

## *South Dakota'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 South Dakota present an **unprecedented opportunity for generational investment** in treatment capacity for chronic substance abuse (CSA) and severe mental illness (SMI).

South Dakota is set to receive **more than \$100 million** (\$100,686,197.22) in opioid settlement funds—equal to nearly one-fifth of the state's share of the monumental Tobacco Master Settlement Agreement.<sup>1</sup> 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. **South Dakota 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.

South Dakota reserves 70 percent (\$72,286,649.58) of funds for use by the state and allocates the remainder to subdivisions.<sup>2</sup> The Department of Social Services is tasked with appropriating fund, with the advice of the 22-person Opioid Abuse Advisory Committee.<sup>3</sup> In the latest report, the Department allocated 21 grants for a total of \$700,000, mostly on treatment and prevention initiatives.<sup>4</sup> The grants are somewhat diffuse, and could be better focused to broaden access to a comprehensive treatment network.

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

### **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.**
  - o Expand the CCBHC footprint with an emphasis on a team-based approach to co-occurring disorders.
  - o Create a stepped approach to SMI/CSA treatment with services provided by the CCBHCs.
  - o 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. South Dakota currently has only **4.5 state psychiatric beds** per 100,000 people for civil patients.<sup>5,6</sup> Treatment Advocacy Center recommends a rate of 30-60 beds per 100,000. Even counting non-public secure psychiatric beds, South Dakota still falls short of the minimum.<sup>7</sup> 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.**
  - o Invest in expanding state hospital capacity.
  - o Move forensic (criminal) commitments to a jail-based restoration facility.
  - o 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.**
  - o Expand community-based recovery centers, including voluntary short-term respite housing, especially for young adults.
  - o Leverage CCBHC resources to develop comprehensive mobile crisis response teams in conjunction with police crisis intervention teams (CIT).
  - o Support integration of community resources with crisis networks such as the Lifeline to support those in need or provide guidance for concerned loved ones.

## SOUTH DAKOTA

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STATE-CONTROLLED FUNDS	ALL FUNDS	2025 EOY FUNDS RECEIVED - STATE	2025 EOY FUNDS RECEIVED - ALL	Av. Receipt (All Funds) / Yr (*20)
\$72,286,649.58	\$100,686,197.22	\$24,878,142.57	\$34,145,800.29	\$5,034,309.86

### 2021 National Opioid Settlement

*South Dakota v. Distributors*

- [Consent Judgment](#)
  - [Exhibit A "Distributor Settlement Agreement"](#)
- State of South Dakota ex rel. Jason R. Ravensborg, South Dakota Attorney General, v. Purdue Pharma L.P., et al., Sixth Judicial Circuit Court, Hughes County, Case No. 32CIV18-000065

*South Dakota v. Janssen*

- [Consent Judgment](#)
  - [Exhibit A "Janssen Settlement Agreement"](#)
- State of South Dakota ex rel. Jason R. Ravensborg, South Dakota Attorney General, v. Purdue Pharma L.P., et al., Sixth Judicial Circuit Court, Hughes County, Case No. 32CIV18-000065

### 2022 National Opioid Settlement

*South Dakota v. CVS*

- [Final Consent Judgment](#)
  - [Exhibit A "agreement dated as of December 9 2022"](#)
  - [Exhibit C "South Dakota Opioid Memorandum of Agreement"](#)
- State of South Dakota ex rel. Marty J. Jackley, South Dakota Attorney General, v. CVS Health Corporation and CVS Pharmacy, Inc., Sixth Judicial Circuit Court, Hughes County, Case No. 32CIV23-249

*South Dakota v. Walgreens*

- [Final Consent Judgment](#)
  - [Exhibit A "agreement dated as of December 9 2022"](#)
  - [Exhibit C "South Dakota Opioid Memorandum of Agreement"](#)
- State of South Dakota ex rel. Jason R. Ravensborg, South Dakota Attorney General, v. Purdue Pharma L.P., et al., Sixth Judicial Circuit Court, Hughes County, Case No. 32CIV18-000065

*South Dakota v. Walmart*

- [Final Consent Judgment](#)
  - [Exhibit A "agreement dated as of November 14 2022"](#)
  - [Exhibit C "South Dakota Opioid Memorandum of Agreement"](#)
- State of South Dakota ex rel. Jason R. Ravensborg, South Dakota Attorney General, v. Purdue Pharma L.P., et al., Sixth Judicial Circuit Court, Hughes County, Case No. 32CIV18-000065

*South Dakota v. Allergan*

- [Final Consent Judgment](#)
  - Exhibit A "Allergan Public Global Opioid Settlement Agreement" [p. 12]
  - Exhibit C "South Dakota Opioid Settlement Memorandum of Understanding" [p. 570]
- State of South Dakota ex rel. Jason R. Ravensborg, South Dakota Attorney General, v. Purdue Pharma L.P., et al., Sixth Judicial Circuit Court, Hughes County, Case No. 32CIV18-000065

*South Dakota v. Teva*

- [Final Consent Judgment](#)
  - [Exhibit A "Teva Global Opioid Settlement Agreement"](#)
  - [Exhibit C "South Dakota Opioid Memorandum of Agreement"](#)
- State of South Dakota ex rel. Jason R. Ravensborg, South Dakota Attorney General, v. Purdue Pharma L.P., et al., Sixth Judicial Circuit Court, Hughes County, Case No. 32CIV18-000065

**Other Coalition Opioid Settlements***South Dakota v. McKinsey*

- [Final Consent Judgment](#)
- [McKinsey Allocation Amounts](#)
- State of South Dakota ex rel. Jason R. Ravensborg, South Dakota Attorney General, v. McKinsey & Company Inc. United States, Sixth Judicial Circuit Court, Hughes County, Case No. 32CIV21-20 (32CV21-000020)

*South Dakota v. Mallinckrodt*

- [NOAT II Agreement](#)
- [Statewide Abatement Agreement](#)
- [Notice of Abatement Distribution](#)

*South Dakota v. Publicis*

- [Final Consent Judgment](#)
- State of South Dakota ex rel. Marty J. Jackley, South Dakota Attorney General, v. Publicis Health, LLC, Sixth Judicial Circuit Court, Hughes County, Case No. 32CIV24-30 (32CIV24-000030)

*South Dakota v. Endo*

- [Global Public Trust Agreement](#)
- [Notice of Abatement Distribution](#)

**2025 National Settlements**

*South Dakota v. Purdue*

- [missing documentation]
- State of South Dakota, ex rel. Jason Ravensborg, South Dakota Attorney General v. Purdue Pharma L.P., et al., Circuit Court of Hughes County, Case No. 32CIV18-000065 [unconfirmed]

*South Dakota v. Mylan*

- [missing documentation]

*South Dakota v. Hikma*

- [missing documentation]

*South Dakota v. Amneal*

- [missing documentation]

*South Dakota v. Apotex*

- [missing documentation]

*South Dakota v. Indivior*

- [missing documentation]

*South Dakota v. Apotex*

- [missing documentation]

*South Dakota v. Sun Pharmaceuticals*

- [missing documentation]

*South Dakota v. Alvogen*

- [missing documentation]

*South Dakota v. Zydus*

- [missing documentation]

**Independent Settlements**

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<sup>1</sup> 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>.

<sup>2</sup> SDCL § 34-20B-116. <https://sdlegislature.gov/Statutes/34-20B-116>.

<sup>3</sup> South Dakota Department of Social Services, "Behavioral Health Funding Opportunities and Grant Information."

<https://dss.sd.gov/behavioralhealth/grantinfo.aspx>.

<sup>4</sup> South Dakota Department of Social Services, "FY26 Grant Cycle – Awards Beginning June 1, 2025."

[https://dss.sd.gov/docs/behavioralhealth/grantinfo/Spring\\_2025.pdf](https://dss.sd.gov/docs/behavioralhealth/grantinfo/Spring_2025.pdf).

<sup>5</sup> Treatment Advocacy Center, "South Dakota Psychiatric Beds Report." 2023. <https://www.tac.org/wp-content/uploads/2023/10/SouthDakotabedsinformation.pdf>.

<sup>6</sup> 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).

<sup>7</sup> 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](https://www.tac.org/wp-content/uploads/2024/03/TAC_ORPA_ResearchSummary1.24.pdf).