

Strategic framework for the use of opioid abatement funds by cities and counties

December 2023

Thesis

Demonstrating impact from use of opioid abatement dollars is a challenge that cities and counties are not prepared to deliver. A foundational strategic plan with a focus on objectives that can be realized in 24-36 months is needed to start on the right path to address the opioid crisis.

Key takeaways

- There are 26 approved uses and more than 100 initiatives that are permissible within the national settlement frameworks, but not all are relevant for cities and counties
- A strategic planning framework that aligns the challenge(s) with capabilities, resources and insights, including the voice of the constituent, will accelerate the transition from planning to execution for cities and counties
- For low(er) resourced jurisdictions, exploring pooling and partnering opportunities with adjacent locales to expand capacity, campaign reach and access will be a force multiplier beyond state agency and opioid abatement authority initiatives

How can EY help

- Strategic planning
- Data and analytics
- Program management/implementation
- Grants management



Recognizing calls for support as cities and counties work to determine best uses for millions of dollars from opioid settlements

According to CDC, 75% of the nearly 107,000 drug overdose deaths in 2021 involved an opioid^{*}. There is an urgency to direct funding effectively and quickly to provide much needed help to the communities affected by the opioid crisis.

Within the national settlement frameworks (Exhibit E from the opioid settlement agreements) there are 26 approved uses and over 100 initiatives that are permissible for funding; leaders around the country recognize all options may not be relevant or practical for a given city or county affected by the crisis, and that aligning existing services capacity and community stakeholder needs, and setting short- and longer-term objectives are critical to addressing the opioid crisis. There are numerous valuable publications from academia and think tanks offering guidance, suggestions and recommendations at a macro level. Even as these tools and resources are available, specific plans are needed for a given city or county on how to navigate this extensive menu of funding options. The absence of clarity poses a significant challenge for local governments, which often are not experts in handling the complexities of opioid use disorder (OUD) when determining where and how to direct these crucial resources. This lack of a flexible framework can hinder local governments that lack the expertise, access to data, and inputs from the community in their ability to deploy these dollars effectively to where they are needed most.

We believe each city and county should consider a limited number of abatement strategies based on the local situation and magnitude of available resources. By identifying the key objectives of the county or city, decision-makers can

then prioritize strategies that directly address the identified needs of the community for the highest possible impact. For example, at the county level, one such priority strategy could be school prevention programs. However, if there are multiple state-level OUD educational campaign efforts, a county might consider using those program materials for school messaging, enabling county resources to focus on other strategies such as procurement and distribution of naloxone training or enhancement of warm handoff services, as examples. As city and county leaders look to prioritize strategies, answering a few questions can lay the foundation for success:

- ▶ Which of the approved strategies should a city or county consider – and just as important, not consider – based on the local situation, capabilities and available resources?
- ▶ What key county or city objectives would be met by prioritizing a specific strategy? What are the trade-offs on prioritizing the strategy?
- ▶ What impact would the strategy and supporting initiatives have to address the current needs of the community?

Next we describe tactical steps to developing a straightforward framework for cities and counties that accelerates the use of opioid abatement funds to addressing this critical public health issue.

^{*} Wide-ranging online data for epidemiologic research (WONDER). Atlanta, GA: CDC, National Center for Health Statistics; 2022. Available at <http://wonder.cdc.gov>.

A strategic planning framework for effective use of opioid abatement funds for cities and counties

We believe a three-step strategic planning framework that aligns the challenges with capabilities, resources and insights (including the voice of the community) can accelerate the transition from planning to execution for cities and counties:

01 Community needs and gaps assessment

City and county leaders who have deep understanding of the opioid crisis and capabilities will be best positioned to direct resources and address opioid abatement issues for their constituents. City and county leaders focused on using opioid abatement settlement funds to address the needs should assess demographic, economic, social and environmental factors and trends that drive opioid use disorder. Illustrative questions to consider are:

- ▶ How many people died last year in our city/county of an opioid overdose?
- ▶ How has that number changed in the past few years? What is driving that change?
- ▶ Are there any places/communities where the problem is worse?
- ▶ How many reversals were successful? How many were unsuccessful?
- ▶ What is the emergency department (ED) volume for drug overdoses?
- ▶ What is the local capacity for medication-assisted treatment (MAT)?
- ▶ Is there interest in syringe exchange programs or other demonstrated harm reduction initiatives?
- ▶ What is the local capacity for wrap-around services? What is the access to these services for affected and vulnerable communities?
- ▶ How is the city/county using data on admissions, discharges and transfers for individuals with acute opioid-associated events?
- ▶ What are the needs of community-based organizations (CBO) serving local communities?
- ▶ What is the CBO coverage across the respective prevention, treatment and recovery landscapes?

A robust research and analysis program should involve analysis of data available to the city/county supplemented with primary research (e.g., community listening program) to develop a comprehensive and inclusive understanding of the current situation and the needs of impacted communities. Engaging a broad group of stakeholders early also allows decision-makers to gather crucial insights, aligning abatement initiatives with the needs of the affected communities. Early engagement also enables cities and counties to identify stakeholders who could be involved in the future for successful implementation due to specialized knowledge, resources and connections within

This collaborative approach fosters trust, inclusivity and a sense of ownership and enables more impactful outcomes.

the community. This collaborative approach fosters trust, inclusivity and a sense of ownership and enables more impactful outcomes.

Decision-making framework and priorities

With data and insights, city and county officials will be better positioned to align the challenges and gaps with capabilities, resources and programming. The strategic framework will support prioritizing the potential opioid abatement strategies against objective criteria, including but not limited to available funding, level of need, feasibility, expected impact and ability to execute.

The chart below is an illustration for consideration by city and county stakeholders of potential areas of focus based on available resources (e.g., funds) independent of additional insights into capabilities, gaps and community needs.

Based on our analysis, a county with a higher level of resourcing relative to their population may strongly consider seven of the identified strategies and consider six of

the strategies. Once local leaders assess their situation, we would anticipate that list to be further refined with insights from local experts, CBOs, community members and other considerations such as timing and preference for a particular domain. Alternatively, a less-resourced jurisdiction might only have the financial, personnel and technology resources to execute one to two of the strategies.

The detailed assessment allows a city/county to select areas of focus and deprioritize strategies that are not aligned and thus would not be impactful. The city/county should also consider direct and indirect implications when prioritizing abatement strategies:

- ▶ What key objectives are met by this strategy?
- ▶ What are the trade-offs if this strategy is executed?
- ▶ What barriers or challenges does this strategy address?
- ▶ How does the strategy address the community need(s)?
- ▶ How much does the prioritized strategy cost to implement? For how long?
- ▶ What support is required from other stakeholders (e.g., CBOs, private sector, state agency) for execution?

Strategy	State		City/county		NGO
Resource level	High	Low	High	Low	All levels
Naloxone training (A1)					
Naloxone distribution (A2)					
Mat distribution (B1)					
Mat training (B3)					
Media campaigns (G1)					
School preventing programs (G2)					
Provider education (G3)					
First responder training (G4)					
SBIRT Services* (C1)					
Warm hand off services (E2)					
Treatment for NAS babies (D3)					
Recovery for NAS babies (D1)					
Treatment and recovery services (B4)					
Funding for jails (F2)					
Additional hiring (E5)					
Post-partum treatment/recovery (C2)					
Post-partum wrap-around services (C3)					
MAT in hospitals (E1)					
Wrap around services (E4)					
Incarcerated treatment/recovery (F1)					
MAT education (B2)					
Infant-need dyad (D2)					
Co-occurring mental health conditions (E3)					
Syringe services programs (H1)					
Drug disposal programs (G4)					
Analysis of state strategies (I1)					
Strongly consider	15	2	7	0	2
Consider	11	23	6	7	13
Bypass	0	1	13	19	11

* SBIRT = screening, brief intervention and referral to treatment

03 Set strategic roadmap

Lastly, cities and counties should develop an effective, innovative and fiscally sustainable strategies that achieve goals and consider collaborative opportunities within communities. The strategic plan should include a clear roadmap that communicates specific expectations for prioritized opioid abatement strategies, timeline and expected outcomes.

Executing the prioritized strategies will require evaluation of existing policies and processes to ensure any implementation barriers or risks are addressed. Additionally, ensuring adequate resources, including infrastructure, technology, data and human resources, are vital for successful implementation.

In cases where lower-resourced jurisdictions face constraints planning and implementing independently, there may be opportunities for partnering with neighboring areas and pooling resources. This approach expands capacity, extends reach, and may also improve access to services beyond what can be achieved solely through local efforts.

Engagement with key stakeholders, particularly CBOs, is another critical component of the strategic roadmap. Cities and counties can benefit from their expertise, relationships with the community, and aligned incentives.

Measuring the impact of the strategic plan by monitoring the performance of fund allocations is the last component of the strategic plan. Specific and measurable key performance indicators (KPIs) will be tracked for each of the prioritized strategies, programs and initiatives for communications and refinements of the strategic plan in future years.

A foundational strategic plan that focuses on shorter-term objectives (~24-36 months) is a key step for any city or county to put into action as they advance efforts to address the opioid crisis through strategic use of opioid abatement funds.

Implementation considerations

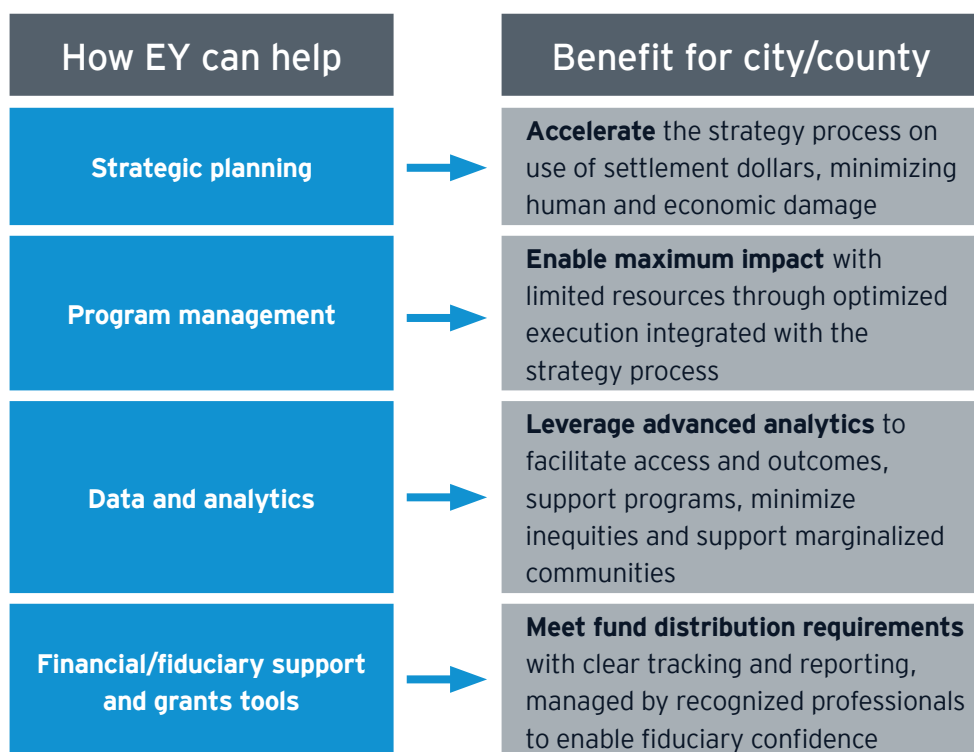
- ▶ Does strategy implementation require modification in existing policies or processes?
- ▶ Are there sufficient resources (e.g., infrastructure, HR, technology) available to implement the strategy?
- ▶ What is the engagement plan with key stakeholders to socialize proposed strategies?
- ▶ How do we monitor performance of fund allocation?



The opportunity ahead and how can we help

- Opioid settlement funds represent a significant opportunity for the communities impacted by the opioid crisis, and cities/counties will have to develop strategies to best allocate these funds and change the trajectory for how illicit drugs infiltrate their communities to save lives.
- Not all approved uses that are permissible within the national settlement frameworks are relevant for cities and counties, and there is a need for a framework to guide decision-making.
- A strategic planning framework that aligns the challenge(s) with capabilities, resources and insights, including the voice of the constituent, will accelerate the transition from planning to execution.
- The time is now: there is an urgency to use the funds effectively and develop a portfolio of strategic initiatives that address near-term needs, measure the progress in the medium terms, and invest in the necessary capabilities and infrastructure for the future.

The EY US Government & Public Sector practice brings process, technology, strategy and operations capabilities that could support cities and counties in managing settlement funds to address the opioid epidemic.



Authors



James R Dolan, PhD

Principal, EY-Parthenon,
Ernst & Young LLP



Paola Blanco

Senior Manager, EY-Parthenon,
Ernst & Young LLP

About EY US Government & Public Sector

The EY US Government & Public Sector practice provides a full range of consulting, strategy, tax and audit services. We help government agencies realize their modernization and reform goals while driving accountability, transparency and mission success.

Every day, we solve the most complex challenges so the government can build a stronger country – for the people. We work with federal, state and local government agencies and education institutions to create better outcomes for the public they serve. We deliver results and change through high-performing teams, exceptional client service and commitment to our people and communities. We have a proud record of assisting government and public sector agencies to meet their challenges head-on and work closely to build a country that works better for the people.

Visit ey.com/govpublicsector to learn more.



EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

About EY-Parthenon

EY-Parthenon teams work with clients to navigate complexity by helping them to reimagine their ecosystems, reshape their portfolios and reinvent themselves for a better future. With global connectivity and scale, EY-Parthenon teams focus on Strategy Realized – helping CEOs design and deliver strategies to better manage challenges while maximizing opportunities as they look to transform their businesses. From idea to implementation, EY-Parthenon teams help organizations to build a better working world by fostering long-term value. EY-Parthenon is a brand under which a number of EY member firms across the globe provide strategy consulting services. For more information, please visit ey.com/parthenon.

© 2023 Ernst & Young LLP.
All Rights Reserved.

US SCORE no. 22010-231US
2312-4389426
ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

ey.com