



## **THE NATIONAL INVESTMENT IN TREATING ALCOHOL AND DRUG USE DISORDERS**

Alcohol and drug use disorders—which are defined as misuse, dependence, or addiction to alcohol and/or legal or illegal drugs—take an enormous toll on society. Helping people recover from these disorders and lead healthy, productive lives is an important component of the nation's health care agenda. The social cost of alcohol and drug use in the United States is staggering, estimated at more than \$294 billion in 1997.<sup>1</sup>

### **What Are the Societal Benefits of Investing in Drug and Alcohol Treatment?**

- For every \$1 invested in treatment, there is a return of between \$4 and \$7 in reduced drug-related crime, criminal justice costs, and theft. When savings related to health care are included, total savings can exceed costs by a ratio of 12 to 1.<sup>2</sup>
- However, spending on treatment is relatively limited. The total cost to society of substance abuse is nearly 25 times what the United States spends on treatment.<sup>3</sup>

### **Personal Investments in Treatment**

- The national investment in treatment has not caught up with the need for such services, and the majority of people who received specialty treatment for an illicit drug use disorder in 2002 reported using their own savings or earnings as a source of payment for their most recent specialty treatment. Other payment sources included private health insurance, Medicaid, and public assistance other than Medicaid.<sup>4</sup>
- Insurance policies typically do not adequately cover treatment for alcohol and drug use disorders. They often do not cover specific services, and offer only limited—if any—support for continuing care, a treatment component that is often essential for people in recovery.<sup>5</sup>
- Even when they do cover alcohol and drug use disorder treatment, insurers do not always cover it the same way they do other medical conditions, despite the benefits of doing so.<sup>6</sup>

- As of January 1, 2001, the Federal Government instituted mental health parity for all employees covered under the Federal Employees Health Benefits Plan. Health plans no longer impose higher co-payments or deductions for mental health services or set limits on out-patient visits or hospital stays that are more restrictive than physical health limits. The parity regulations also cover substance abuse treatment.<sup>7</sup>

**For additional *National Alcohol and Drug Addiction Recovery Month (Recovery Month)* materials, visit our Web site at [www.recoverymonth.gov](http://www.recoverymonth.gov) or call 1-800-662-HELP.**

## **Sources**

1. Coffey, R.M., et al. *National Estimates of Expenditures for Substance Abuse Treatment*, 1997. DHHS Publication No. (SMA) 01-3511. Rockville, MD: U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, Center for Substance Abuse Treatment, Medstat Group, February 2001, section entitled "Key Findings," para. 1.
2. *Principles of Drug Addiction Treatment: A Research-Based Guide*. NIH Publication No. 00-4180. Bethesda, MD: U.S. Department of Health and Human Services, National Institutes of Health, National Institute on Drug Abuse, printed October 1999/reprinted July 2000, p. 21.
3. Coffey, R.M., et al. *National Estimates of Expenditures for Substance Abuse Treatment*, 1997, section entitled "Key Findings," para. 1.
4. *ibid*, section entitled "Key Findings," para. 5.
5. *Improving Substance Abuse Treatment: The National Treatment Plan Initiative, Changing the Conversation*. DHHS Publication No. (SMA) 00-3479. Rockville, MD: U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, 2000, p. 15.
6. *ibid*, p. 16.
7. Flaherty, Michael. "Editorial: Depression Demands Full Treatment," *Pittsburgh Post Gazette*, April 15, 2001, p. E1.