

# Opioid Abatement Funding

## Policy Overview

February 3, 2021

### Overview

Opioid funding refers to dollars that have been allocated towards the prevention, treatment, and recovery from opioid addiction in the U.S. These funds come from a combination of nationwide legal settlements and federal grants. The purpose of this report is to illustrate where the money comes from, who it goes towards, and how it can be spent.

### Funding Sources

Opioid funding is sourced from two major areas: Legal settlements and grant programs.

#### Nationwide Legal Settlements from Pharmaceutical Companies:

Since 2020, many major pharmaceutical companies have reached legal settlements with parties who alleged the companies' behavior have fueled the opioid overdose and addiction crisis in the U.S. Examples of alleged wrongdoing include deceptive marketing practices and failure to maintain safeguards against improper usage. A portion of the fines imposed were then redirected towards combatting the opioid crisis in the U.S., aka "abatement funds".

Major [settlements](#) include (estimated funds listed are dedicated towards abatement):

- 2021:
  - McKinsey & Co: **\$573M**
  - Cardinal, McKesson, AmerisourceBergen, and Johnson & Johnson: **\$26B**
- 2022:
  - Teva: **\$3.58B**
  - Allergan: **\$2.02B**
  - CVS: **\$4.9B**
  - Walgreens: **\$5.52B**
  - Walmart: **\$2.74B**
- 2023:
  - Kroger: **\$1.2B**
  - Mallinckrodt: **\$250M**
- 2024:
  - Publicis Health: **\$350M**
- 2025
  - Walgreens: **\$300M**
  - Purdue Pharma: **\$7.4B**
  - Vitaris/Mylan, Hikma, Amneal, Apotex, Indivior, Sun, Alvogen, and Zydus: **\$720M**

## Existing Grant Programs

The federal and several state governments have established grant programs that fund opioid abatement efforts. The funds received from the legal settlements section above are also distributed through these programs.

Major federal grant programs include:

- [State Opioid Response](#) (SOR):
  - Funding Agency: SAMHSA
  - Funding Level: **\$1.48B** FY25 continuation funding
  - Eligible Recipients: SLG and tribes
  - Description: States and territories are expected to use this funding to increase access to medications that help treat addiction, support the prevention and treatment to opioid addiction, and support the continuation of care of stimulant misuse disorders.
- [Tribal Opioid Response](#) (TOR):
  - Funding Agency: SAMHSA
  - Funding Level: **\$63M** FY25 continuation funding
  - Eligible Recipients: Tribes
  - Description: Address the opioid crisis in tribal communities by increasing access to culturally appropriate and evidence-based treatment, including medication and rehabilitation practices.
- [Overdose Data to Action](#) (OD2A):
  - Funding Agency: CDC
  - Funding Level: Est. **\$995M** from FY23-FY28
  - Eligible Recipients: SLG and tribes
  - Description: Supports jurisdictions in implementing prevention activities and collecting accurate data on overdoses and using that data to enhance abatement efforts.
- [Rural Communities Opioid Response Program](#) (RCORP):
  - Funding Agency: HRSA
  - Funding Level: **\$14M** in FY24
  - Eligible Recipients: Nonprofit, for-profit, faith/community group, tribal, EDU, SLG
  - Description: Improve access to treatment and recovery services for substance use disorder
- [Comprehensive Opioid, Stimulant, & Substance Use Program](#) (COSSUP):
  - Funding Agency: DOJ
  - Funding Level: **\$127.3M** in FY24
  - Eligible Recipients: SLG and tribes
  - Description: Provide financial and technical assistance to SLG and tribal governments to develop, implement, or expand efforts to identify, respond to, treat, and support those impacted by opioids, stimulants and other drugs.
- [NIH HEAL Initiative](#):
  - Funding Agency: NIH
  - Funding Level: **\$635.6M** for FY25
  - Eligible Recipients: EDU, Nonprofits, for-profit, SLG, tribes
  - Description: NIH-wide effort to research and address the national opioid health crisis.

The top 25 state-led opioid funding programs are listed below. It varies, but most states consider local governments, nonprofits, healthcare providers, and tribal governments to be eligible for these funds.

State	Program Name	Estimated Total Settlement Funding
California	<a href="#">Opioid Settlement Funds</a>	\$4.2B
Texas	<a href="#">Opioid Abatement Fund Council</a>	\$3.34B
Florida	<a href="#">Florida Opioid Settlement</a>	\$3B
New York	<a href="#">Opioid Settlement Fund</a>	\$3B
Pennsylvania	<a href="#">Opioid Misuse &amp; Addiction Abatement Trust</a>	\$2.2B
Michigan	<a href="#">Michigan Opioid Healing &amp; Recovery Fund</a>	\$1.6B
North Carolina	<a href="#">Opioid Settlement Fund</a>	\$1.5B
Illinois	<a href="#">Illinois Opioid Remediation Fund</a>	\$1.3B
Arizona	<a href="#">“One Arizona” Agreement</a>	\$1.21B
Washington	<a href="#">Opioid Abatement Settlement account</a>	\$1.1B
New Jersey	<a href="#">Opioid Recovery &amp; Remediation Fund</a>	\$1.1B
Virginia	<a href="#">Opioid Abatement Authority</a>	\$1.1B
Tennessee	<a href="#">Opioid Abatement Council</a>	\$1.1B
Ohio	<a href="#">OneOhio Recovery Foundation</a>	\$1B
Massachusetts	<a href="#">Opioid Abatement Settlement</a>	\$1B
West Virginia	<a href="#">West Virginia First Foundation</a>	\$1B
Indiana	<a href="#">Opioid Settlements</a>	\$1B
Kentucky	<a href="#">Opioid Abatement Advisory Commission</a>	\$900M
Missouri	<a href="#">MO Opioid Settlements</a>	\$900M
Colorado	<a href="#">Opioid Abatement Council</a>	\$880M
Georgia	<a href="#">Georgia Opioid Crisis Abatement Trust</a>	\$880M
Wisconsin	<a href="#">“Dose of Reality” Opioid Settlement Funds</a>	\$780M
Oregon	<a href="#">Opioid Settlement, Prevention, Treatment, &amp; Recovery Fund</a>	\$645M
South Carolina	<a href="#">South Carolina Opioid Recovery Fund</a>	\$622M
Connecticut	<a href="#">Opioid Settlement Fund</a>	\$600M

## Funding Use Cases

These funds support the overall goal of combatting the opioid crisis in America. While it varies from program to program, major funding use cases include:

### Overdose Response

Overdose response includes treatment and harm-reduction methods used after an overdose occurs. This includes reversal drugs like Naloxone (Narcan), fentanyl testing strips, post-overdose care, and linkage to other care services.

### Addiction Treatment

Addiction treatment includes medication for opioid use disorder (MOUD) like methadone, direct medical treatment, and telehealth visits.

### Recovery Support

Recovery support includes peer services, recovery community organizations, recovery housing, transportation, childcare, and supported employment.

### Prevention and Education

Prevention and education include school or family programs, community campaigns, and safe prescribing initiatives.

### Data and Surveillance

Data and Surveillance involves the collection, storage, and analysis of overdose data, as well as drug supply monitoring, and cross system data sharing.

### Prescription Drug Monitoring Program (PDMP)

PDMP is used to reduce prescription drug abuse, diversion, and over prescribing of controlled substances. This is mainly done by tracking prescription inventory in an electronic database. Funds can be used to establish or improve existing PDMP efforts, like linking the data directly to electronic health record systems and exchanging data with other organizations.

### Justice System Support

Funds in some programs can be used to provide treatment to incarcerated individuals and provide support for recovery and reentry navigation.

### Rural System Capacity Building

This activity can include purchasing mobile treatment and response vehicles, bridge clinics, quick-response overdose teams, personnel training, overdose data dashboards, reversal drugs, and/or telemedicine carts.

### Workforce & Training

Funds can be used to help recruit and train clinicians, emergency response personnel, citizens, and law enforcement to enable them to deal with overdose and opioid addiction.

## Planning, Governance, and Evaluation

Local communities can use funds to conduct needs assessments and determine potential solutions to opioid related issues.

## What Does This Means for the Contractors?

Depending on the grant program, some of these opioid funds may be used for information technology investments, if those investments can be directly tied to opioid abatement efforts.

State opioid funds can be used for prescription drug monitoring programs (PDMP), overdose data systems, public outcomes dashboards and E-prescribing. Funds from the DOJ's COSSUP set-aside can be used for information sharing, data visualization, and case management systems. HRSA's RCORP funds can be used for onboard IT systems required for mobile care units.

Healthcare technology vendors with solutions that can help control the flow of prescription medications may be able to leverage these funding opportunities. Data analytics vendors that create real time dashboards and handle patient data should also pay close attention to the funding around these programs. If a vendor's solution is a good fit for any of these use cases mentioned, they should familiarize themselves with the program that fits their solution best and incorporate this information into their outreach campaigns to help overcome budget constraints and educate potential recipients who may benefit from this funding.

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