

Rhode Island's Opioid Settlements

The United States is in the **midst of a crisis** on its streets and in its communities as **overdoses, homelessness, and disorder reach record levels**. Yet settlement proceeds secured by the State of Rhode Island present an **unprecedented opportunity for generational investment** in treatment capacity for chronic substance abuse (CSA) and severe mental illness (SMI).

Rhode Island is set to receive **more than \$230 million** (\$232,328,567.70) in opioid settlement funds—equal to nearly one-fifth of the state's share of the monumental Tobacco Master Settlement Agreement.¹ With twenty separate settlements and payments spread out over decades, the funds are **at risk of being squandered** through ad-hoc allocations to **diffuse and disorganized efforts**.

The state must ensure that this opportunity for treatment investment is not underutilized. **Rhode Island can make targeted investments in treatment capacity** that will **honor those who suffered** in the opioid crisis and **ensure accessible care** for decades to come.

The state reserved 80 percent of funds (\$186,950,169.20) for the state's use and the remainder is allocated to subdivisions.² First, the 12-person Opioid Settlement Advisory Committee (OSAC) provides a list of recommendations, which are guided by a statewide action plan from the Governor's Overdose Task Force, to the Secretary of the Executive Office of Health and Human Services.³ The Secretary incorporates the recommendations for inclusion in the Governor's budget presentation to the General Assembly.⁵ The General Assembly provides for final allocation in the annual budget. **The multitude of stakeholders is ineffective and potentially contributes to misallocation of funds. The General Assembly should enact an allocation agreement in order to provide for decisive statewide allocations.**

The most recent report, though limited, appears to show the opposite of decisive statewide priorities. For example, the state allocated \$500,000 for "racial equity strategies" and \$300,000 for "chronic pain treatment" for "BIPOC industry workers" in just one fiscal year.⁶ Of all allocated funds, only 11 percent was spent on developing SUD residential treatment facilities.

The state must rein in the misallocation of these funds and prioritize investments in comprehensive treatment networks. **Three priorities** (Community Behavioral Health Clinics, secure psychiatric beds, and community SMI/CSA response) **will ensure these funds have the largest impact** on Rhode Island.

ⁱ With the exception of the McKinsey and Publicis settlements, in which the state controls 100 percent of funds.

Certified Community Behavioral Health Clinics (CCBHCs)

CCBHCs, designed to ensure access to coordinated comprehensive behavioral health care, have stable funding and are supported by all recent presidential administrations. CCBHCs are a key response to the opioid crisis and can augment other services such as police crisis response teams, homelessness outreach and services, and outpatient psychiatric commitment services.

- **Solution: Fund the development and expansion of CCBHCs.**
 - Expand the CCBHC footprint with an emphasis on a team-based approach to co-occurring disorders.
 - Create a stepped approach to SMI/CSA treatment with services provided by the CCBHCs.
 - Require CCBHCs to offer specific care pathways to meet the needs of individuals with co-occurring disorders.

State Psychiatric Hospitals

Inpatient beds in secure facilities are critical for serving the highest-acuity psychiatric patients. Rhode Island currently has only **6.6 state psychiatric beds** per 100,000 people available for civil (i.e., non-criminal) patients.^{7,8} Treatment Advocacy Center recommends a rate of 30-60 beds per 100,000. Even counting non-public secure psychiatric beds, Rhode Island still falls short of the minimum.⁹ Secure beds are a costly but necessary expenditure to protect patients with severe psychiatric disorders and the public at large.

- **Solution: Fund the expansion of civil psychiatric beds.**
 - Invest in expanding state hospital capacity.
 - Move forensic (criminal) commitments to a jail-based restoration facility.
 - Apply for one of several Section 1115(a) waivers to expand Medicaid reimbursement for institutions for mental diseases (IMDs).

Inpatient Stabilization Centers and Mobile Crisis Teams

Emergency departments (EDs) are supposed to be a last resort for times of true emergencies, but are increasingly used for all types of immediate-need medical care. This is especially true for low- to medium-acuity mental health crises. In order for CCBHCs and state psychiatric bed expansions to have the largest impact, there must be an immediate triage of low-acuity patients from higher-need patients, or else investments in these facilities will be drowned out, overburdened, and underutilized by those that need them most, just like emergency departments.

- **Solution: Fund community-based mental health response resources.**
 - Expand community-based recovery centers, including voluntary short-term respite housing, especially for young adults.
 - Leverage CCBHC resources to develop comprehensive mobile crisis response teams in conjunction with police crisis intervention teams (CIT).

- Support integration of community resources with crisis networks such as the Lifeline to support those in need or provide guidance for concerned loved ones.

¹ KFF. “Actual Tobacco Settlement Payments Received by the States (in millions).” Accessed 8 September 2025. <https://www.kff.org/health-costs/state-indicator/tobacco-settlement-payments>.

² “Rhode Island Memorandum of Understanding between the State and Cities and Towns Receiving Opioid Settlement Funds,” Section II.A. https://drive.google.com/file/d/1odJ9KL9YsxBoVufQZevKPTm0u3T_rEbT/view?usp=sharing. See also “First Amendment to Rhode Island Memorandum of Understanding between the State and Cities and Towns Receiving Opioid Settlement Funds.” https://drive.google.com/file/d/10Kf-EO7BpXgSG0-D3QM1FclTUIA9plUj/view?usp=share_link; and “Second Amendment to Rhode Island Memorandum of Understanding between the State and Cities and Towns Receiving Opioid Settlement Funds.” https://drive.google.com/file/d/1CiWHa7Wdw_NrsceppnAyd_PG5XVkW6d/view?usp=sharing.

³ “Rhode Island Memorandum of Understanding between the State and Cities and Towns Receiving Opioid Settlement Funds,” Section V.F. https://drive.google.com/file/d/1odJ9KL9YsxBoVufQZevKPTm0u3T_rEbT/view?usp=sharing.

⁴ State of Rhode Island Governor Dan McKee, “Attorney General Neronha, State and Municipal Leaders Announce Settlement with Opioid Distributors, Bringing Rhode Island’s Opioid Litigation Recoveries to over \$114 Million.” 25 January 2022. <https://governor.ri.gov/press-releases/attorney-general-neronha-state-and-municipal-leaders-announce-settlement-opioid>.

⁵ “Rhode Island Memorandum of Understanding between the State and Cities and Towns Receiving Opioid Settlement Funds,” Section IV.B.2. https://drive.google.com/file/d/1odJ9KL9YsxBoVufQZevKPTm0u3T_rEbT/view?usp=sharing.

⁶ Rhode Island Executive Office of Health and Human Services, “Opioid Settlement Funded Project Annual Report: December 11, 2024.” January 2025. https://eohhs.ri.gov/sites/g/files/xkgbur226/files/2025-01/Final_Opioid%20Settlement%20Annual%20Report%20-%20December%202024.pdf.

⁷ Treatment Advocacy Center, “Rhode Island Psychiatric Beds Report.” 2023. <https://www.tac.org/wp-content/uploads/2023/10/RhodeIslandbedsinformation.pdf>.

⁸ United States Census Bureau, “2023 American Community Survey – Total Population.” [https://data.census.gov/table/ACSDT1Y2023.B01003?q=population&t=Population+Total&g=010XX00US\\$0400000](https://data.census.gov/table/ACSDT1Y2023.B01003?q=population&t=Population+Total&g=010XX00US$0400000).

⁹ Silver, Shanti, “Estimating Psychiatric Bed Need in the United States,” p. 2-4. Treatment Advocacy Center Office of Research and Public Affairs. January 2024. https://www.tac.org/wp-content/uploads/2024/03/TAC_ORPA_ResearchSummary1.24.pdf.