



Cost Benefits of Investing Early In Substance Abuse Treatment

Illicit drugs and excessive alcohol use have a harmful effect on health and safety in the United States. Beyond the damage it inflicts on individuals and their loved ones, substance abuse is a significant drain on our Nation's economy. In 2006, excessive drinking cost the United States \$223 billion in lost productivity, healthcare expenses, and law enforcement and criminal justice costs.¹ Illicit drug use also exacts a social and economic toll on our Nation. Factoring in public health, crime, and lost productivity, illicit drug use cost the country an estimated \$193 billion in 2007.² And not enough Americans are getting the treatment they need. Survey results indicate that an estimated 23.1 million Americans ages 12 or older needed treatment for substance use in 2010, but only 2.6 million people received treatment at a specialty facility in the prior year.³

In today's difficult economic climate, it is more important than ever to examine the value of substance abuse intervention and treatment, and to invest in cost-effective, evidence-based approaches that will cut costs and save lives.

Early Intervention: SBIRT

Intervening early, before drug use or excessive alcohol use progresses to addiction, is among the most cost-effective ways to address substance abuse, reduce its costs to society, and improve public health.

Too often, individuals with substance use problems believe that only severe cases of addiction require treatment. Thus, many do not seek treatment until long after initiation, when their use has produced significant social, economic, health, and/or legal consequences.⁴ Screening, Brief Intervention, and Referral to Treatment (SBIRT) is a comprehensive, integrated, public health approach for delivering early intervention and treatment services to people with, or at risk of developing, substance use disorders. SBIRT is designed to take place in general medical settings that people routinely visit, and to identify individuals with substance use problems before their problems progress too far.

SBIRT is a three-step process:

- ❖ **Screening** quickly assesses the severity of substance use and identifies the appropriate level of treatment. Screenings take place in trauma centers, emergency rooms, community clinics, health centers, and school clinics.
- ❖ **Brief intervention** focuses on increasing a person's awareness of substance use and encouraging changes in behavior.
- ❖ **Referral to treatment** provides those who need more extensive substance abuse treatment with referral to specialty care.

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Research has shown that, in some instances, a brief motivational intervention appears to facilitate abstinence from heroin and cocaine use at a 6-month follow-up interview, even in the absence of specialty addiction treatment.⁵ A 20-minute computerized version of SBIRT for post-partum women prevented relapse to most illicit drugs.⁶ Further, SBIRT reduces the time and resources needed to treat conditions caused or worsened by substance use, making our health systems more cost-effective.⁷

SBIRT Saves Lives and Cuts Healthcare Costs

Well-implemented SBIRT programs have demonstrated considerable success. For example:

Washington State Screening, Brief Intervention, and Referral to Treatment (WASBIRT) found significant healthcare cost reductions among 1,315 disabled Medicaid clients who received an intervention through the program. Administrators concluded that the potential reduction in Medicaid costs could be as high as \$2.8 million per year for working-age disabled clients who receive a brief intervention.⁸

Specific Medicaid cost reductions included:

- ❖ \$185-\$192 per member per month after receiving a brief intervention; and
- ❖ \$238-\$269 per member per month in costs associated with inpatient hospitalization from emergency department admissions.⁹

In addition, the study found that costs were reduced due to fewer days of hospitalization stemming from emergency department visits. For the 1,315 patients who received at least one brief intervention through the program, there were approximately 1,300 fewer days of hospitalization per year.

Treating Substance Use Disorders

For millions of Americans, substance use progresses to the point where efforts by the individual, his or her family and friends, and social networks may not be sufficient. In these cases of chronic addiction, access to treatment can be a critical and potentially lifesaving resource.

Effective treatment of substance use disorders consists of a range of clinical activities that can include assessment and diagnosis, group and individual therapy, medication (and medication maintenance) for detoxification, relapse prevention, and linkage to community support resources such as 12-step, employment, and housing programs.

Economic Benefits of Investing in Treatment

Research shows that every dollar spent on substance abuse treatment saves \$4 in healthcare costs and \$7 in law enforcement and other criminal justice costs.¹⁰ On average, substance abuse treatment costs \$1,583 per patient and is associated with a cost offset of \$11,487, representing a greater than 7:1 ratio of benefits to costs.¹¹

Some states have found that providing adequate mental health and addiction-treatment benefits can dramatically reduce healthcare costs and Medicaid spending.

- ❖ A study of alcohol and drug abuse treatment programs in Washington State found that providing a full addiction-treatment benefit resulted in a per-patient savings of \$398 per month in Medicaid spending.¹²

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- Medical costs for people in treatment were \$311 lower per month than for those who needed but did not receive treatment, and state hospital expenses for those in treatment were lower in comparison by \$48 per month.¹³
 - For those who received treatment, the likelihood of being arrested decreased 16 percent and the likelihood of felony convictions dropped 34 percent, further contributing to cost savings for the state.¹⁴
- ❖ A study in California found that greater than 70 percent of the estimated costs of alcohol abuse can be attributed to lost productivity. These findings suggest that understanding the effects of substance abuse on the workplace can be of significant value to employers.¹⁵
- Substance abuse treatment for 60 days or more can save over \$8,200 in healthcare and productivity costs.¹⁶
 - An assessment study of people treated in Kaiser Permanente’s Addiction Medicine program demonstrated significant reductions in missed work, conflicts with coworkers, and tardiness.¹⁷

Conclusion

The benefits of investing in early intervention and treatment for substance use disorders are substantial. Addiction, like other chronic diseases, can be managed successfully with appropriate access to quality treatment. Early intervention tools can be implemented in existing systems, such as primary care settings and hospitals, to allow quick responses to substance use disorders and provide care for greater numbers of people. The overarching goal of treatment is to help individuals achieve stable, long-term recovery and become productive members of society, and to eliminate the public health, public safety, and economic consequences associated with addiction.

For information about drug-use treatment and recovery, and for additional resources, please visit <http://www.whitehouse.gov/ondcp/treatment-and-recovery>.

Notes

¹ Bouchery, E., Harwood, H., Sacks, J., Simon, C., Brewer, R. (2011). Economic Costs of Excessive Alcohol Consumption in the U.S., 2006. *American Journal of Preventive Medicine*, 41(5), 516-524.

² National Drug Intelligence Center (2011). *The Economic Impact of Illicit Drug Use on American Society*. United States Department of Justice. Retrieved from <http://www.justice.gov/ndic/>

³ Substance Abuse and Mental Health Services Administration, *Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings*, NSDUH Series H-41, HHS Publication No. (SMA) 11-4658. Rockville, MD, 2011.

⁴ Tucker JA, Vuchinich RE, Rippens PD. A factor analytic study of influences on patterns of help-seeking among treated and untreated alcohol dependent persons. *Subst Abuse Treat*. 2004 Apr;26(3):237-42.

⁵ Bernstein, J., Bernstein, E., Tassiopoulos, K., Heeren, T., Levenson, & S., Hingson, R. (2005). Brief motivational intervention at a clinic visit reduces cocaine and heroin use. *Drug and Alcohol Dependence*, 77, 49-59.

⁶ Ondersma SJ, Svikis DS, Schuster CR. Computer-based brief intervention: A randomized trial with postpartum women. *Am J Prev Med*. 2007 Mar;32(3):231-8. Epub 2007 Jan 22. Erratum in: *Am J Prev Med*. 2007 Jun;32(6):549.

⁷ Estee, S., He, L., Mancuso, D., Felver, B. (2006). Medicaid cost outcomes. Department of Social and Health Services, Research and Data Analysis Division: Olympia, Washington.

⁸ Estee, S., He, L., Mancuso, D., Felver, B. (2006). *Medicaid Cost Outcomes*. Department of Social and Health Services, Research and Data Analysis Division: Olympia, Washington.

⁹ Estee, S., He, L., Mancuso, D., Felver, B. (2006). *Medicaid Cost Outcomes*. Department of Social and Health Services, Research and Data Analysis Division: Olympia, Washington.

¹⁰ Etner, S., Huang, D., Evans, E., Ash, D. R., Hardy, M., Jourabchi, M., & Yih-Ing, H. (2006) Benefit-Cost in the California Treatment Outcome Project: Does Substance Abuse Treatment “Pay for Itself”? *Health Services Research*. 41(1): 192–213. doi: [10.1111/j.1475-6773.2005.00466.x](https://doi.org/10.1111/j.1475-6773.2005.00466.x)

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- ¹¹ Etner, S., Huang, D., Evans, E., Ash, D. R., Hardy, M., Jourabchi, M., & Yih-Ing, H. (2006) Benefit-Cost in the California Treatment Outcome Project: Does Substance Abuse Treatment “Pay for Itself”? *Health Services Research*. 41(1): 192–213. doi: [10.1111/j.1475-6773.2005.00466.x](https://doi.org/10.1111/j.1475-6773.2005.00466.x)
- ¹² Estee, S. and Norlund, D. (2003). Washington State Supplemental Security Income (SSI) Cost Offset Pilot Project: 2002 Progress Report. R.a.D.A. Division and W.S.Do.S.a.H. Services, Washington State.
- ¹³ Estee, S. and Norlund, D. (2003). Washington State Supplemental Security Income (SSI) Cost Offset Pilot Project: 2002 Progress Report. R.a.D.A. Division and W.S.Do.S.a.H. Services, Washington State.
- ¹⁴ Estee, S. and Norlund, D. (2003). Washington State Supplemental Security Income (SSI) Cost Offset Pilot Project: 2002 Progress Report. R.a.D.A. Division and W.S.Do.S.a.H. Services, Washington State.
- ¹⁵ Jordan, N., Grissom, G., Alonzo, G., Dietzen, L., Sangsland, S. (2007). Economic benefit of chemical dependency treatment to employers. *Journal of Substance Abuse Treatment*, 34, 311-319.
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- ¹⁷ Jordan, N., Grissom, G., Alonzo, G., Dietzen, L., Sangsland, S. (2007). Economic benefit of chemical dependency treatment to employers. *Journal of Substance Abuse Treatment*, 34, 311-319.



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