



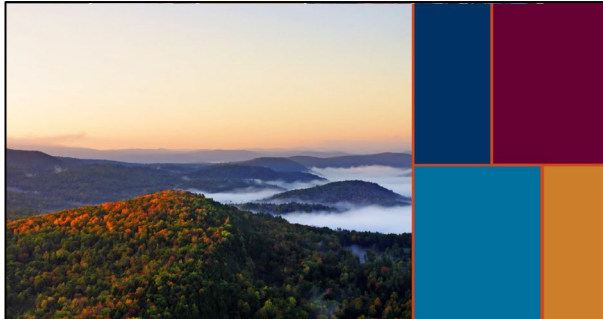
Department of Health Recommendations for SFY27 Opioid Abatement Special Fund Appropriations

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Senate Health and Welfare

April 7, 2026


Recommendations for SFY27 Opioid Abatement Special Fund Appropriations



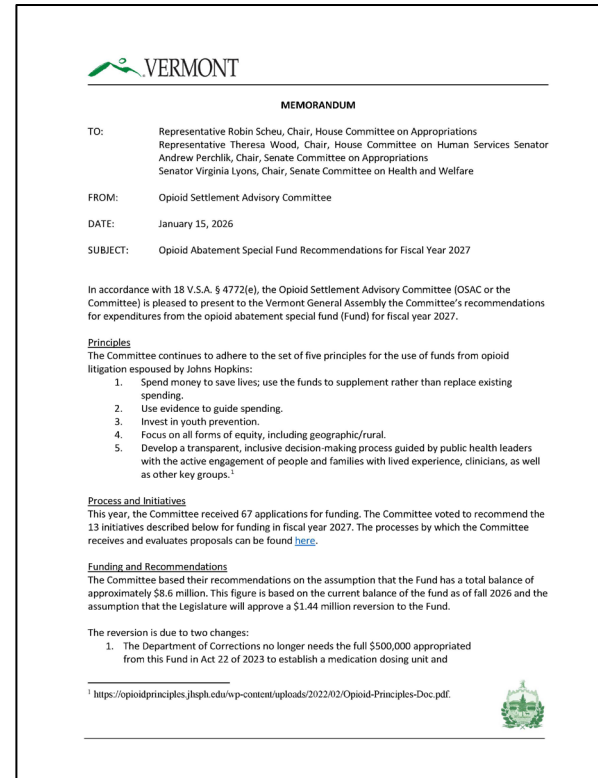
Health Department Opioid Abatement Special Fund Spending Recommendations State Fiscal Year 2027


January 2026

HealthVermont.gov
802-863-7200



[Department of Health Recommendations](#)



 VERMONT

MEMORANDUM

TO: Representative Robin Scheu, Chair, House Committee on Appropriations
Representative Theresa Wood, Chair, House Committee on Human Services
Senator Andrew Perchik, Chair, Senate Committee on Appropriations
Senator Virginia Lyons, Chair, Senate Committee on Health and Welfare

FROM: Opioid Settlement Advisory Committee

DATE: January 15, 2026

SUBJECT: Opioid Abatement Special Fund Recommendations for Fiscal Year 2027

In accordance with 18 V.S.A. § 4772(e), the Opioid Settlement Advisory Committee (OSAC or the Committee) is pleased to present to the Vermont General Assembly the Committee's recommendations for expenditures from the opioid abatement special fund (Fund) for fiscal year 2027.

Principles

The Committee continues to adhere to the set of five principles for the use of funds from opioid litigation espoused by Johns Hopkins:

1. Spend money to save lives; use the funds to supplement rather than replace existing spending.
2. Use evidence to guide spending.
3. Invest in youth prevention.
4. Focus on all forms of equity, including geographic/rural.
5. Develop a transparent, inclusive decision-making process guided by public health leaders with the active engagement of people and families with lived experience, clinicians, as well as other key groups.¹

Process and Initiatives

This year, the Committee received 67 applications for funding. The Committee voted to recommend the 13 initiatives described below for funding in fiscal year 2027. The processes by which the Committee receives and evaluates proposals can be found [here](#).


Funding and Recommendations

The Committee based their recommendations on the assumption that the Fund has a total balance of approximately \$8.6 million. This figure is based on the current balance of the fund as of fall 2026 and the assumption that the Legislature will approve a \$1.44 million reversion to the Fund.

The reversion is due to two changes:

1. The Department of Corrections no longer needs the full \$500,000 appropriated from this Fund in Act 22 of 2023 to establish a medication dosing unit and

¹ <https://opioidprinciples.jhsph.edu/wp-content/uploads/2022/02/Opioid-Principles-Doc.pdf>



[Opioid Settlement Advisory Committee \(OSAC\) Recommendations](#)

Future Year Funding Additions (in millions)

Data on future out year funding is still very approximate and may vary greatly. These numbers are an estimate only. Additionally, they do not include a potential lawsuit with Purdue.

The Health Department will keep in close communication with the AGO and JFO on any new information around future funding amounts and will update the OSAC accordingly.

Estimated Allocations to the Opioid Abatement Special Fund, 2025 - 2037

2025	\$4.15	2032	\$4.10
2026	\$4.45	2033	\$2.96
2027	\$4.10	2034	\$1.10
2028	\$4.76	2035	\$1.10
2029	\$4.78	2036	\$0.63
2030	\$4.46	2037	\$0.63
2031	\$4.10		

Opioid Abatement Special Fund – Projects With Legislative Intent to Continue Funding Annually

H. 218/Act 16 of 2025 included legislative intent to continue funding the following projects annually at not less than FY26 levels:

- Outreach and engagement staff – \$1,976,000 (FY26 level)
- Recovery residences - \$1,400,000 (FY26 level)
- Syringe services programs - \$850,000 (FY26 level)
- Burlington overdose prevention center - \$1,100,000 (FY26 level)

Prospective funding (*ROUGH ESTIMATE ONLY*, does not include Purdue possible settlement)

Calendar Year	Estimated incoming (Calendar year)	Estimated ongoing pressure (fiscal year)	Additional commitments should you recommend the average of 8M/yr (fiscal year)	Total with ongoing ONLY (fiscal year)	Total with ongoing AND additional (fiscal year)
2025				\$ 8,607,050.00 (assumes reversion of \$1.444 M)	
2026	\$4,634,895.17	(\$1,850,000.00) (assumes acceptance of State proposal)	(\$6,150,000.00)	\$ 11,391,945.17	\$ 5,241,945.17
2027	\$2,547,416.15	(\$5,326,000.00)	(\$2,674,000.00)	\$ 8,613,361.32	\$ (210,638.68)
2028	\$4,978,575.43	(\$5,326,000.00)	(\$2,674,000.00)	\$ 8,265,936.75	\$ (3,232,063.25)
2029	\$4,916,595.36	(\$5,326,000.00)	(\$2,674,000.00)	\$ 7,856,532.11	\$ (6,315,467.89)
2030	\$4,548,460.08	(\$5,326,000.00)	(\$2,674,000.00)	\$ 7,078,992.19	\$ (9,767,007.81)
2031	\$4,158,540.04	(\$5,326,000.00)	(\$2,674,000.00)	\$ 5,911,532.23	\$ (13,608,467.77)
2032	\$4,158,540.04	(\$5,326,000.00)	(\$2,674,000.00)	\$ 4,744,072.27	\$ (17,449,927.73)
2033	\$3,294,066.52	(\$5,326,000.00)	(\$2,674,000.00)	\$ 2,712,138.79	\$ (22,155,861.21)
2034	\$3,294,066.52	(\$5,326,000.00)	(\$2,674,000.00)	\$ 680,205.31	\$ (26,861,794.69)
2035	\$3,294,066.52	(\$5,326,000.00)	(\$2,674,000.00)	\$ (1,351,728.17)	\$ (31,567,728.17)

Recommendations for Continued Funding in FY27

Requests for Continued Funding in FY27

Proposal	OSAC Funding Request	Notes
Outreach and Engagement Services	\$455,500	Sustain funding for outreach and engagement staff in VDH's Preferred Provider network to provide targeted outreach to individuals in need of but not seeking substance use disorder treatment as well as individuals who are at risk of leaving SUD services.
Recovery Residences	\$1.4M	Sustain FY26 funding for supporting VTARR certified recovery residences to ensure ongoing access to recovery residence services to those individuals in early recovery.
Peer Recovery in DOC	\$1.25M	Continuing and expanding peer coaching in every prison and P&P site statewide
Support for Emergency Shelters – DCF	\$250,000	Sustain services to meet needs of guests for transportation (to/from recovery meetings, related appointments), harm reduction supplies, onsite medical staff, as well as harm reduction training for shelters and shelter staff.

Recommendations for New Funding in FY27

Requests for New Funding in FY27

Proposal	OSAC Funding Request	Notes
New recovery beds at NARR level III or higher	\$1.2M	Expand the number of beds available for those who have higher needs and are not ready to be in a peer-only environment.
Prehospital Vermont EMS Buprenorphine Treatment (PREVENT) Program	\$248,000	Expand training for emergency medical services agencies to prepare them to be able to carry and administer buprenorphine post naloxone administration.
Public Safety Enhancement Team Community Convenings	\$287,000	Expand the PSET's harm reduction and strategic community intervention efforts in more Vermont communities.

Requests for Reversions in FY27

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Proposal	Requested Reversion	Notes
Medication Dosing Unit at the Department of Corrections	\$444,000	Department of Corrections no longer needs this appropriation because it is using existing systems for opioid medication delivery inside of correctional facilities.
Re-engagement Beds	\$1M	Department of Health received a base general fund appropriation in SFY26 for re-engagement beds (implementation date of July 1, 2025).
Wound Care Project	\$8,287.34	Project has been completed and remaining balance can be reverted.

Recommendations for OSAC Process

Recommendations for OSAC Process

- Ensure the OSAC hears evaluation results and provides recommendations first on continuation of projects that have already received appropriations from the Opioid Abatement Special Fund.
- Should excess funding remain beyond funding ongoing projects, consider directing the OSAC to:
 - Identify specific areas of focus and need for funding based on needs assessments and statewide data
 - Recommend to the Legislature the amount of funding for each area, and recommend the Legislature direct the State to open competitive RFPs for grants to address the areas of need.

Requests for Revisions to H. 660

Requests for Revisions to H. 660

- Combine language on recovery residence funding ((6)(A) and (6)(B)) (just for new beds)
- Section 4(b) – language on “shall not accept new funding proposals from the OASF for fiscal year 2028, unless a proposal was previously identified in statute as intended for annual funding” – limits this only to continued funding for outreach and engagement, SSPs, OPC, and recovery residences – should be available to any previously funded project that OSAC determines should be continued and needs funding
- Add funds for Public Safety Enhancement Team Community Convenings (\$287,000)
- Delete Section 4(a) of the bill – this is now duplicative of language included in the FY27 budget bill.

Thank you!

