

October 2024

Philadelphia's Use of Opioid Trust Settlement Funds

This month's Municipal Money Matters looks at the city's use of funds from the public legal settlements against certain manufacturers and distributors of opioid drugs, known as "opioid settlement funds." The nationwide settlements that were reached in 2021 are expected to deliver over \$1 billion to Pennsylvania over 18 years, of which \$200 million is slated for the City of Philadelphia. Funds from the settlements are to be used exclusively to combat the opioid crisis throughout Pennsylvania and are overseen by the Pennsylvania Opioid Misuse & Addiction Abatement Trust (Trust). The approved Opioid Remediation Uses are listed here.

Philadelphia received two payments from the Trust in 2022 totaling \$20.5 million, which were divided between nine programs: \$17.7 million was spent while \$2.8 million remained allocated, as reflected in the chart below. The city requested and was granted an extension from the original deadline of June 30, 2024, to spend these funds. The new deadline is December 30, 2024, for fully spending the 2022 funds.

<u>Program Name</u>	<u>Funds Spent</u>		Funds Allocated	
Housing First Initiatives	\$	4,482,851	\$	40,086
Prison Medications for Opioid Use Disorder Access	\$	1,400,000	\$	-
Mobile Wound Care	\$	1,360,000	\$	-
Mobile Methadone	\$	-	\$	1,200,000
Citywide Overdose Prevention Canvassing	\$	-	\$	373,725
Police Assisted Diversion Expansion	\$	325,000	\$	-
Alternative Response Two – Sustainment	\$	375,000	\$	-
Overdose Prevention and Community Healing Fund	\$	3,500,000	\$	-
Kensington Resident Support	\$	6,300,000	\$	1,200,000

In December 2023, Philadelphia received an additional payment of \$13.2 million that must be spent by June 15, 2025. Failure to spend funds in accordance with the relevant deadlines could result in the Trust withholding future distributions. Additionally, any funds spent or committed on a program that was submitted for approval and are deemed non-complaint must be repurposed for other existing or new programs that are complaint with the approved Opioid Remediation Uses.

Each month Controller Brady looks forward to bringing transparency and accountability of our city, right to you.