annual budget recommendations will be presented to EOHHS from the Advisory Committee for consideration. At this time, the FY23 budget requests authorization to spend these funds, in alignment with the MOU with the Cities and Towns and Opioid Abatement Approved Uses, as the following is currently underway:

- The Committee has met once before on April 29th to review the creation and purposes of the Opioid Settlement Advisory Committee, appoint the three (3) Expert and two (2) Community Representatives using a process of modified consensus building, and discuss the next steps towards making funding recommendations to the Secretary
- The full Committee Kickoff meeting will take place on Monday, May 23rd 1:30-3PM at DOA with a focus on orienting members to the Overdose Task Force Strategic Plan, Evidence Update, and Community Recommendations, solidifying decision-making principles, engagement expectations, and Committee conduct, and beginning to discuss funding needs and resource allocations in accordance with the Approved Uses Chart below
- It is anticipated that an updated spending plan will be sent to the legislature as Committee recommendations are accepted by EOHHS, OMB, and the Governor’s Office this summer/fall.

Approved Uses for Advisory Committee Recommendations:

Per the Settlement agreement, priority shall be given to the following core abatement strategies:

Priority 1: Core Abatement Strategies

- Naloxone Or Other FDA-approved Drug To Reverse Opioid Overdoses*
- Medication-assisted Treatment (“MAT”)* Distribution And Other Opioid-related Treatment
- Pregnant & Postpartum Women
- Expanding Treatment For Neonatal Abstinence Syndrome (“NAS”)
- Expansion Of Warm Hand-off Programs And Recovery Services
- Treatment For Incarcerated Population
- Prevention Programs
- Expanding Syringe Service Programs
- Evidence-based Data Collection And Research Analyzing The Effectiveness Of The Abatement Strategies Within The State

*One settlement includes providing the State with drugs (i.e., Naloxone and some MAT) but this may not happen until December.

Per the Settlement agreement, Support treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

Priority 2: Allowable Uses

Treatment:

- Treat Opioid Use Disorder (OUD)
- Support People In Treatment And Recovery
- Connect People Who Need Help To The Help They Need (Connections To Care)
- Address The Needs Of Criminal Justice-involved Persons
- Address The Needs Of Pregnant Or Parenting Women And Their Families, Including Babies With Neonatal Abstinence Syndrome

Prevention:

- Prevent Overprescribing and Ensure Appropriate Prescribing And Dispensing of Opioids
- Prevent Misuse Of Opioids
- Prevent Overdose Deaths And Other Harms (Harm Reduction)

Other Strategies:

- First Responders
- Leadership, Planning And Coordination
- Training
- Research

D. TEVA AND ALLERGAN SETTLEMENT

As recently as March 21, 2022, an additional settlement with Teva and Allergan was secured by the RIAG Office. These monies will be added to the existing Opioid Settlement Agreement and will be governed by the same process outlined in the Opioid Settlement Agreement MOU whereby 80% will be allocated for State opioid abatement. In addition to the money investment, Rhode Island will receive the following annually (likely beginning in CY 2023):

- 67,000 30-pill bottles of the treatment drug Suboxone in various doses over the next 10 years at no cost
- One million life-saving Naloxone sprays (50 kits of two sprays each) to Rhode Island over the next 10 years, free of charge

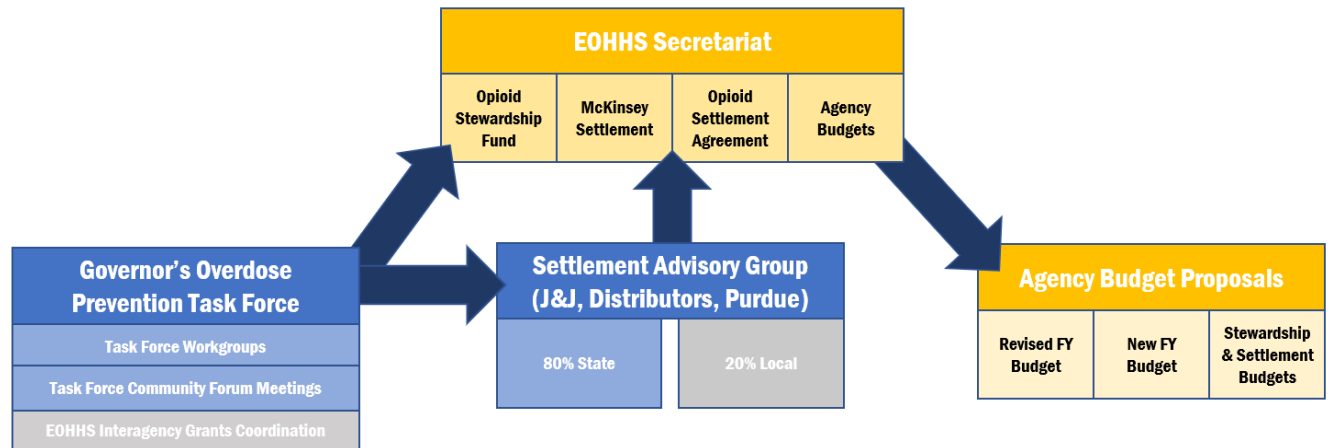
E. PURDUE & SACKLER SETTLEMENT (EXPECTED)

As recently as March 3, 2022, an additional settlement with Purdue Pharma and the Sackler Family was secured by the RIAG Office. These monies will be added to the existing Opioid Settlement Agreement once a fee schedule is released and will be governed by the same process outlined in the Opioid Settlement Agreement MOU whereby 80% will be allocated for State opioid abatement. No further details at this time as this settlement is still being finalized and approved.

SUMMARY OF EFFICIENCIES AND NEEDS

A. FUNDING ALIGNMENT PROCESS

The intent of having this funding centralized at EOHHS is to align community recommendations for Secretariat review and exercise EOHHS budget authority across opioid funding streams and agencies to maximize impact. Below is an example graphic of how the governance alignment between EOHHS, the Task Force, the Advisory Group, and the Agencies can work synergistically:



B. RESOURCE NEEDS

To effectively steward and align opioid resources across these existing and new funding streams, in accordance with the statutory direction provided to EOHHS on budget and finance, EOHHS requires the following resources:

- A new Overdose Task Force Director FTE, proposed to be funded through the Opioid Stewardship Fund through the FY23 budget, based on
- Transfer of the existing Opioid Stewardship Fund financial support staff FTE to EOHHS, as outlined in the FY23 budget
- A new Chief Health Program Evaluator to administer and evaluate the Opioid Settlement Agreement for its 18-year duration including staffing the Opioid Settlement Advisory Committee, to be funded by the settlement dollars as proposed in the FY23 budget
- A new Administrator of Finance Management to provide financial oversight and management of the various opioid-related funding sources under EOHHS, proposed in the FY23 budget

C. LOCAL ALIGNMENT

EOHHS has worked to ensure that the League of Cities and Town is made aware of the following local partners who can assist local municipalities with stewardship of local opioid abatement efforts for the 20% of local funds:

Community Overdose Engagement Collaboratives

Although all cities and towns have been affected by this crisis, some communities have been more heavily impacted than others. Rhode Island has hotspots of opioid overdose, geographic areas (neighborhoods, cities, and counties) that have experienced higher rates of overdose in the state. Community Overdose Engagement Collaboratives (CODE) projects in specific municipalities are targeting overdose hotspots are being targeted to reduce the burden of overdose by partnering with local organizations to initiate change. Deployment of CODE has strengthened the local response by increasing the capacity within Health Equity Zones and cities/towns to respond to the crisis on the ground in their communities and build on the successes of the Overdose Prevention and Intervention Task Force.

Health Equity Zones

The Health Equity Zone (HEZ) initiative is designed to establish and sustain a community specific infrastructure in communities across Rhode Island to improve community outcomes. HEZ achieves this by bringing together multiple community organizations and leaders to work collectively within a specific geographic area, like a neighborhood or town, who assess what needs and assets exist within their community, and then engage with the people who live, work, play and pray in that community to understand what the community feels is most important to retain and most important to change about their community. This all leads to the development of a plan for improving the community that is informed and owned by the community and serves as the guiding strategy for community improvement. Because of the unique nature of the HEZ framework, Health Equity Zones are uniquely positioned to utilize state and federal resources to maximize their impact within their community. All counties are covered with at least one HEZ geography.

Regional Prevention Coalitions

The Rhode Island Regional Coalitions, funded under the Rhode Island Substance Abuse Prevention Act (RISAPA), are required to conduct assessments of population needs related to RI’s risk factors and behaviors for priority problems and then implement prevention-driven solutions. The coalitions are a collaborative effort to provide substance use prevention strategies, and mental health advocacy to those navigating the substance use road in the state of Rhode Island. Since communities have started working with prevention, the coalitions have continued to strive to create a community that encourages healthy lifestyle choices and a deeper understanding of the complexities of mental health and substance misuse. As Rhode Island continues to learn and grow as a community, the coalitions expand the representation of prevention knowledge through our parents, elected officials, medical community, and our local businesses. These are regional and by county.

D. BUDGET SUMMARY FOR OPIOID STEWARDSHIP AND MCKINSEY SETTLEMENT

FY23 Amendment Opioid Stewardship and McKinsey Budget Proposal

Row Labels	Sum of FY23 Opioid Stewardship Budget w/Amendment	Sum of FY23 McKinsey Budget w/Amendment
BHDDH	3,100,000	250,000
Development of Additional SUD Residential Services	300,000	
Expansion: BHOLD 3.0	350,000	
Expansion: MAT for uninsured/undocumented	550,000	
Expansion: Recovery Friendly Workplace	200,000	
Expansion: Recovery Housing - Alcohol Use Disorder	900,000	
Regional Substance Abuse Prevention Task Force	500,000	
Investing in SUD Workforce (Pilot)	300,000	250,000
DOC	2,868,614	
Expanded Medication for Addiction Treatment with Injectable Buprenorphin	144,300	
Individualized Treatment/Recovery Services	753,909	
MAT Expansion	846,628	
Medication Assisted Program	714,000	
Narcan Vending Machine	175,977	
Opioid Withdrawal Management with Buprenorphine at RIDOC	126,000	
Wrap-Around Services for Medication for Addition Treatment Program	107,800	
EOHHS	423,009	510,000
Director of Overdose, Prevention, and Response	163,931	
Expansion: PDMP Integration Work	135,000	
Harm Reduction - West Elmwood HEZ		60,000
Harm Reduction Communications Campaign		450,000
Supervising Accountant (Programming Services Officer)	124,078	
RIDOH	1,858,772	740,000
Drop-in Centers (Harm Reduction)	0	410,000
Harm Reduction Infrastructure	500,000	30,000
Naloxone Supply	1,000,000	300,000
Rapid Overdose Death Detection (RODD)	135,872	
Shift Needle Exchange/Harm Reduction program to OSF	54,700	
PDMP FTE Funding	168,200	
Grand Total	8,250,395	1,500,000