District of Columbia (D.C.)





Total Funds	Allocation	Mechanism
\$47 million ¹	85-90% to the Opioid Abatement Fund and 10-15% to the Litigation Support Fund	Legislation (<u>D.C. Code Sec.</u> <u>7-3221</u> [Opioid Abatement Fund], <u>D.C. Code Sec. 1-301.86b</u> [Litigation Support Fund], <u>D.C.</u> <u>Law 24-315</u> [Opioid Litigation Proceeds Amendment Act of 2022, Opioid Abatement Advisory Commission]) ²

Important Information: This guide assumes that D.C. will fully implement the <u>Opioid Litigation Proceeds Amendment Act</u> of 2022 (Act), which, among other things, specifies permissible uses of settlement funds and establishes both the Opioid Abatement Advisory Commission and Office of Opioid Abatement. However, implementation of the Act is contingent upon inclusion of the law's fiscal effect in an approved budget and financial plan, which has not yet occurred.³ Portions of this guide may be rendered inapplicable or inaccurate if D.C. does not ultimately implement the Act.

Key Takeaways

85-90% in Opioid Abatement Fund, 10-15% in Litigation Support Fund. At least 85% of monies received prior to October 1, 2022, and at least 90% thereafter, go to the Opioid Abatement Fund.⁴ The remainder may go to the Litigation Support Fund⁵ if the Attorney General gives key stakeholders written notice.⁶

No supplantation or reimbursement uses of Opioid Abatement Fund monies. D.C. law mandates that Fund monies be spent on "prospective purposes,"⁷ which prohibits reimbursement for past expenditures, and requires that Fund monies not supplant other funding streams.⁸

Defining key public health terms. D.C.'s opioid abatement laws are unique in defining harm reduction,⁹ recovery,¹⁰ and evidence-based vs. evidence-informed¹¹ – terms that are often misunderstood or contested. The Fund's listed abatement purposes allow for funds to be spent on "evidence-informed pilot programs and demonstration studies."¹²

Public reporting. The Department of Behavioral Health must publish an annual report containing the Opioid Abatement Fund's expenditures and impact reporting measures to the Office of Opioid Abatement's website.¹³ This report must also state whether funds were used to supplant existing local, state, or federal funding.¹⁴

This resource is current as of 4/24/2023. For the most up-to-date information, please visit <u>https://www.opioidsettlementtracker.com/settlementspending</u>.

District of Columbia (D.C.)





Background

The Opioid Abatement Fund, created through legislation,¹⁵ holds at least 85% of D.C.'s opioid settlements received prior to October 1, 2022, and at least 90% thereafter.¹⁶ A subsequent law amended several Fund provisions and created the Opioid Abatement Advisory Commission,¹⁷ which is tasked with, among other things, making recommendations to the D.C. Council and Mayor on uses of Fund monies.¹⁸ The law also created the Office of Opioid Abatement within the Department of Behavioral Health to oversee expenditures of settlement funds, engage in grantmaking, and prepare annual spending reports, among other responsibilities.¹⁹ D.C.'s remaining monies "may" be transferred to the Litigation Support Fund if the Attorney General gives the Mayor, Chief Financial Officer, and Council written notice.²⁰

Uses of Opioid Abatement Fund monies are restricted to:

- The Opioid Abatement Advisory Commission's and Office of Opioid Abatement's operations and personnel.
- Needs assessments.
- Grants for evidence-based and evidence-informed strategies promoting prevention, recovery, treatment, and harm reduction for opioid use and cooccurring health issues.
- Substance use disorder infrastructure.
- Evaluations of effectiveness and outcomes (including access to harm reduction services).
- Publicly available data interfaces to report on the impact of the crisis and program outcomes.
- Audits of the Opioid Abatement Fund.
- "[A]ny other opioid abatement activities authorized by any settlement, judgment, or consent decree resulting in funds being deposited into the Fund."²¹

Funds must be spent on forward-looking opioid remediation activities only (i.e., may not be spent on reimbursements for past expenditures),²² and cannot be used to supplant other funding.²³

District of Columbia (D.C.)





Decision-Making Process

ALLOCATION OF SETTLEMENT FUNDS



AT LEAST 90% OPIOID ABATEMENT FUND

Most of D.C.'s opioid settlement monies will be held in the Opioid Abatement Fund,²⁴ which is administered by the <u>Department of Behavioral Health</u>.²⁵ The Opioid Abatement Advisory Commission is responsible for ensuring funds are spent appropriately on evidence-based or evidence-informed strategies like harm reduction, prevention, and treatment;²⁶ facilitating public involvement and accountability when allocating funds;²⁷ and ensuring that funds are effective in reducing the negative health consequences of opioid use disorder and cooccurring disorders.²⁸

The Commission makes recommendations to the Mayor and D.C. Council on district-wide goals, grant application processes, awarding monies from the Fund, and the Fund's overall management.²⁹ In making these recommendations, the Commission must consider three aspects about the areas potential grantees seek to serve: the overall prevalence and impact of the overdose crisis, disparities in access to health care and health outcomes, and existing infrastructure.³⁰ If the Department of Behavioral Health's Office of Opioid Abatement declines to implement the Commission's recommendations, they must provide the Commission with a written explanation and allow the Commission to respond.³¹ The Office of Opioid Abatement is ultimately responsible for overseeing expenditures from the Fund, including developing grant application and administration policies and procedures, issuing and overseeing grants, and preparing annual reports.³²

The 21-member Commission includes,³³ among others, representatives from the Mayor's Office and D.C. agencies, the D.C. Council, health care providers, those with lived experience of opioid use disorder and cooccurring health issues, and D.C. professional associations.³⁴

District of Columbia (D.C.)





Decision- Making Process (Continued)	UP TO 10% LITIGATION SUPPORT FUND If the Attorney General gives the Mayor, Chief Financial Officer, and D.C. Council written notice, ³⁵ a maximum 10% of settlement monies may be transferred to the <u>Litigation Support Fund</u> . ³⁶ The Litigation Support Fund is administered by the AG's Office, ³⁷ and its monies may only be spent on litigation expenses, personnel costs, non-personnel administrative expenses, and "crime reduction and violence interruption programming." ³⁸
Tracking Funds and Accountability	• The Department of Behavioral Health must publish an annual report containing the Opioid Abatement Fund's expenditures and impact reporting measures to the Office of Opioid Abatement's website. ³⁹ This report must also state whether funds were used to supplant existing local, state, or federal funding. ⁴⁰
	 The Commission is required to prioritize and facilitate public involvement, accountability, and transparency in the allocation of Fund monies.⁴¹
	 Commission meetings are subject to D.C.'s <u>Open Meetings</u> laws.⁴²
	• The Opioid Abatement Fund must be audited every five years. ⁴³
Engaging in the Process	 Attend the Commission's quarterly meetings, which are required to be public.⁴⁴ The Office of Opioid Abatement was created in part to conduct a needs assessment, which is a process for determining gaps in a public health response.⁴⁵ Integrating community perspectives is a best practice when undertaking a needs assessment. Seek out opportunities to contribute!
	• The Commission is required to make recommendations that improve outcomes in traditionally underserved communities. ⁴⁶ Individuals and non-profit organizations, particularly those that serve neighborhoods inequitably affected by overdose and substance use disorders, should feel empowered to reach out to the Commission directly.

District of Columbia (D.C.)



Additional Resources

DISTRICT OF COLUMBIA OFFICE OF THE ATTORNEY GENERAL AG Racine Testimony on B24-0952, the "Opioid Litigation Proceeds Act of 2022"

COUNCIL OF THE DISTRICT OF COLUMBIA COMMITTEE ON THE JUDICIARY AND PUBLIC SAFETY

<u>Report on B24-0952</u>, the "Opioid Litigation Proceeds Amendment Act of 2022" (includes <u>Racial Equity Impact</u> <u>Assessment</u>)

LIVE.LONG.DC.

<u>The District's Strategic Plan to Reduce Opioid Use,</u> <u>Misuse, and Related Deaths – Updated August 2021</u>

District of Columbia (D.C.)





References

Last updated April 24, 2023.

- From settlements with distributors McKesson, AmerisourceBergen, Cardinal Health and manufacturer Johnson & Johnson only. D.C. is also participating in several settlements that are likely to be finalized later this year, e.g., CVS, Walgreens, Walmart, Allergan, and Teva. See KHN's "<u>The Right to Know: Where Does Your State Stand on Public Reporting of Opioid Settlement Cash</u>?" interactive transparency map (located mid-article; click "D.C." for state-specific participation information) and OpioidSettlementTracker.com's Global Settlement Tracker for more information.
- 2. D.C.'s laws on opioid settlements are not limited by their definitions to the Distributor and Janssen Settlements. See D.C. Code Sec. 7-3221(1)(A)-(C) (specifying Johnson & Johnson, McKesson, and McKinsey settlements) and D.C. Law 24-315 Title II "Amendments," Sec. 202(b)(2) (adding "Funds received by the District pursuant to any pre- or post-suit settlement, judgment, or consent decree that the Attorney General designates as an opioid-related settlement, judgment, or consent decree; provided, that the Attorney General shall notify the Mayor and Council of any such designation within 30 days after the settlement, judgment, or consent decree becoming final"). Note that many states' mechanisms for opioid settlement spending were designed to comply with the requirements of the <u>Distributor</u> and <u>Janssen</u> settlement funds be spent on opioid remediation expenditures. Section V.B.1. Subsequent settlements require varying thresholds of opioid remediation spend; the <u>CVS</u> and <u>Walgreens</u> agreements, for instance, require a minimum of 95.5% and 95% opioid remediation spending, respectively. Section V.B.1. Keep an eye out for the ways states will amend their spending mechanisms, if at all, to comply with subsequent settlement terms.
- 3. The <u>Report and Recommendations of the Committee on Health on the Fiscal Year 2024 Budget</u> <u>for Agencies Under Its Purview</u> notes that, "In the District, the use of the opioid settlement funds is governed by the Opioid Litigation Proceeds Amendment Act of 2022. Under this law, [the Department of Behavioral Health (DBH)] is required to establish an Office of Opioid Abatement, which will work with the Mayor and the DC Council to establish an Opioid Abatement Advisory Commission. The Commission will make recommendations to the Mayor on how to use the funds to support evidence-based and evidence-informed opioid prevention, treatment, recovery, and harm reduction programs. ... the Committee recommends that DBH continues with its plan to quickly establish the Office of Opioid Abatement and collaborate with the Commission to oversee the grant process for the use of opioid abatement settlement funds. Although funding was not included in the FY 2023 budget, DBH plans to allocate a portion of the deposited settlement funds to establish the office. The Committee encourages DBH to move quickly to identify and nominate members and call the first meeting before the summer."
- 4. D.C. Law 24-315 Title II "Amendments," Sec. 201(b).
- 5. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(e)(1)," "(e)(2)."
- 6. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(e)(2)."
- 7. D.C. Law 24-315 Title II "Amendments," Sec. 202(c) re: "(b)(2)."
- 8. D.C. Law 24-315 Title II "Amendments," Sec. 202(c) re: "(b)(3)."
- 9. D.C. Law 24-315 Sec. 101(5).
- 10. D.C. Law 24-315 Sec. 101(9).
- 11. D.C. Law 24-315 Sec. 101(2)-(3).
- 12. D.C. Law 24-315 Title II "Amendments," Sec. 202(c) re: "(b-1)."
- 13. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(f)(1)-(2)."
- 14. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(f)(2)(ix)."
- 15. D.C. Code Sec. 7-3221(a).
- 16. D.C. Law 24-315 Title II "Amendments," Sec. 201(b).
- 17. D.C. Law 24-315 Sec. 102(a).
- 18. D.C. Law 24-315 Sec. 102(h)(2).
- 19. D.C. Law 24-315 Sec. 103(b).
- 20. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(e)(1)," "(e)(2)."
- 21. D.C. Law 24-315 Title II "Amendments," Sec. 202(c) re: "(b)(1)."
- 22. D.C. Law 24-315 Title II "Amendments," Sec. 202(c) re: "(b)(2)."
- 23. D.C. Law 24-315 Title II "Amendments," Sec. 202(c) re: "(b)(3)."
- 24. D.C. Code Sec. 7-3221(b) and D.C. Law 24-315 Title II "Amendments," Sec. 201(b).

District of Columbia (D.C.)





References

(Continued)

- D.C. Code Sec. 7-3221(a) as amended by D.C. Law 24-315 Title II "Amendments," Sec. 202(a). (Sec. 7-3221(a) originally tasked the Mayor with administering the funds. See <u>this letter</u> from D.C. Councilmember Charles Allen expressing concerns about the Mayor's proposal to sweep roughly \$2 million dollars in the Opioid Abatement Fund into an unspecific account for unknown purposes in the <u>2024 budget proposal</u>.
- 26. D.C. Law 24-315 Sec. 102(1).
- 27. D.C. Law 24-315 Sec. 102(2).
- 28. D.C. Law 24-315 Sec. 102(3).
- 29. D.C. Law 24-315 Sec. 102(h)(2)(A)-(F).
- 30. D.C. Law 24-315 Sec. 102(i)(1)-(3).
- 31. D.C. Law 24-315 Sec. 103(c)(1)-(2).
- 32. D.C. Law 24-315 Sec. 103(b).
- 33. D.C. Law 24-315 Sec. 102(c).
- 34. D.C. Law 24-315 Sec. 102(c)(1)-(11).
- 35. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(e)(2)."
- 36. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(e)(1)."
- 37. D.C. Code Sec. 1–301.86b(a).
- 38. D.C. Code Sec. 1–301.86b(c)(1)(A)-(C).
- 39. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(f)(1)-(2)."
- 40. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(f)(2)(ix)."
- 41. D.C. Law 24-315 Sec. 102(b)(2).
- 42. D.C. Law 24-315 Sec. 102(f).
- 43. D.C. Law 24-315 Title II "Amendments," Sec. 202(e) re: "(g)."
- 44. D.C. Law 24-315 Sec. 102(f). As of <u>April 2023</u>, the Commission and the Office of Opioid Abatement were still in planning phases.
- 45. D.C. Law 24-315 Sec. 103(b)(1).
- 46. D.C. Law 24-315 Sec. 102(h)(2)(A)(iii).