



The Cost of Untreated Substance Abuse Disorders in Ohio FACT SHEET

- (1) Over 851,000 Ohioans suffer from substance dependence or abuse; however, **only 11% of those needing treatment for alcohol and drug problems presently receive it.** (SAMHSA)
- (2) Of the over 2.8 million children in Ohio, it is estimated that **over 700,000 are affected in some way by substance abuse.** (ADASBC)
- (3) Untreated substance abuse disorders are **more expensive than heart disease, diabetes, and cancer combined.** (NCADD)
- (4) The economic burden of substance abuse disorders on the U.S. economy is currently **estimated at \$414 billion.**
- (5) For every dollar that was spent on substance abuse, **four cents went to prevention and treatment with the remainder going towards the burden of substance abuse on public programs,** such as law enforcement, courts, and corrections. (CASA)
- (6) On average, **15 to 17% of employees** in every U.S. company abuse substances. (Bureau of Labor Statistics)
- (7) On average, an employee with an unaddressed substance use disorder can **cost an employer \$7,000 per year** in lost productivity and health care costs. (ODADAS)
- (8) At a modest return of \$7 saved for every \$1 spent on treatment, **Ohio's prevention benefit was \$202,496,658 in 2006.** (Drug Free Action Alliance)
- (9) The effects of treatment **saved Ohioans more than \$370 million in out-of-home childcare, prison costs, and wages earned.** (ODADAS)
- (10) Illicit drug users make over **527,000 costly emergency room visits** each year for drug-related problems.
- (11) In Ohio, over the last two years, **30,943 children were removed from homes** where substance abuse was a contributing factor. (OACBHA)
- (12) The cost of substance use disorders treatment is **15 times less than the cost of incarcerating** a person for a drug-related crime. (ODADAS)
- (13) Of those ages 18 and older who felt they needed treatment but did not receive it, **31.2% indicated they did not receive treatment because they lacked health insurance** and were unable to pay. (SAMHSA)



While the Mental Health Parity Bill (S.B. 116 2006), which became effective in September 2007, was a step in the right direction, numerous issues continue to make access to substance abuse treatment difficult for those most in need. The main contention involves the mandatory offering clause, which only requires insurance companies to offer \$550 annually for treatment of alcohol dependence and abuse. This clause has continued since the original passage S.B. 90 from 1978. There is no mandatory offering for other substance abuse addictions and disorders. \$550 is an insufficient amount to successfully rehabilitate individuals suffering from alcohol and drug abuse addiction and disorders. Consequently, OARP asks that the Ohio Legislature consider taking the next step in assuring the treatment of alcohol and drug addiction and disorders by considering mandatory insurance laws.

Why mandatory insurance is necessary instead of parity:

- The National Alliance for Model State Drug Laws have found that the experiences of states with parity laws are that they are extremely difficult to enforce and generally do not improve access to addiction treatment.
- As the Ohio Parity Law is currently written, the separate negotiations of rates and delivery of services hardly qualifies as parity.
- Under the current language, managed care will be able to severely limit treatment of addiction—all protestations of parity to the contrary.
 - When managed care is involved, treatment that is needed immediately can be delayed through the bureaucracy created by managed care organizations, potentially leading to fatal results.

What OARP desires to see provided by a mandatory insurance bill in Ohio:

- Up to 7 days of detoxification per admission
- A minimum of 30 days of rehabilitation per year
- A minimum of 30 units of outpatient/partial hospitalization per year
- A minimum of thirty aftercare visits
- Coverage for the treatment regimen designated by the patient's licensed treatment professional