

ISSUE BRIEF #3

Investing in Addiction Treatment Health Care Costs the U.S. Cannot Afford to Ignore

Right now more than 23 million Americans suffer from alcohol and drug addiction and need treatment; sadly, only one in 10 of them (2.3 million) gets the treatment they need.ⁱ

The costs of untreated addiction to the US health care system are astonishing and growing; with treatment those costs can be dramatically reduced. Untreated addiction contributes to poor health and increased use of health services especially for HIV/AIDS, hepatitis C, diabetes, hypertension, liver-related conditions such as cirrhosis, and emergency department use.

Treating addiction yields significant, proven positive economic and health benefits. But research has shown that those who need addiction treatment are less likely to have health insurance than those who do not need treatment (74.4 percent vs. 86.6 percent).ⁱⁱ And of those who say they needed treatment, made an effort to get treatment, but could not get it, 37.4 percent say they did not receive treatment because they do not have health insurance coverage and cannot afford to pay for the cost of treatment.ⁱⁱⁱ

Addiction is a health issue and it should be treated and covered as one.

Adding up the Costs of Untreated Addiction to Our Health Care System

The gap between the millions of people who need addiction treatment and the few who get it is taking a toll on our health care system. Broadening insurance coverage for treatment programs, increasing public funding for treatment, and achieving greater program efficiency and quality, will significantly improve our health care system.

Research has shown that inpatient, emergency room and total health care costs declined by 35 percent, 39 percent and 26 percent respectively after patients who suffer from alcohol or drug addiction receive treatment.^{iv}

Treating addiction will aid our health care system by alleviating the following problems:

- One out of every 14 hospital stays – an estimated 2.3 million stays a year – is related to untreated substance use disorders.^v
- More than 1.7 million emergency department visits a year are associated with drug use.^{vi}
- Health care costs for employees with untreated alcohol addiction problems cost nearly twice as much as those of other employees.^{vii}
- Untreated alcohol and drug addiction can aggravate or mask symptoms of other medical conditions, and also complicate treatment effectiveness.^{viii}
- Patients with alcohol addiction problems spend an average of four times as many days in the hospital as non-drinkers, mostly because of drinking-related injuries.^{ix}

The vast majority of Americans (71 percent) agree that health insurance should cover the cost of addiction treatment and (77 percent) agree that addiction treatment should be part of health care reform.^x

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- ⁱ 2008 National Survey on Drug Use and Health: National Findings, Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA), Office of Applied Studies (OAS), <http://www.oas.samhsa.gov/nsduh/2k8nsduh/2k8Results.cfm>
- ⁱⁱ SAMHSA, National Survey on Drug Use and Health, Health Insurance and Substance Use Treatment Need, February 23, 2007. <http://www.oas.samhsa.gov/2k7/insurance/insurance.htm>
- ⁱⁱⁱ 2008 National Survey on Drug Use and Health, See: Figure 7.7 Past Year Perceived Need for and Effort Made to Receive Specialty Treatment; see Figure 7.11
- ^{iv} Parthasarathy, S. *et al.* "Association of Outpatient Alcohol and Drug Treatment with Health Care Utilization and Cost: Revisiting the Offset Hypothesis," Division of Research, Kaiser Permanente Medical Program, 2001.
- ^v Agency for Healthcare Research and Quality (AHRQ), Healthcare Cost & Utilization Project (HCUP), Care of Adults With Mental Health and Substance Abuse Disorders in U.S. Community Hospitals, 2004. <http://www.ahrq.gov/data/hcup/factbk10/>
- ^{vi} SAMHSA Drug Abuse Warning Network (DAWN) report – 2006. <http://dawninfo.samhsa.gov/files/ED2006/DAWN2k6ED.htm>
- ^{vii} Substance Abuse: The Nation's Number One Health Problem, February, 2001. <http://www.rwjf.org/files/publications/other/SubstanceAbuseChartbook.pdf>
- ^{viii} Treatment Research Institute: http://www.tresearch.org/add_health/about_prism.htm
- ^{ix} Substance Abuse: The Nation's Number One Health Problem, February, 2001. <http://www.rwjf.org/files/publications/other/SubstanceAbuseChartbook.pdf>
- ^x Hazelden Foundation: "National Study of Public Attitudes Toward Addiction" – February 2009. <http://www.hazelden.org/web/public/pr090209healthinsurance.page>