

COMP



California Opioid
Maintenance Providers

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**U.S. Dept. of Health & Human Services:
“Benefits of Drug Treatment Far Outweigh the Costs,”
“Community-based Treatment is Imperative”**

SACRAMENTO, CA – California Opioid Maintenance Providers (COMP), today released a U.S. Department of Health and Human Services (HHS) document that demonstrates that the governor’s proposal to eliminate Medi-Cal Drug Treatment funding would cost much more than it would save.

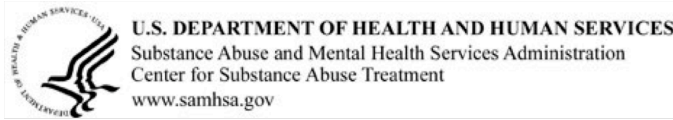
The document, “Cost Offset of Treatment Services,” includes these findings:

- “Accessible and effective community-based alcohol and drug treatment is imperative to reduce society’s financial burden from problems associated with drug use.”
- “The benefits of treatment far outweigh the costs.”
- “Treatment has been shown to have a benefit-cost ratio of 7:1.”
- “...treatment can save money by diminishing the huge financial consequences imposed on employers and taxpayers.”
- “...we need to ensure needed substance use disorder treatment and recovery programs help reduce health and societal costs.”

To view the U.S. HHS document, please visit www.savemedi-caldrugtreatment.org

COMP, a coalition of community-based drug-treatment clinics, said the proposal to effectively eliminate California’s Drug Medi-Cal program would do irreversible damage to individuals, businesses and communities. “The benefits of drug treatment far outweigh the costs,” said Jason Kletter, Ph.D., president of COMP. “We understand that the State is facing a fiscal crisis, but eliminating Medi-Cal Drug Treatment programs will only make that situation worse – in this same budget year.”

For more information, please visit www.savemedi-caldrugtreatment.org



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Cost Offset of Treatment Services

There is a great paucity on nationwide data related to the cost benefit of substance use treatment. However, the limited research in some States suggests that there is a major benefit to substance use treatment. According to recent estimates¹, the total financial cost of drug use disorders to the United States is estimated to be \$180 billion annually. The economic costs of alcohol abuse were 184.6 billion in 1998². Accessible and effective community-based alcohol and drug treatment is imperative to reduce society's financial burden from problems associated with drug use. As the U.S. economy faces unsustainable escalations in health care costs, we need to ensure needed substance use disorder treatment and recovery programs help reduce health and societal costs.

The benefits of treatment far outweigh the costs. Even beyond the enormous physical and psychological costs, treatment can save money by diminishing the huge financial consequences imposed on employers and taxpayers.

Cost Savings of Treatment: California, New York, and Washington

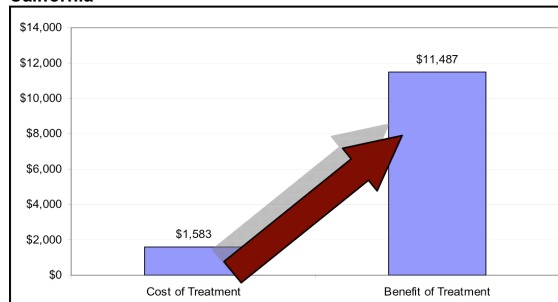
Treatment has been shown to have a benefit-cost ratio of 7:1³. The largest savings were due to reduced cost of crime and increased employer earnings (see Figure 1).

For every \$100,000 spent on treatment,



\$487,000 of health care costs⁴ and \$700,000 of crime costs were shown to be avoided⁵.

Figure 1. Cost Offset of Substance Abuse Treatment in California

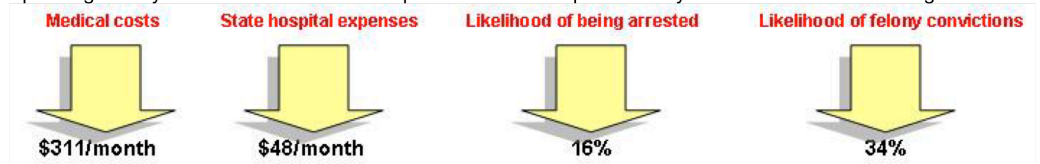


Public Assistance in Washington

A comparison of medical expenses of Medicaid clients⁶ who received treatment noted these savings:

Modality	Savings per Medicaid member per month
Inpatient	\$170
Outpatient	\$215
Methadone	\$230

Spending money on treatment has led to important health and public safety cost reductions in Washington⁷:



Health Care Utilization Savings: California

Treated patients have been shown to reduce⁸:



Employers

Employees treated for substance use⁹ have:



(end)