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Key Takeaways

Fund for a Resilient Nevada (FRN). The state's share of settlement monies is held in the FRN and allocated according to a <u>statewide plan</u> developed by the state Department of Health and Human Services (DHHS) in consultation with the Office of Minority Health and Equity and based on a statewide needs assessment.³ The Advisory Committee for a Resilient Nevada (ACRN) makes recommendations regarding both the statewide needs assessment and allocation plan.⁴

Social determinants of health, harm reduction. Nevada's list of approved uses for opioid settlement funds reflects how social determinants of health such as adverse childhood experiences and housing access can affect vulnerability to opioid use disorder and overdose. Approved uses also include harm reduction services.⁵

Intrastate expenditure reporting. The Department of Health and Human Services (DHHS) must submit an annual report describing statewide plan expenditures to the governor, legislature, attorney general, <u>the Commission on</u> <u>Behavioral Health</u>, and regional behavioral health policy boards.⁶ Those who receive FRN monies via grant awards must annually report their expenditures and project outcomes to DHHS.⁷ Each locality must annually report their planned and actual expenditures to the state.⁸

Background

This resource is current as of 5/1/2023. For the most up-to-date information, please visit <u>https://www.opioidsettlementtracker.</u> com/settlementspending.

The <u>One Nevada Agreement on Allocation of Opioid Recoveries</u> (Agreement) allocates 43.86% of settlement funds to the state, 38.77% to local governments, and 17.37% to "Medicaid Match," which is distributed amongst Nevada's counties.⁹ A state law established the <u>Fund for a Resilient Nevada</u> to hold the state's share of settlement funds and the Advisory Committee for a Resilient Nevada to make recommendations on the use of monies in the Fund.¹⁰ Except for specified deductions¹¹ and an up to 8% set-aside for administrative costs,¹² all settlement funds must be used for approved purposes,¹³ which are opioid remediation uses defined by state law and uses approved by the bankruptcy plans.¹⁴

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Background

<u>State law</u> includes an expansive list of approved remediation strategies such as expanding prevention, treatment, and recovery initiatives; programs to reduce the incidence and severity of neonatal abstinence syndrome; preventing and mitigating the harms of adverse childhood experiences; harm reduction services; housing for people with or in recovery from substance use disorder; substance use disorder provider workforce development; data collection; and capital projects, including construction costs, related to substance use.¹⁵

Decision-Making Process

ALLOCATION OF SETTLEMENT FUNDS

43.86% FUND FOR A RESILIENT NEVADA (FRN) (I.E., THE STATE'S SHARE)

The Fund for a Resilient Nevada (FRN) was created in the state Treasury to hold the state's share of opioid settlement funds.¹⁶ After certain deductions such as litigation costs,¹⁷ the Attorney General deposits 43.86% of the state's settlement monies into the FRN.¹⁸ These funds must be used on the approved purposes listed in <u>state law</u>.¹⁹ The FRN is administered by the Director of the Department of Health and Human Services (DHHS),²⁰ and all of its monies are appropriated to DHHS to conduct a statewide needs assessment, develop a statewide plan to allocate monies, support statewide abatement projects, and award grants.²¹ The Director of DHHS may request up to 8% of FRN monies to cover administrative costs,²² and no FRN monies can be used to supplant existing funding streams.²³

The Advisory Committee for a Resilient Nevada (ACRN), also created by state law, is housed within DHHS.²⁴ In each even-numbered year, the ACRN is responsible for submitting to the Director of DHHS a report with recommendations for the statewide needs assessment and statewide plan to allocate FRN monies.²⁵ When developing its recommendations, the ACRN must consider health equity and racial, ethnic, geographic, and other disparities across the state,²⁶ as well as the need to





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Decision-Making Process (Continued)

prevent overdose, address disparities in healthcare access, and prevent youth substance use.²⁷ The ACRN must solicit public comments during a public meeting prior to finalizing its recommendations.²⁸

ADVISORY COMMITTEE FOR A RESILIENT NEVADA

The ACRN, which must meet at least twice a year,²⁹ is composed of <u>members</u> from a wide variety of sectors relevant to the overdose crisis and includes multiple seats for people with lived experience:

- The Attorney General appoints, among others, people who have worked in the adult and juvenile justice systems, in overdose surveillance, and a person with lived experience of substance use disorder (SUD).³⁰
- The Office of Minority Health and Equity within DHHS appoints, among others, a person with lived experience of SUD, people with experience in public health and child welfare services, and a person representing a faithbased organization specializing in recovery.
- The DHHS Director appoints, among others, someone who has survived an opioid overdose, an addiction medicine doctor, a representative of a peer-led recovery program, a representative from a harm reduction organization, and a K-12 educator.³¹
- The Chair of the ACRN is selected by the ACRN itself from among its members.³²

Appointments must be coordinated "when practicable" to represent the diversity of the state and communities most affected by opioid use disorder and health disparities.³³

STATEWIDE NEEDS ASSESSMENT

The Department of Health and Human Services (DHHS), in consultation with the Office of Minority Health and Equity (the Office), must conduct a statewide needs assessment at least once every four years.³⁴ DHHS and the Office must consider the ACRN's needs assessment recommendations and recommendations of other state, regional, local, and tribal governments when carrying out these duties.³⁵ In conducting the needs assessment, DHHS must use community-based participatory research or similar methods to include the views of, among others, people with lived experience of substance use disorder, health care providers, people in recovery, harm reduction organizations, and people from groups inequitably affected by opioid use.³⁶ DHHS and the Office also must reach out to relevant government stakeholders, including justice system actors, child welfare agencies, and public health agencies.³⁷

Some of the gaps identified in the <u>Nevada Opioid Needs</u> <u>Assessment and Statewide</u> <u>Plan 2022</u> included prevention (primary, secondary, and tertiary), treatment in criminal justice settings, recovery supports, and social determinants of health.³⁸

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Decision-Making Process

STATEWIDE PLAN

The statewide allocation plan for use of funds from the FRN is established by DHHS in consultation with the Office of Minority Health and Equity and prioritizes actions identified by the statewide needs assessment.³⁹ The plan must establish policies and procedures for the administration and distribution of FRN monies, allocate funds to approved purposes, and establish requirements governing the use of allocated funds.⁴⁰ The plan may allocate funds to statewide projects for approved purposes or for grants to regional, local, or tribal agencies, and private sector organizations.⁴¹ Grant applications submitted by regional, local, or tribal government entities must include the results of their own needs assessments and a plan to spend grant funds on approved purposes.⁴² DHHS must conduct annual evaluations of programs receiving grants.⁴³

Recommendations made by the <u>Nevada Opioid Needs Assessment</u> <u>and Statewide Plan 2022</u> are divided into categories: Data, Prevention, Treatment, and Social Determinants of Health and Recovery Supports. Each section categorizes recommendations according to the approved purposes identified by <u>state law</u>. Proposed budget allocations across the plan's seven goals can be found here.

38.77% LOCAL GOVERNMENTS

After certain deductions such as litigation costs,⁴⁴ 38.77% of settlement funds are allocated to local governments according to <u>Exhibit D</u>.⁴⁵ Twenty-five percent (25%) of non-litigating counties' amounts are deducted and reallocated to the litigating counties outlined in <u>Exhibit F</u>.⁴⁶ All local government settlement funds must be used for approved purposes, with the exception of an up to 8% set-aside for administrative costs.⁴⁷ Local governments will likely use their normal budgeting and decision-making processes to allocate and spend their share of settlement funds.

LOCAL PLANNING EXAMPLE

The Las Vegas City Council is taking a methodical approach to spending the roughly \$1.5 million in settlement funds it has already received to avoid duplicating efforts. The City Council discussed possible uses of funds at an <u>April 2023 meeting</u>, with the goal of providing guidance to the City Manager. Ward 3 councilwoman Olivia Diaz stated that the Council's approach is to be "very intentional and very cautious about where we're putting our funds to the point of regional coordination."⁴⁸

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Decision- Making Process (Continued)	17.37% MEDICAID MATCH ALLOCATION After certain deductions such as litigation costs, ⁴⁹ 17.37% of the state's settlement funds are allocated to counties as a "Medicaid Match Allocation." ⁵⁰ Specifically, 65% of this share goes to Clark County, 14% to Washoe County, and 21% to the remaining litigating and non-litigating counties by population according to <u>Exhibit</u> <u>E</u> . ⁵¹ These funds must be used for approved purposes, with the exception of an up to 8% set-aside for administrative costs. ⁵²
Tracking Funds and Accountability	 The Department of Health and Human Services must submit an annual report describing statewide plan expenditures to the governor, attorney general, legislature, the <u>Commission on Behavioral Health</u>, and regional behavioral health policy boards.⁵³
	 Those who receive grant awards from the Fund for a Resilient Nevada must annually report their expenditures and project outcomes to DHHS.⁵⁴
	 Each locality must annually report its planned and actual expenditures to the state.⁵⁵
	 However, these intrastate reports are not required to be made publicly accessible.⁵⁶
Engaging in the Process	 Submit feedback to DHHS, which must undertake a needs assessment at least once every four years to identify gaps in the state's approach to addressing the overdose crisis.⁵⁷ DHHS is mandated to use community-based participatory research,⁵⁸ a framework that situates communities as equal partners and experts.
	 Comment on the ACRN's needs assessment recommendations. ACRN must introduce its recommendations in a public meeting, solicit public comments, and make any needed revisions before finalizing them.⁵⁹
	 Join the ACRN. Check the membership <u>website</u> for vacancies and requirements, and write to Dawn Yohey at <u>d.yohey@dhhs.nv.gov</u> for more information.
	• Apply for FRN grants: open opportunities are posted on the <u>Fund for a Resilient</u> <u>Nevada</u> website. A recent <u>notice of funding opportunity</u> , now closed, offered \$200,000 - \$500,000 awards, up to \$1 million in total, to groups proposing to expand treatment access.
	• Attend meetings of the ACRN, which are open to the public. Information for how to join future meetings and past meeting minutes are available on the <u>Fund for a</u> <u>Resilient Nevada</u> website.

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Engaging in the Process (Continued) Attend meetings of the Cross-Sector Task Force to Address Overdose, which a joint meeting of the ACRN and the Attorney General's <u>Substance Use</u> <u>Response Working Group</u> designed to enhance coordination. Meetings are open to the public and include a dedicated public comment period. Written public comments may also be submitted. Past Task Force meeting minutes and information about upcoming meetings are posted on the <u>Fund for a Resilient</u> Nevada website.

Additional Resources

NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES Fund for a Resilient Nevada

Nevada Opioid Needs Assessment and Statewide Plan 2022

Biennial report of the Advisory Committee for a Resilient Nevada (ACRN) 2022

<u>Annual Report on the Fund for a Resilient Nevada, July 2021 –</u> <u>Dec 2022</u>

Bylaws for the Advisory Committee for a Resilient Nevada

Office of Minority Health and Equity

NEVADA ATTORNEY GENERAL Substance Use Response Working Group

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Strategies

References

Last updated May 1, 2023.

- From settlements with distributors McKesson, AmerisourceBergen, Cardinal Health and manufacturer Johnson & Johnson only. Nevada is also participating in the Walmart and Allergan settlements, which are likely to be finalized later this year. See AG's <u>2/22/2023 press</u>, KHN's "<u>The</u> <u>Right to Know: Where Does Your State Stand on Public Reporting of Opioid Settlement Cash?</u>" interactive transparency map (located mid-article; click "Nevada" for state-specific participation information), and OpioidSettlementTracker.com's <u>Global Settlement Tracker</u> for more information.
- Neither Nevada's allocation agreement nor state law establishing the Fund for a Resilient Nevada 2. are limited by their definitions to the Distributor and Janssen Settlements. See Agreement A.12 (defining "recoveries" to include "monetary amounts obtained through the negotiated resolution of legal or equitable claims against any Defendant in any opioid-related litigation listed in Exhibit C" and "any Recoveries against any Defendant through bankruptcy proceedings related to the opioidrelated litigation in Exhibit C"), Agreement Exhibit C (listing over 120 defendants), and Nev. Rev. Stat. Ann. § 433.732(1) (providing that Fund encompasses "all money received by this State pursuant to any judgment received or settlement entered into by the State of Nevada as a result of litigation concerning the manufacture, distribution, sale or marketing of opioids conducted in accordance with the declaration of findings issued by the Governor and the Attorney General pursuant to paragraph (a) of subsection 1 of NRS 228.1111 on January 24, 2019"). Note that many states' mechanisms for opioid settlement spending were designed to comply with the requirements of the Distributor and Janssen settlement agreements, which require (among other provisions) that a minimum of 85% of settlement funds be spent on opioid remediation expenditures. Section V.B.1. Subsequent settlements require varying thresholds of opioid remediation spend; the CVS and Walgreens 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. Nev. Rev. Stat. Ann. §§ 433.732(1), 433.734(1), 433.738(1). See also Nev. Rev. Stat. Ann. § 433.738(4) ("The Department, in consultation with the Office, may revise the statewide plan to allocate money from the Fund as necessary without conducting a statewide needs assessment pursuant to paragraph (a) of subsection 1 of NRS 433.734 so long as a needs assessment is conducted at the intervals required by that subsection.")
- 4. Nev. Rev. Stat. Ann. § 433.730(1).
- 5. See, e.g., Nev. Rev. Stat. Ann. §§ 433.738(2)(a)(3)-(4), (7).
- 6. Nev. Rev. Stat. Ann. § 433.734(3)
- 7. Nev. Rev. Stat. Ann. § 433.740(3).
- 8. Agreement D. Localities submit their annual reports to the state attorney general's office.
- Agreement B.2. See also Agreement B.2.3 ("17.37% representing what is referred to as the Medicaid Match which amount shall be allocated among the Counties as follows: a) 65% to Clark County, b) 14% to Washoe County, and c) 21% to the remaining Litigating and Non-Litigating Counties by population, as outlined in Exhibit E, attached.")
- 10. Nev. Rev. Stat. Ann. §§ 433.732(1), 433.726(1).
- These deductions may include litigation costs (Agreement B.2, A.9), attorneys' fees (Agreement B.6-7), and any recoverable Federal Government Centers for Medicaid Services costs (Agreement B.2, A.10).
- 12. Agreement B.1.
- 13. Agreement B.1.
- 14. Agreement A.13.
- Nev. Rev. Stat. Ann. §§ 433.738(2)(a)(1)-(4), (7), (11)-(13). The list of allowable statewide projects is non-exclusive. Nev. Rev. Stat. Ann. § 433.738(2)(a) ("Statewide projects, which may include, without limitation") (emphasis added).
- 16. Nev. Rev. Stat. Ann. § 433.732(1).
- 17. Agreement B.2, B.6-7.
- 18. Agreement B.3, B.2(1), B.11.
- Agreement B.1. See Nev. Rev. Stat. Ann. § 433.738(2)(a)(1)-(14). This list of allowable statewide projects is non-exclusive. Nev. Rev. Stat. Ann. § 433.738(2)(a) ("Statewide projects, which may include, without limitation") (emphasis added).
- 20. Nev. Rev. Stat. Ann. § 433.732(2).
- 21. Nev. Rev. Stat. Ann. § 433.732(6).

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References

(Continued)

- 22. Nev. Rev. Stat. Ann. § 433.732(4).
- 23. Nev. Rev. Stat. Ann. § 433.732(7).
- 24. Nev. Rev. Stat. Ann. §§ 433.726(1), 433.064 ("Department' means the Department of Health and Human Services").
- 25. Nev. Rev. Stat. Ann. § 433.730(1)(a)-(b).
- 26. Nev. Rev. Stat. Ann. § 433.730(2)(a).
- 27. Nev. Rev. Stat. Ann. § 433.730(2)(b).
- 28. Nev. Rev. Stat. Ann. § 433.730(4).
- 29. Nev. Rev. Stat. Ann. § 433.728(2). See also Bylaws for the Advisory Committee for a Resilient Nevada.
- 30. Nev. Rev. Stat. Ann. § 433.726(2).
- 31. Nev. Rev. Stat. Ann. § 433.726(4).
- 32. Nev. Rev. Stat. Ann. § 433.728(1).
- 33. Nev. Rev. Stat. Ann. § 433.726(5)(a)-(b). Also, term limits are for two years. Nev. Rev. Stat. Ann. § 433.728(6).
- 34. Nev. Rev. Stat. Ann. §§ 433.734(1)(a)-(b), 433.720.
- 35. Nev. Rev. Stat. Ann. § 433.734(2).
- 36. Nev. Rev. Stat. Ann. § 433.736(2)(a)(1)-(10).
- 37. Nev. Rev. Stat. Ann. § 433.736(2)(b)(1)-(3).
- 38. <u>Prevention</u> needs included harm reduction and treatment access trainings for people who use drugs and increased access to syringe services programs. <u>Treatment in criminal justice settings</u> needs included increased access to medications for opioid use disorder and transportation to treatment and recovery supports. <u>Recovery support</u> needs included the elimination of prior authorizations to access peer recovery support services and increases access to peer support for pregnant and postpartum people. <u>Social determinants of health</u>-related needs referenced unemployment and poverty in tribal lands and housing vouchers for at-risk communities. <u>See</u> Nevada Opioid Needs Assessment and Statewide Plan 2022 for more.
- 39. Nev. Rev. Stat. Ann. § 433.738(1) and 2/22/2023 press.
- 40. Nev. Rev. Stat. Ann. § 433.738(1)(a)-(c).
- 41. Nev. Rev. Stat. Ann. §§ 433.738(2)(a)(1)-(14), (2)(b). See also Agreement A.13.
- Nev. Rev. Stat. Ann. § 433.740(1)(a)(1)-(2). See also Nev. Rev. Stat. Ann. §§ 433.742 (requirements and procedures for regional, county, local, or tribal needs assessment), 433.744 (listing authorized uses of grant funds).
- 43. Nev. Rev. Stat. Ann. § 433.740(1)(d).
- 44. Agreement B.2, B.6-7.
- 45. Agreement B.3, B.2(2).
- 46. Agreement B.8.
- 47. Agreement B.1.
- 48. See also "Las Vegas begins opioid settlement spending process."
- 49. Agreement B.2, B.6-7.
- 50. Agreement B.3, B.2(3).
- 51. Agreement B.2(3)(a)-(c).
- 52. Agreement B.1.
- 53. Nev. Rev. Stat. Ann. § 433.734(3)
- 54. Nev. Rev. Stat. Ann. § 433.740(3).
- 55. Agreement D. Localities submit their annual reports to the state attorney general's office.
- 56. See OpioidSettlementTracker.com's "<u>States' Initial Promises to Publicly Report Their Opioid</u> Settlement Expenditures."
- 57. Nev. Rev. Stat. Ann. § 433.734(1)(a).
- 58. Nev. Rev. Stat. Ann. § 433.736(2)(a). See, e.g., Support for Community Based Participatory Research in Public Health and Community-Based Participatory Research Principles.
- 59. Nev. Rev. Stat. Ann. § 433.730(4).