$111.9 million

Allocation agreement between the state and local governments (Rhode Island Memorandum of Understanding Between the State and Cities and Towns Receiving Opioid Settlement Funds), legislation (R.I. Gen. Laws Sec. 42-7.2-10(d))

80% to the state and 20% to participating localities

The Rhode Island Memorandum of Understanding Between the State and Cities and Towns Receiving Opioid Settlement Funds (MOU) establishes the state’s Advisory Committee and allocates 80% of opioid settlement funds to the state and 20% of funds to participating local governments. State law also establishes the Rhode Island Statewide Opioid Abatement Account to hold the state’s share of settlement funds. Regardless of allocation, Rhode Island’s settlement funds must be spent on “Approved Purposes,” such as to expand prevention, harm reduction, treatment, and recovery services.

Key Takeaways

80% to State Fund. Eighty percent (80%) of Rhode Island’s settlement funds sit in the Statewide Opioid Abatement Account. An Advisory Committee is tasked with making recommendations for spending from this account to the Executive Office of Health and Human Services, while participating cities and towns decide for themselves how they will spend their 20% share.

Public reporting. Expenditures of the 80% statewide share will be publicly available on the Rhode Island Opioid Settlement Advisory Committee’s website. The localities’ 20% share is not subject to similar reporting requirements.

Background

The Rhode Island Memorandum of Understanding Between the State and Cities and Towns Receiving Opioid Settlement Funds (MOU) establishes the state’s Advisory Committee and allocates 80% of opioid settlement funds to the state and 20% of funds to participating local governments. State law also establishes the Rhode Island Statewide Opioid Abatement Account to hold the state’s share of settlement funds. Regardless of allocation, Rhode Island’s settlement funds must be spent on “Approved Purposes,” such as to expand prevention, harm reduction, treatment, and recovery services.

This resource is current as of 4/6/2023. For the most up-to-date information, please visit https://www.opioidsettlementtracker.com/settlementspending.
Decision-Making Process

**80% State Share**

The “Statewide Abatement Share” is paid directly to the state and held in the Rhode Island Statewide Opioid Abatement Account. These funds may only be spent on forward-looking approved purposes, meaning that reimbursing previous expenditures is not allowed. Funds are allocated by the Executive Office of Health and Human Services (EOHHS) following a multi-step process:

1. The Advisory Committee is required to establish a process for gathering input from Rhode Island’s communities, provider organizations, and localities. As it considers how the funds should be used, the Advisory Committee is encouraged to coordinate with established government bodies and organizations working to address overdose, including the Governor’s Overdose Prevention and Intervention Task Force and harm reduction organizations.

2. At least annually, the Advisory Committee makes formal recommendations on the use of the Statewide Abatement Share to the Secretary of the Rhode Island Executive Office of Health and Human Services (EOHHS).

3. The Secretary reviews the recommendations and must make a “good faith effort” to incorporate them into EOHHS’s annual budget process. Substantial deviation of the EOHHS budget from the Advisory Committee’s recommendations must be accompanied by a written explanation from the Secretary that is made public.

4. The Secretary is then tasked to present EOHHS’ budget, including recommendations on the use of the state’s share of opioid settlement funds, to the governor for inclusion in the governor’s budget presentation to the General Assembly. EOHHS’ 2023 annual report on settlement spending, mandated by state law, captures this process and the end results.
Decision-Making Process (Continued)

**ADVISORY COMMITTEE**

The 17-member Advisory Committee created by the MOU consists of six state representatives, including the Attorney General or their designee and the Director of the Rhode Island Department of Behavioral Healthcare, Developmental Disabilities, & Hospitals; six local representatives, including the mayor of Providence and participants from the state’s counties; three expert representatives appointed by a majority vote of the state and local representatives; and two community representatives selected by a majority vote of the state and local representatives. The list of Advisory Committee members may be found [here](#).

**20% LOCAL GOVERNMENT SHARE**

The remaining 20% of settlement funds will be paid directly to participating cities and towns and allocated by formula according to the MOU’s Exhibit A. Like the Statewide Abatement Share, cities and towns may use settlement funds only for approved purposes. However, although local governments are encouraged to use monies on forward-looking strategies, localities also may use funds to reimburse past expenditures that would have qualified as an approved use if those reimbursement uses are documented through government action. Participating cities and towns are encouraged to pool their funds, and they also may choose to direct their monies to the statewide abatement share. Localities will likely use their normal budgeting and decision-making processes to expend their share of settlement funds.

**LOCAL PLANNING EXAMPLE**

The city of Providence’s Health Communities Office undertook an analysis of the gaps in its current response to overdose and solicited feedback from the Mayor’s Coalition on Behavioral Health. The City has previously issued open grants calls using opioid settlement funds, and open opportunities are posted on the city’s purchasing [website](#).
**Rhode Island**

**Engaging in the Process**

- Attend Advisory Committee meetings. The group must meet at least quarterly, and meetings must be open to the public consistent with state law. The 2023 meeting calendar can be found [here](#), and all meetings must be posted to the Secretary of State’s [website](#) at least two business days in advance.

- The Advisory Committee is encouraged to coordinate with harm reduction organizations (and other groups). Contact them at OHHS.OpioidSettlement@ohhs.ri.gov.

- Watch out for upcoming grant opportunities on the website of the [Rhode Island Opioid Settlement Advisory Committee](#). A previous opportunity was launched by the Rhode Island Foundation in partnership with and with opioid settlement funding from the Executive Office of Health and Human Services (i.e., the state’s share).

- Rhode Island’s earlier settlement with Teva yielded 50,000 naloxone kits per year for 10 years. Eligible community groups can request free naloxone [here](#).

**Tracking Funds and Accountability**

- The Secretary of EOHHS must report annually on the amount and uses of funds spent from the Statewide Opioid Abatement Account to the Governor, legislative leadership, the Attorney General, and the Advisory Committee. This report (e.g., Rhode Island Statewide Opioid Abatement Account’s FY2023 Report to the Governor, Legislature, and Attorney General) is publicly available on the [Rhode Island Opioid Settlement Advisory Committee’s website](#) and describes specific expenditures.

- No explicit reporting requirements apply to participating localities’ 20% share of settlement funds.
Additional Resources

EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES
Rhode Island Opioid Settlement Advisory Committee

Rhode Island Statewide Opioid Abatement Account: SFY2023 Report to the Governor, Legislature, and Attorney General – January 3, 2023

OPIOID SETTLEMENT ADVISORY COMMITTEE
Official State Fiscal Year 2023 Recommendations

June 2022 Meeting

GOVERNOR’S OVERDOSE PREVENTION & INTERVENTION TASK FORCE
Working Groups’ Funding Priorities – May 19, 2022

Addiction + Overdose Evidence Update, February 2021

OTHER
Prevent Overdose RI

Rhode Island Overdose Prevention & Response Resources

People, Place, & Health Collective at Brown University
Last updated April 6, 2023.

1. From settlements with distributors McKesson, AmerisourceBergen, Cardinal Health and manufacturer Johnson & Johnson only. Rhode Island is also participating in settlements that are likely to be finalized later this year, e.g., CVS, Walgreens, and Walmart. See KHN’s “The Right to Know: Where Does Your State Stand on Public Reporting of Opioid Settlement Cash?” interactive transparency map (located mid-article; click “Rhode Island” for state-specific participation information) and OpioidSettlementTracker.com’s Global Settlement Tracker for more information.

2. Rhode Island’s MOU encompasses the Distributor and Janssen Settlement agreements, as well as “any similar agreement...entered into after the date of [this MOU], by between, or among one or more opioid manufacturers, pharmaceutical distributors, or pharmacies, or an affiliate, agent, consultant, or advisor of an opioid manufacturer.” MOU I.J. State law parameters on the Rhode Island Opioid Abatement Account are similarly inclusive. R.I. Gen. Laws § 42-7.2-10(d). 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. R.I. Gen. Laws Sec. 42-7.2-10(d). See also MOU IV.C-D.

4. MOU V.A.

5. MOU II.A.

6. “All Opioid Settlement Funds, regardless of allocation, shall be utilized solely for Approved Purposes.” MOU II.B. “‘Approved Purposes’ means care, treatment, and other programs and expenditures designed to (1) address the misuse and abuse of opioid products; (2) treat or mitigate opioid use or related disorders; or (3) mitigate other alleged effects of, including on those injured as a result of, the opioid epidemic as identified by...Exhibit E... or any other relevant Settlement Agreement.” MOU I.A.

7. The MOU defines approved purposes by reference to Exhibit E of the Distributor and Janssen Settlement Agreements. Approved Purposes also includes “reasonably related administrative expenses.”

8. MOU II.A.2.

9. MOU IV.B.1.

10. MOU VE(3). A June 2022 presentation from the Committee summarizes that community feedback.

11. MOU VE(3).

12. MOU VF(1).

13. MOU VF(2).

14. MOU VF(3).

15. MOU IVB(2).


17. MOU V.A.

18. MOU VB(1)-(2)

19. MOU VB(3). Experts are drawn from fields including but not limited to public health, pharmacology, epidemiology, emergency medicine, behavioral health, and recovery.

20. MOU VB(4).

21. MOU II.A(1) and III.A

22. MOU II.A(1). Participating cities and towns are the “eligible” localities listed in MOU I.D that signed onto the MOU.

23. MOU III.B.

24. MOU III.B. (“Prior to using any portion of the City and Town Share as restitution for past expenditures, a Participating City or Town shall pass a resolution or take equivalent governmental action that explains its determination that its prior expenditures for Approved Purposes are greater than or equal to the amount of the City and Town Share that the City or Town seeks to use for restitution.”)

25. MOU III.C

26. MOU III.D

27. https://opioidprinciples.jhsph.edu/what-advice-does-providence-have-for-other-cities/
References (Continued)

28. See, e.g., this Request for Proposals from the city of Providence.
29. R.I. Gen. Laws Sec. 42-7.2-10(d). See also MOU IVC-D.
30. MOU III.B, which requires localities to pass resolutions in order to spend their funds as restitution for past expenditures, merely reiterates the state’s non-opioid remediation tracking commitments under the Distributor and Janssen settlement agreements. See OpioidSettlementTracker.com’s “States’ Initial Promises to Publicly Report Their Opioid Settlement Expenditures.”
31. MOU V.E.1.
32. “Meetings of the Advisory Committee shall be public, open meetings consistent with the Open Meetings Act, Chapter 46 of Title 42 of the Rhode Island General Laws.” MOU V.E.2.
33. MOU V.E.3.
34. Groups interested in applying for future funding opportunities can scan now-closed applications to familiarize themselves with the process. See, e.g., Community Prevention Services for Youth Opioid Mitigation and Capacity Support for Opioid Use Disorder and Overdose Prevention, Harm Reduction and Recovery Agencies.