

Employer-Specific Costs of Prescription Pain Medication Misuse and Substance Use

Risky use and alcohol, prescription pain medications and other drug use disorders¹ are among the most common and costly health conditions affecting Americans. The Surgeon General reports that in 2015, 66.7 million people in the United States reported drinking more than five drinks on an occasion at least once in the past month and 27.1 million adolescents and adults used illicit drugs or misused prescription drugs.² The costs to the individuals and families are grave. Alcohol contributes to 88,000 deaths each year in the US; one in ten deaths among working adults are alcohol related.³ Added to that, in 2014 there were 47,055 drug overdose deaths: 28,647 of whom died from overdoses from prescription pain relievers or heroin.⁴

The cost of substance use to American businesses may not be as apparent. Despite estimates of that the national bill for substance use annually is more than \$400 billion,⁵ individual companies may not see how substance use impacts their bottom lines through lost productivity and absenteeism, health care expenses, disability and workers compensation, and increased taxes to pay for law enforcement, criminal justice, and publicly-supported medical treatment. Business leaders remain largely in the dark about how substance use impacts their companies and what they can do to reduce their risks and costs.⁶

The Substance Use Calculator for Business has been designed by NORC at the University of Chicago, the National Safety Council, an organization dedicated to

¹ Substance use disorder (SUD) is a condition in which the use of one or more substances leads to a clinically significant impairment or distress. SUDs can include any psychoactive drug, for example alcohol, prescription pain medications, heroin, cocaine and marijuana.

² Vivek V.H. Facing Addiction in America: Surgeon General's Report on Alcohol, Drugs, and Health. <https://addiction.surgeongeneral.gov/surgeon-generals-report.pdf>

³ Stahre, M., Roeber, J., Kanny, D., Brewer, R. D., & Zhang, X. (2014). Contribution of excessive alcohol consumption to deaths and years of potential life lost in the United States. *Preventing Chronic Disease, 11*(E109).

⁴ Rudd, R. A., Aleshire, N., Zibbel, J. E., & Gladden, R. M. (2016). Increases in drug and opioid overdose deaths — United States, 2000–2014. *MMWR, 64*(50), 1378-1382.

⁵ Sacks, J. J., Gonzales, K. R., Bouchery, E. E., Tomedi, L. E., & Brewer, R. D. (2015). 2010 national and state costs of excessive alcohol consumption. *American Journal of Preventive Medicine, 49*(5), e73-e79. National Drug Intelligence Center. (2011). *National drug threat assessment*. Washington, DC: U.S. Department of Justice.

⁶ Harwood, H.J. and Reichman, M.B. 2000. The Cost to Employers of Employee Alcohol Abuse: A Review of the Literature in the United States of America. United Nations Office on Drugs and Crime. *Bulletin on Narcotics*, Vol. LII, Nos. 1 & 2, 2000. Harwood, H.J., Malhotra, D. et al. 2002. *Cost Effectiveness and Cost Benefit Analysis of Substance Abuse Treatment: An Annotated Bibliography*. U.S. Department of Health and Human Services. Substance Abuse and Mental Health Services Administration. Center for Substance Abuse Treatment. Harwood, H.J., Malhotra, D. et al. 2002. *Cost Effectiveness and Cost Benefit Analysis of Substance Abuse Treatment: A Literature Review*. U.S. Department of Health and Human Services. Substance Abuse and Mental Health Services Administration. Center for Substance Abuse Treatment. Holder, H.D. Lennox, R.D. and Blose, J.O. 1992. The Economic Benefits of Alcoholism Treatment: A Summary of Twenty Years of Research. *Journal of Employee Assistance Research, 1*(1), 63-82.

eliminating preventable deaths at work, in homes and communities and Shatterproof, a national nonprofit focused on ending addiction. The Calculator is a scientifically-grounded, easy to use tool that provides business leaders with specific information about how alcohol, prescription pain medication misuse and illicit drug use impacts their workplaces, and what research-proven steps they can take to help employees with substance use problems and, at the same time, increase the safety, health and productivity of their workforces. The Calculator updates an earlier Substance Use Disorder (SUD) Calculator introduced in 2003, and most recently refreshed in 2009.⁷ This document describes in detail the methods used to derive these estimates.⁸

Methods

Sources of Data

Three years' data from the annual Federal substance use epidemiological survey, the [National Survey on Drug Use and Health](#)³ (NSDUH) 2012-2014⁹ are the primary sources for the Calculator. The Substance Abuse and Mental Health Services Administration (SAMHSA) conducts the NSDUH, each year interviewing a nationally representative sample of approximately 69,000 persons ages 12 and above. Public use data (PUD) files are made available about 18 months after the annual survey results are released. The PUD files contain weighted, anonymized data from approximately 55,000 adolescents and adults. The survey asks respondents about lifetime, annual, and past-month use of alcohol, marijuana, cocaine, hallucinogens, heroin, inhalants, tobacco, pain relievers, tranquilizers, stimulants, and sedatives. The survey also covers mental health and physical health symptoms, mental health and substance use treatment history, health care utilization and health insurance coverage. Demographic data include gender, race, age, ethnicity, educational level, job status, workplace characteristics and income. NORC separately analyzed the 2012-2014 NSDUH PUDs and averaged the results. All respondents employed full- or part-time were included in analyses (25,201 in 2012; 25,235 in 2013; 27,030 in 2014). Respondents who did not report paid employment in the prior year were excluded from the analyses. The NSDUH survey is constructed so that DSM-IV diagnoses of SUDs can be derived.¹⁰

⁷ www.alcoholcostcalculator.org, www.alcoholcostcalculator.org/sub

⁸ **Acronyms**

- **BLS** Bureau of Labor Statistics
- **NCQA** National Committee on Quality Assurance
- **NSDUH** National Survey on Drug Use and Health
- **SAMHSA** Substance Abuse and Mental Health Services Administration
- **NIAAA** National Institute on Alcohol Abuse and Alcoholism
- **NIDA** National Institute on Drug Abuse

⁹ Public use data files of the NSDUH were analyzed online at http://pdas.samhsa.gov/#/?_k=m9xwxh

¹⁰ Center for Behavioral Health Statistics and Quality. (2016). Impact of the DSM-IV to DSM-5 Changes on the National Survey on Drug Use and Health. Substance Abuse and Mental Health Services Administration, Rockville, MD. <https://www.samhsa.gov/data/sites/default/files/NSDUH-DSM5ImpactAdultMI-2016.pdf>

The [Survey Documentation and Analysis](#) (SDA, version 3.5) was the primary online software to analyze the NSDUH.¹¹ The data and SDA are part of the Substance Abuse and Mental Health Data Archive maintained by the Inter-University Consortium for Political and Social Research at the University of Michigan and the SAMHDA Public-use Data Analysis System (PDAS).¹²

Adjusting Prevalence Estimates: States

There are substantial differences between states in the prevalence of prescription pain medication misuse and SUDs generally. SAMHSA pools several years' NSDUH data to provide state estimates of substance use.¹³ In order to account for these differences, the average prevalence of SUDs for persons 18 years and older in each state from 2012-2014 was divided into the national prevalence rate for this age group. The prevalence of any SUD, including AUD, is much higher. Among working age adults nationally, 8.6% had an alcohol or drug use disorder. States ranged from Utah and Tennessee at 7.4% of 18 year olds and above, to DC (13.4%), Rhode Island (10.8%) and Montana (10.0%). The national prevalence of prescription pain medication misuse in the past 12 months is 4.2 percent. At the higher end are Arizona (5.2%), Oklahoma (5.1%), Alabama (5.0%) and Oregon (5.0%). At the lower end are Wyoming (3.4%), Florida (3.4%), Maine (3.4%) and Vermont (3.34%). State rates of pain medication misuse and SUDs, and the ratios of state to national prevalence are detailed in [Appendix XXX](#)

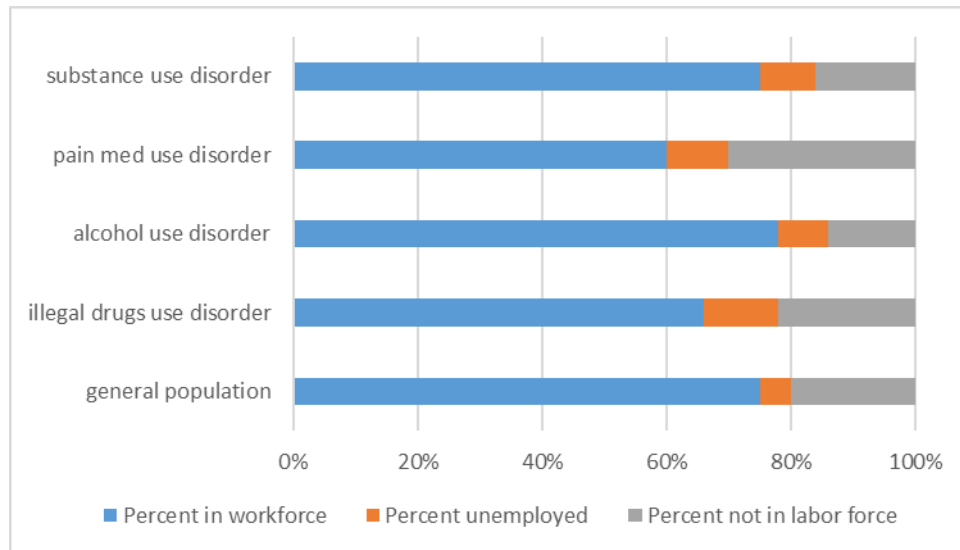
Adjusting Prevalence Estimates: Industry Sector

Most adults work (77%). So do most adults with SUDs. In the age group between 18 and 64 years, 75% of adults with an SUD are in the workforce, including 78% of adults with an AUD. A smaller proportion of adults who report past month misuse of pain medications are in the workforce (68%), and still fewer who have a pain medication use disorder (60%). This lower workforce participation rate may be related to injuries and illnesses, or to the effects of the pain medications. Adults with SUDs are about twice as likely to be unemployed (9% vs. 5%). The table below shows that the majority of adults with a substance use disorder work.

¹¹ Survey Documentation and Analysis (SDA), an online analysis system was developed and is maintained by the Computer-assisted Survey Methods Program (CSM) at the University of California, Berkeley. SDA results are comparable to SAS, Stata, and SUDAAN. For more information on SDA 3.5: <http://sda.berkeley.edu/document.htm>.

¹² <http://datafiles.samhsa.gov/info/analyze-public-data-nid6>

¹³ Substance Abuse and Mental Health Services Administration. Behavioral Health Barometer: United States, 2014. HHS Publication No. SMA-15-4895. Rockville, MD: Substance Abuse and Mental Health Services Administration, 2015. National Survey on Drug Use and Health: Comparison of 2012-2013 and 2013-2014 Population Percentages (50 States and the District of Columbia) <http://www.samhsa.gov/data/sites/default/files/NSDUHsaeShortTermCHG2014/NSDUHsaeShortTermCHG2014.htm>. SAMHSA does not report state-specific rates of opioid disorder but does provide state rates of prescription pain medication misuse in previous 30 days.



Two thirds (67%) of workers with an SUD are male, a ratio that holds for alcohol, illicit drug and pain medication use disorders. Recent pain medication misuse is less skewed towards males (59%). Workers with an SUD are more likely than their peers to be younger, have a lower family income, and less likely to be married.

| | Overall US Workforce | Pain med use disorder | Any SUD |
|---------------------------|----------------------|-----------------------|---------|
| Male | 53% | 61% | 67% |
| Married | 54% | 28% | 33% |
| Between 18 to 34 years | 34% | 66% | 55% |
| Family income below \$20K | 12% | 24% | 18% |

The NSDUH elicits information about employment status, industry sector and occupation. Respondents select among 16 categories for the industry sector of their current job, and 14 occupational categories. The proportion of NSDUH respondents who report working in specific industries generally mirrors rates reported by the Bureau of Labor Statistics.¹⁴ The table below compares the proportion of the US workforce employed in 14 industry sectors according to the Bureau of Labor Statistics and the corresponding percentage of NSDUH respondents in those industries in the three years sampled. The third column shows the total number of NSDUH respondents working in each industry.

| | BLS 2014 NSDUH Number in (%) (%) NSDUH | | |
|---|--|-----|-------|
| Agriculture, forestry, fishing, and hunting | 1.4 | 1.4 | 1,254 |

¹⁴ Henderson R. Industry employment and output projections to 2024. Monthly Lab. Rev. 2015; 138:1. The only exceptions are in the categories education and health, which in 2014 composed 14% of the workforce and government, which composed 14%. The comparable NSDUH categories were 12% for education and health, and 5% for public administration. Discrepancies are likely a result of the NSDUH assigning some government worksites to education and health.

| | | | |
|------------------------------------|------|------|--------|
| Mining | 0.6 | 0.6 | 605 |
| Construction | 4.1 | 7.5 | 15,357 |
| Manufacturing | 8.1 | 10.5 | 7,380 |
| Utilities and transportation | 3.5 | 5.0 | 3,032 |
| Information | 1.8 | 2.3 | 1,386 |
| Wholesale trade | 3.9 | 2.5 | 1,697 |
| Retail trade | 10.2 | 10.5 | 10,452 |
| Financial activities | 5.3 | 6.5 | 4,022 |
| Professional and business services | 12.7 | 11.9 | 8,214 |
| Educational services, health | 14.3 | 22.3 | 17,294 |
| Leisure and hospitality | 9.8 | 9.3 | 11,125 |
| Government, public administration | 14 | 4.6 | 3,118 |
| Other services | 4.2 | 5.6 | 4,193 |

Work Days Missed

The NSDUH asks respondents to recall how often they missed work due to illness and injury or skipped work in the past 30 days. Responses to these two questions are summed and annualized to measure the total number of missed workdays per year.

Health Care Use

Respondents are asked about health care use in the prior 12 months: how many times they had gone to a hospital emergency room, whether they had been hospitalized overnight, and if so, for how many nights, and the number of outpatient primary care visits. Respondents also were asked about past 12 month and lifetime substance use treatment.

Cost of Health Care

The health care costs of substance use affecting employers were calculated in two ways. The Surgeon General’s 2016 report “[Facing Addiction in America](#)” notes that the US spends roughly \$35 billion per year to treat SUDs, and another \$85 billion to treat the injuries, infections and illnesses associated with risky and dependent substance use.¹⁵ An estimate of the extra costs of health care cost for each person was generated by dividing the Surgeon General’s overall estimate of \$120 billion spent annually on substance use-related health care services by the total US population in 2016. This yields an annual cost of \$370 for each person in the US.

¹⁵ Vivek H, Murthy MD. Facing Addiction in America: Surgeon General’s Report on Alcohol, Drugs, and Health. <https://addiction.surgeongeneral.gov/surgeon-generals-report.pdf> Levit, K. R., Kassed, C. A., Coffey, R. M., Mark, T. L., McKusick, D. R., King, E., Stranges, E. (2008). Projections of national expenditures for mental health services and substance abuse treatment, 2004– 2014. SMA 08-4326. Rockville, MD: SAMHSA. (2016). Behavioral health spending and use accounts, 1986–2014. (HHS Publication No. SMA-16-4975). Rockville, MD: SAMHSA.

The average American household, according to the Census Bureau has 2.58 members.¹⁶ That places the average excess household health care burden resulting from risky and dependent substance use at \$955. This expense is not borne solely by families. Employers frequently offer health insurance for employees, covering 82% of individuals' premiums and 71% of family premiums.¹⁷ Employers offering health insurance are likely picking up about a goodly proportion of these costs, an average of around \$675 extra for each worker covered by employment based health insurance.

A second, more specific estimate of the excess costs of substance use can be calculated from NSDUH data about hospital, emergency department, and ambulatory primary care use. To project employers' health insurance costs, Federal government and hospital industry data are used of average paid claims for hospital nights, emergency department visits and ambulatory care visits. The calculator uses industry sector-specific estimates of the prevalence of SUDs and sector-specific health care utilization rates to project an employer's excess health care costs for its workforce and for the dependents of its employees. The costs associated with family members are based on the prevalence and health care use of NHSDUH respondents with SUDs between the ages of 12 and 65. From the Healthcare Cost and Utilization Project (HCUP), average hospital paid claim per day in 2014 was \$2,605.¹⁸ The average emergency department visit cost \$2,043 in 2013 and ambulatory visit was \$190.¹⁹ These costs represent total paid claims. Individuals and workers' families would likely bear some responsibility depending on the cost-sharing mechanisms in their health insurance plan. Employers' costs are estimated by discounting paid claims by the percentage of employers premium support for individual and family health insurance coverage.

Cost of Missed Work Days

The costs of missed work days are derived from wage data published by the US Bureau of Labor Statistics.²⁰ Average hourly salary and fringe are reported by BLS for each industry sector.

¹⁶ Table 1. Population by Age and Sex: 2012 <https://www.census.gov/population/age/data/2012comp.html>

¹⁷ Claxton G, Rae M, Long M, Panchal N, Damico A. Employer Health Benefits: 2015 Annual Survey. Menlo Park, CA: Henry J. Kaiser Family Foundation; 2015. <http://files.kff.org/attachment/report-2015-employer-health-benefits-survey>

¹⁸ HCUPnet, Healthcare Cost and Utilization Project (HCUP). Hospital charges and costs: <http://hcupnet.ahrq.gov/HCUPnet.jsp?Id=54D6E094A91AF8EC&Form=DispTab&JS=Y&Action=Accept;>

¹⁹ Hospital emergency department visits are derived from [https://meps.ahrq.gov/data_stats/tables_compendia_hh_interactive.jsp?_SERVICE=MEPSSocket0&_PROGRAM=MEPSPGM.TC.SAS&File=HCFY2014&Table=HCFY2014_PLEXP_E&VAR1=AGE&VAR2=SEX&VAR3=RACETH5C&VAR4=INSURCOV&VAR5=POVCAT14&VAR6=REGION&VAR7=HEALTH&VARO1=4+17+44+64&VARO2=1&VARO3=1&VARO4=1&VARO5=1&VARO6=1&VARO7=1&_Debug=.](https://meps.ahrq.gov/data_stats/tables_compendia_hh_interactive.jsp?_SERVICE=MEPSSocket0&_PROGRAM=MEPSPGM.TC.SAS&File=HCFY2014&Table=HCFY2014_PLEXP_E&VAR1=AGE&VAR2=SEX&VAR3=RACETH5C&VAR4=INSURCOV&VAR5=POVCAT14&VAR6=REGION&VAR7=HEALTH&VARO1=4+17+44+64&VARO2=1&VARO3=1&VARO4=1&VARO5=1&VARO6=1&VARO7=1&_Debug=) Ambulatory care visits costs for 2014 derived from

https://meps.ahrq.gov/data_stats/summ_tables/hc/mean_expend/2014/table1.pdf.

²⁰ Bureau of Labor Statistics Economic News Release: Table B-3 Average hourly and weekly earnings of all employees on private nonfarm payrolls by industry sector, seasonally adjusted.

<http://www.bls.gov/news.release/empsit.t19.htm>. Table 6. Employer costs per hour worked for employee compensation and costs as a percent of total compensation: Private industry workers, by major industry

| Industry | 8-10/2014 three month average hourly wage | Hourly wage with 31.4% fringe |
|--------------------------------------|--|--------------------------------------|
| Total private | \$25.67 | \$33.74 |
| Goods-producing | \$26.93 | \$35.39 |
| Mining and logging | \$31.94 | \$41.97 |
| Construction | \$28.11 | \$36.94 |
| Manufacturing | \$26.01 | \$34.17 |
| Durable goods | \$27.28 | \$35.84 |
| Nondurable goods | \$23.82 | \$31.30 |
| Private service-providing | \$25.38 | \$33.35 |
| Trade, transportation, and utilities | \$22.37 | \$29.40 |
| Wholesale trade | \$29.50 | \$38.76 |
| Retail trade | \$17.86 | \$23.47 |
| Transportation and warehousing | \$23.37 | \$30.71 |
| Utilities | \$38.33 | \$50.37 |
| Information | \$36.61 | \$48.11 |
| Financial activities | \$32.35 | \$42.51 |
| Professional and business services | \$30.81 | \$40.49 |
| Education and health services | \$25.72 | \$33.80 |
| Leisure and hospitality | \$14.90 | \$19.58 |
| Other services | \$22.95 | \$30.16 |
| Agriculture | \$13.12 | \$17.24 |

The cost of missed work is computed by annualizing the difference in average number of work days missed by workers with a substance use or pain medication disorder in an industry sector and the average of work days missed by all workers in that sector and multiplying that by the fully loaded daily wage. Actual costs of missed work may be underestimates for employers who must cover missed work with substitutes, or overestimates due to widespread use of Paid Time Off (PTO).

Cost of Turn-over, Replacement and Other Problems

Substance use is associated with a number of hazardous and costly social consequences that can have negative impacts in the workplace that can be derived from NSDUH responses. Studies place the average cost to employers of recruiting and training replacement workers at 21 percent.²¹ Replacement and retraining costs are greater for workers with more education and training, and lower for workers paid less and with

group, June 2016 <http://www.bls.gov/news.release/ecec.t06.htm> The agricultural wage was derived from Fayer SD. Agriculture: occupational employment and wages. Monthly Lab. Rev. 2014; 137:1. <http://www.bls.gov/opub/mlr/2014/article/agriculture-occupational-employment-and-wages.htm>.

²¹ Boushey, H. & Glynn, S.J. (2012). There are significant business costs to replacing employees. Center for American Progress. Retrieved 9 Dec 2016 <https://cdn.americanprogress.org/wp-content/uploads/2012/11/16084443/CostofTurnover0815.pdf>. Tracey JB, Hinkin TR. Contextual factors and cost profiles associated with employee turnover. Cornell Hospitality Quarterly 49(1): 2008.12-27.

fewer skills. Employers' turn-over costs is computed from the difference in rates of one year turn-over of workers in an industry sector with and without an SUD and the average costs of replacement in that sector.

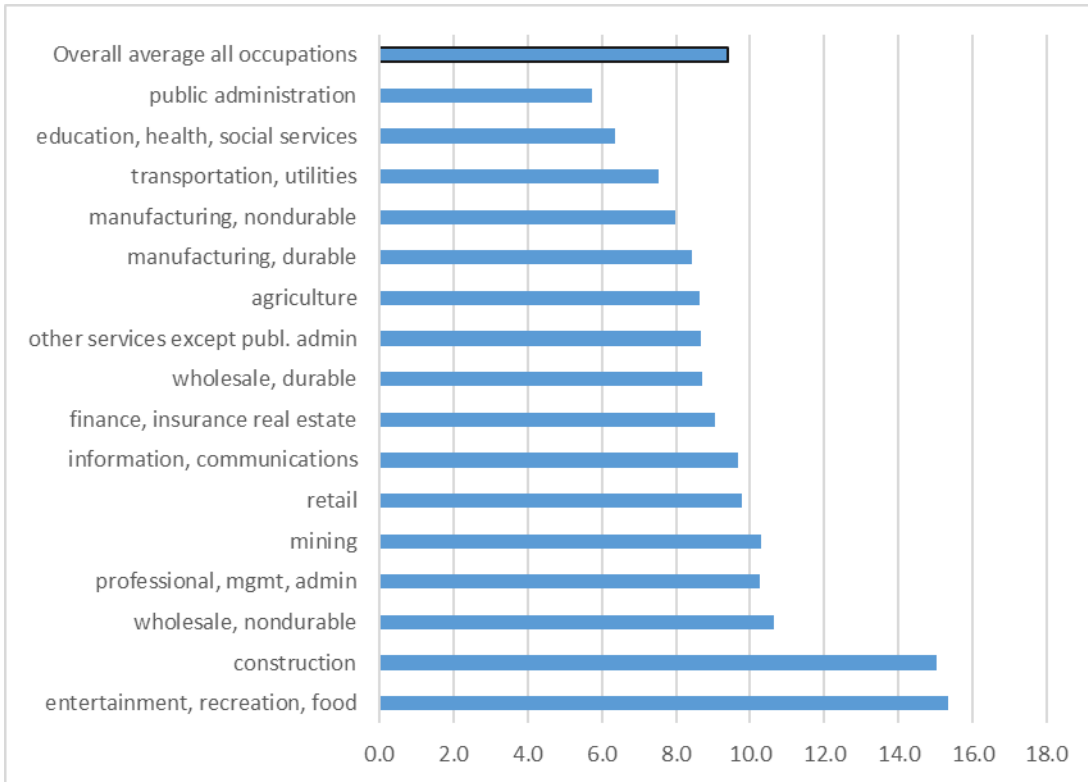
Substance use is associated with other problems that can impact employees' productivity and safety which have not been monetized. These include inattention to work (referred to as "presenteeism"), accidents and injuries associated with driving while intoxicated, and workplace and domestic violence. Substance use also may associated with increased risk of serious psychological distress, episodes of depression and anxiety, and tobacco dependence.

Results

Prevalence of Prescription Pain Medication, Alcohol and Substance Use Disorders by Industry Sector

Nationally, 0.7% of working adults have a pain medication use disorder, 1.7% used a pain reliever non-medically within the previous 30 days, 7.9% had an alcohol use disorder (AUD), 2.5% an illicit drug use disorder (IDUD) and 1.7% a marijuana use disorder. Overall, 8.6% of adults had an SUD. Industries with younger, male-dominated workforces, and those that have easy access to alcohol have high rates of substance use and AUDs. Construction, entertainment, recreation and food service businesses have nearly twice the rates of substance use and AUDs as the national average (15% compared to 8.6% nationally for SUDs, 12% compared to 7.5% nationally for AUDs). Pain medication misuse and pain medication use disorders follow a similar pattern, with two to three times higher rates of pain medication problems in these industries than the nation's workforce in general. By contrast, older and more female workforces in public administration, education, health and social services experience about two-thirds the national rates of substance use.

The figure and table below show rates of SUDs by industry.



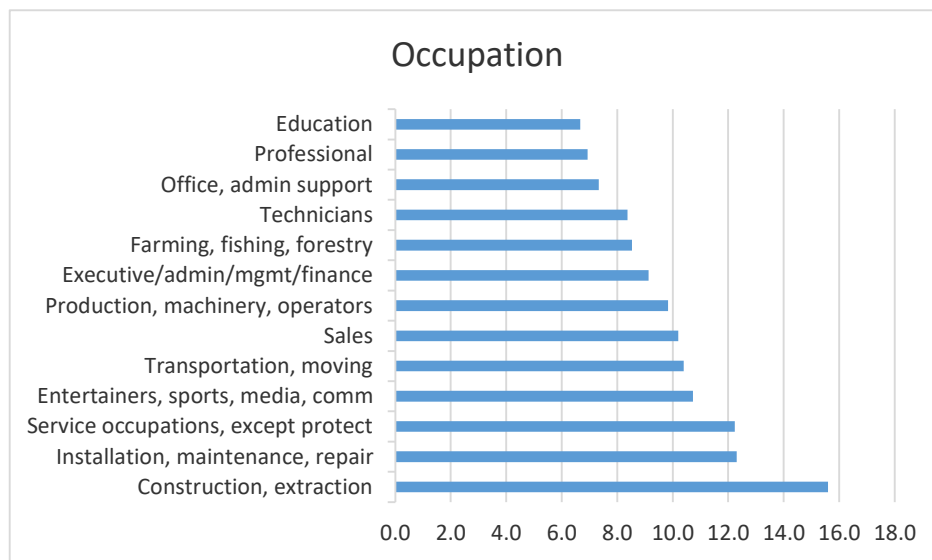
Although alcohol is the primary contributor to overall rates of SUDs, the addictiveness and lethality of pain medication use disorders make this an important labor force concerns. Generally, the industries with more AUDs in their labor forces have more illicit drug, pain medication, and marijuana use disorders. Industries with relatively low rates of AUDs have correspondingly low rates of other drugs. The prevalence of pain medication and heroin use disorders is low among working adults, only 0.8% in 2012, 2013 and 2014. Entertainment, recreation and food service stand out with double the national workforce average of opioid use disorders (1.6% vs 0.8%). Construction, mining and other services have higher than average opioid use disorders. Marijuana use disorders are relatively uncommon within the labor force. Overall, 1.5% of employees have a marijuana use disorder, but again, workers in the entertainment, recreation, hospitality and food service sector have rates much higher than average (3.5%), as do construction (2.3%) and retail (2.1%). Mining (0%), public administration (0.5%) and durable goods manufacturing (0.6%) have lower rates.

| | any SUD | AUD | IDUD | Pain med and opioid use disorder | Marijuana use disorder |
|---------------------------------|---------|------|------|----------------------------------|------------------------|
| entertainment, recreation, food | 15.3 | 12.1 | 5.7 | 1.6 | 3.5 |
| construction | 15.0 | 12.4 | 4.4 | 1.3 | 2.3 |
| wholesale, nondurable | 10.6 | 9.4 | 2.4 | 0.7 | 1.2 |
| professional, mgmt., admin | 10.3 | 8.6 | 2.7 | 0.9 | 1.6 |
| mining | 10.3 | 9.6 | 1.0 | 1.0 | 0.0 |
| retail | 9.8 | 7.9 | 3.3 | 0.9 | 2.1 |

| | | | | | |
|------------------------------------|-----|-----|-----|-----|-----|
| information, communications | 9.7 | 8.2 | 2.3 | 0.6 | 1.4 |
| finance, insurance real estate | 9.1 | 8.1 | 1.5 | 0.3 | 1.0 |
| wholesale, durable | 8.7 | 8.1 | 1.3 | 0.4 | 0.9 |
| other services except publ. admin | 8.7 | 7.1 | 2.5 | 1.0 | 1.6 |
| agriculture | 8.6 | 7.5 | 1.7 | 0.4 | 1.2 |
| manufacturing, durable | 8.4 | 7.5 | 1.5 | 0.8 | 0.6 |
| manufacturing, nondurable | 8.0 | 6.7 | 2.1 | 0.6 | 1.1 |
| transportation, utilities | 7.5 | 6.6 | 1.7 | 0.6 | 0.9 |
| education, health, social services | 6.4 | 5.4 | 1.5 | 0.5 | 1.0 |
| public administration | 5.7 | 5.0 | 0.9 | 0.5 | 0.5 |
| Overall average all occupations | 9.4 | 7.9 | 2.5 | 0.8 | 1.5 |

Occupation

Occupations track closely the industry-sector patterns seen above. Construction workers, miners, service workers and entertainment, recreation and food service workers have twice the rates of educators, professional, office and administrative support workers. This pattern repeats for illicit drug use, alcohol use, and pain medication use disorders.



Workplace Absenteeism

Employees with SUDs miss substantially more work days than other employees. The typical worker misses an average of 10.5 days annually for illness, injury or reasons other than vacation and holidays. Workers with SUDs miss nearly 50% more days than their peer, missing 14.8 days a year. Workers with pain medication use disorders miss nearly three times as much work as their peers -- 29 days. Most of these extra days of missed work are associated with illness and injury, more than 22 days annually. Workers in recovery, who report receiving substance use treatment in the past and who have not had an SUD within the last twelve months, miss the fewest days of any group. They are less

likely than even the general workforce to miss work days (9.5 days for workers in recovery and 10.5 days for other workers).

The table below also shows differences in job turnover between the average worker and workers with SUDs. One-fourth of currently employed workers report having more than one employer in the previous year. Compared to the average worker, employees with an SUD are much more likely to report having more than one employer: 36% among workers with any SUD, 42% among workers with a prescription pain use disorder. On average, workers in recovery are the least likely group to leave their employers. Their turnover rate is lower than even workers with no current or prior substance use issues (21% and 25%, respectively).

| | general work force | any SUD | AUD | IDUD | pain med use disorder | marijuana use disorder | In recovery |
|--|--------------------|---------|------|------|-----------------------|------------------------|-------------|
| Missed work days for injury, illness past year | 8.4 | 10.2 | 9.4 | 13.0 | 22.2 | 10.6 | 8.3 |
| Missed work days for other reasons past year | 2.1 | 4.7 | 4.7 | 5.4 | 6.8 | 4.8 | 1.2 |
| Total missed work days past year | 10.5 | 14.8 | 14.1 | 18.4 | 29.0 | 15.4 | 9.5 |
| Worked for more than one employer in last year (%) | 25 | 36 | 36 | 42 | 42 | 45 | 23 |

Health Care Utilization

Although employees with SUDs use slightly more health care than workers with no current or past substance use, the big difference between groups, as shown in the table below, is that workers who have a pain medication use disorder use health care services much more than their peers.

Hospital use: People with pain medication use disorders are more than twice as likely as their peers to have been hospitalized in the previous 12 months, and when hospitalized, stay more than twice as long. No other substance using group, including workers who misused pain medications, show so great a difference in hospital use. Workers in recovery have the lowest hospital use.

| | general work force | any SUD | AUD | IDUD | pain med use disorder | marijuana use disorder | In recovery |
|--------------------------------------|--------------------|---------|-----|------|-----------------------|------------------------|-------------|
| Hospitalized overnight last year (%) | 7.4 | 7.9 | 7.9 | 9.5 | 17.0 | 8.1 | 7.3 |
| Hospital nights per person last year | 0.3 | 0.3 | 0.3 | 0.5 | 0.6 | 5.1 | 0.2 |
| Emergency room visits last year | 0.4 | 0.6 | 0.5 | 1.0 | 2.0 | 0.8 | 0.4 |
| Outpatient visits last year | 2.6 | 2.3 | 2.4 | 2.7 | 3.9 | 2.5 | 2.6 |

Patterns of hospital use of workers' families is similar. People with a current or past year SUD were more likely to be hospitalized and stayed longer than either individuals with

no current SUD and those in recovery (no current or past year SUD but substance use treatment at some point in their lives). The average per person number of hospital nights in the previous year were 0.65 nights for individuals with a current SUD, 0.51 for individuals in recovery, and 0.34 nights for individuals with no SUD and no prior SUD treatment.

Emergency room use: Workers with pain medication use disorders use hospital emergency services twice a year, more than four times as often as workers with no SUDs, or workers in recovery. Workers with an IDUD or who misuse pain medications had twice the rate of ED use as their peers. Family members with an SUD also use more emergency services than individuals with no SUDs (0.81 visits and 0.55 visits respectively), but only slightly more than individuals in recovery (0.77 visits).

Ambulatory medical care: Workers with a pain medication disorder are outliers. They report an average of nearly four primary care visits annually. All other groups clustered around 2.5 visits annually. Family members in recovery used more outpatient services (3.2 annually) than the general population (2.8) or those with an SUD (2.7). Differences in the age distribution of the three groups (individuals in the general population who are in recovery are older, only 10% below age 25 years, compared with 27% in that age among individuals with no SUD, and 35% among individuals with an SUD).

Comorbid Substance Use

Employees who have an SUD often are dependent on more than one drug. Four in ten workers who had an IDUD had comorbid AUD. Sixty percent had a comorbid marijuana use disorder, and 28 percent had a pain medication use disorder. Similarly, 38% of employees with pain medication use disorders have AUDs, and 16% had marijuana use disorders. A somewhat similar pattern of comorbid substance use is seen among employees with marijuana use disorders. Alcohol use exhibits a different pattern: only 13% had an IDUD, 3% were dependent on pain medications, and 8% were dependent on marijuana.

Serious Psychological Distress, Depression and Anxiety

The NSDUH interview uses a six item scale to measure respondents' psychological distress in the prior 12 months. The symptoms assessed include: feeling hopeless, feeling nervous, feeling restless or fidgety, feeling sad or depressed, feeling everything was an effort, and feeling worthless. The next table highlights the sharp difference between the general workforce and workers in recovery, on the one hand, and workers with current SUDs, especially workers with pain medication use disorders. Fewer than 4 in 100 workers in the general labor force report symptoms of serious psychological distress. Only 3 in 100 workers in recovery report serious distress. By contrast, workers with pain medication use disorders report serious distress seven times more frequently (28%). Although workers with any SUD and those with alcohol or IDUD were more likely to report serious distress than their peers with no current SUD, it is the pain medication group that stands out. A similar pattern, though not as extreme, can be seen in the

prevalence of major depressive episodes and significant anxiety in the year prior to the interview. Among the general workforce and among workers in recovery, rates of depression and anxiety are similar and low. Among workers with SUDs, and especially among workers with pain medication use disorders, depression and anxiety are much more common.

| | general work force | any SUD | AUD | IDUD | pain med use disorder | In recovery |
|--|--------------------|---------|-----|------|-----------------------|-------------|
| Serious psychological distress past year % | 4 | 12 | 11 | 20 | 28 | 3 |
| Anxiety disorder past year % | 5 | 11 | 11 | 14 | 20 | 6 |
| Depression past year % | 6 | 11 | 11 | 15 | 22 | 7 |

Smoking

Workers with SUDs are much more likely than their peers to smoke tobacco and to be dependent on nicotine. Overall, fewer than one in four workers report smoking a cigarette in the last 30 days. But half of all employees who have an SUD, and about two thirds of workers with a pain medication disorder, marijuana or IDUD reported smoking in the last 30 days. Twice as many employees with an SUD are dependent on nicotine than are their peers: 25% vs. 12%. Nearly half (48%) of workers with a pain medication use disorder are nicotine dependent. Workers in recovery, who received substance use treatment at some point in their lives but who have not been substance dependent in the last 12 months, are less likely to smoke or to be nicotine dependent than workers with an SUD and below workers who have never had an SUD.

| | general work force | any SUD | AUD | IDUD | pain med use disorder | marijuana use disorder | In recovery |
|--|--------------------|---------|-----|------|-----------------------|------------------------|-------------|
| Percent cigarette use - past 30 days use (%) | 23 | 49 | 44 | 66 | 68 | 62 | 19 |
| Percent nicotine dependence past year (%) | 12 | 25 | 22 | 47 | 48 | 32 | 10 |

Driving Under the Influence

In 2014, driving while under the influence of alcohol or other drugs was a factor in the deaths of 9,967 people, representing nearly one third (31 percent) of all traffic-related fatalities in the US. The 1.3 million arrests for impaired driving every year may represent only about 1 percent of the actual alcohol- and drug-impaired driving incidents.²² The National Highway Traffic Safety Administration (NHTSA) estimates that DUI costs the

²² National Highway Traffic Safety Administration. (2015). Traffic safety facts 2014 data: Alcohol impaired driving. (DOT HS 812 231). Washington, DC: U.S. Department of Transportation. National Highway Traffic Safety Administration (NHTSA). (2014). Federal Bureau of Investigation (FBI). (2012). Estimated number of arrests: United States, 2012 Crime in the United States 2012: Uniform crime reports. Compton, R. P., & Berning, A. (2015). Drug and alcohol crash risk. (DOT HS 812 117). Washington, DC: National Highway Traffic Safety Administration.

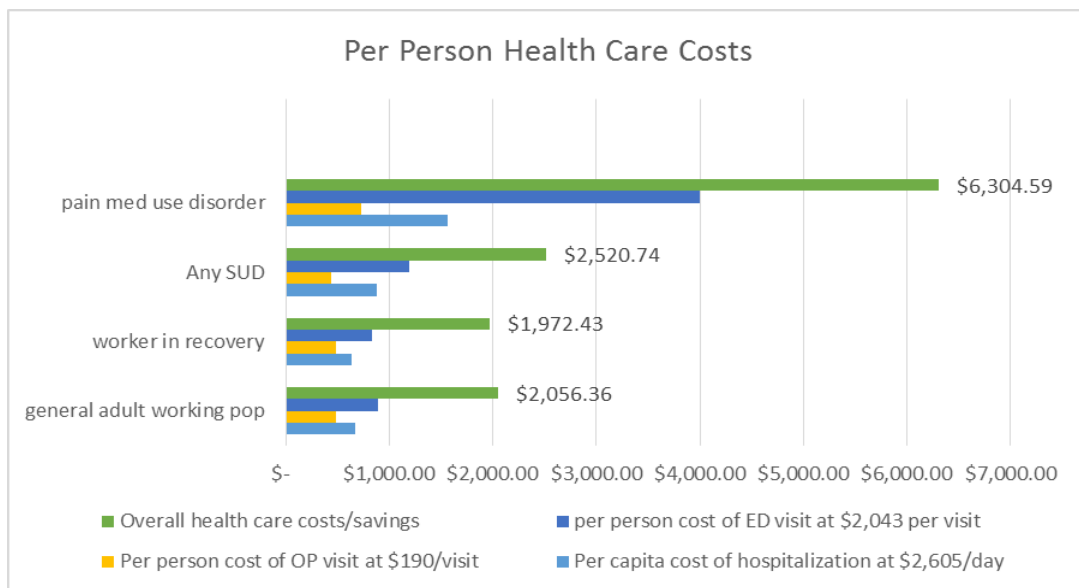
United States more than \$44 billion each year in prosecution, higher insurance rates, higher taxes, medical claims, and property damage.²³

The NSDUH surveys find that 16% of working adults report driving while under the influence of alcohol or drugs at least once during the last year. Among workers with an AUD, almost two thirds (64%) report drinking and driving. Comparable rates of impaired driving are reported by workers with a drug use disorder (61%), and those with a pain medication use disorder (54%). Only 11% of workers in recovery reported driving under the influence, the lowest rate of any group studied.

Costs of Pain Medication Misuse, and Substance Use Disorders to Business

Cost of excess health care use: As reflected in NSDUH respondents’ recall of health care use in the previous 12 months, the cost of an employee’s health care in 2014 was \$2,056. A worker with an SUD used health care costing \$2,530. The greater average costs for workers with an SUD is primarily from greater emergency department use. Workers with a pain medication use disorder cost more than twice that much, \$6,305. The difference is primarily associated with emergency department use four times that of workers with no SUDs and twice the rate of workers with any other substance use condition.

Health care costs of workers in recovery are nearly identical with those of workers with no current or past substance use conditions. Based on self-reported use, workers in recovery had an average annual cost \$84 lower than their peers who have never had an SUD.



²³ Blincoc, L., Miller, T. R., Zaloshnja, E., & Lawrence, B. A. (2015). The economic and societal impact of motor vehicle crashes, 2010 (Revised). (DOT HS 812 013). Washington, DC: National Highway Traffic Safety Administration.

The pattern of health care costs of family members are somewhat similar to those of workers. Annual hospital, emergency and outpatient costs for a person with an SUD were \$3,854, for a person in recovery \$3,518, and for an individual with no SUD \$2,533. Health care costs for individuals in recovery in the general adolescent and adult population do not revert to the levels of people with no SUDs, as in the working populations.

The average employer health insurance premium support for individual coverage (82%) and family (71%) were used to estimate what employees and their family members' health care costs were for employers. Workers and family members who have a current SUD are consistently more expensive than individuals with no current SUD. Both workers and family members who are in recovery have health care costs intermediate between these two groups.

| | Employer's cost (71% premium for family) | Employers costs (82% premium for individual) |
|----------------|---|---|
| Current SUD | \$2,736 | \$2,067 |
| In Recovery | \$2,498 | \$1,617 |
| No Current SUD | \$1,798 | \$1,686 |

Cost of missed work: Employers absorb significant expenses from missed work. The table below illustrates the estimated costs of missed days in each of the industry sectors and employers' extra costs of missed work by workers with an SUD over and above the average amount of work missed by workers in each industry sector. Actual costs of missed days will vary based on differences in wages and PTO reimbursement policies.

| | Extra annual cost of missed work per person with an SUD (\$) | Extra annual cost of missed work per person with a pain medication use disorder (\$) |
|------------------------------------|---|---|
| Agriculture | 187 | 1,668 |
| Mining | 881 | (764) ^a |
| Construction | 1,040 | 455 |
| Manufacturing: Durable goods | 1,399 | 14,830 |
| Manufacturing Nondurable goods | 1,692 | 1,677 |
| Transportation and warehousing | 383 | 3,125 |
| Information, communications | 3,941 | 27,173 |
| Wholesale durable | (893) ^a | 2,468 |
| Wholesale nondurable | 886 | 2,463 |
| Retail trade | 1,284 | 225 |
| Finance, insurance, real estate | 1,169 | 2,373 |
| Professional, mgmt., admin | 2,604 | 6,057 |
| Education, health, social services | 887 | 5,062 |
| Entertainment, recreation, food | 795 | 2,490 |

| | | |
|-----------------------|-------|--------------------|
| Public administration | 1,406 | (162) ^a |
| Other services | 945 | 2,417 |

- a. Negative numbers are likely associated with small numbers of workers in some categories. Mining represents 0.6% of the NSDUH employed respondents, so a small number of workers with an SUD in that sector with unusually high or low absenteeism may skew responses.

For the calculator to estimate employers' costs of missed work, the state- and industry sector-adjusted SUD prevalence rates are multiplied by the number of employees, the difference in the number of work days missed annually, and the August 2016 Bureau of Labor Statistics fully loaded hourly wage for that sector.

Turnover costs: Each year, a quarter of workers report having more than one employer. For some industries, such as entertainment, lodging, hospitality and food service, turnover is higher than average (36%), in others such as public administration (18%) job turnover is rarer. Workers with an active SUD had much higher rates than the general norm (36%), and some sectors were considerably above that. Table XXX shows three-year average turnover rates for all workers and for workers with an SUD by industry sector. Studies place the average cost to employers of recruiting and training replacement workers at 21 percent²⁴. Cost are greater for workers with greater education and training, and lower for workers paid less and with fewer skills. The column on the far right of the table below shows the extra costs employers bear for turnover and replacement for each employee with an untreated SUD. In sectors with high average salaries, such as information and communications, each worker with an untreated SUD costs an employer more than \$4,000 annually as a result of the greater risk of their leaving their jobs within that year compared with the per capita employer costs for turnover for each industry sector. Compare that cost to the lower industry wages and smaller turn-over differential between the general workforce and workers with an SUD seen in agriculture. There, the extra per capita cost of untreated SUDs is \$512 annually.

| turnover rates | Average sector turnover rate (%) | Turnover workers with SUDs (%) | Workers In recovery (%) | Average per capita turnover cost ^a | Per capita turnover cost if any SUD | Per capita excess turnover cost if SUD |
|---------------------------|----------------------------------|--------------------------------|-------------------------|---|-------------------------------------|--|
| Agriculture | 20 | 27 | 20 | \$ 1,535 | \$ 2,046 | \$ 512 |
| Mining | 27 | 41 | 27 | \$ 5,044 | \$ 7,597 | \$ 2,553 |
| Construction | 27 | 32 | 26 | \$ 4,440 | \$ 5,317 | \$ 877 |
| Manufacturing, nondurable | 19 | 32 | 19 | \$ 3,085 | \$ 5,052 | \$ 1,968 |
| Manufacturing, durable | 19 | 28 | 18 | \$ 2,601 | \$ 3,947 | \$ 1,347 |
| Transportation, utilities | 21 | 31 | 21 | \$ 2,871 | \$ 4,284 | \$ 1,413 |

²⁴ Boushey, H. & Glynn, S.J. (2012). There are significant business costs to replacing employees. Center for American Progress. Retrieved 9 Dec 2016 <https://cdn.americanprogress.org/wp-content/uploads/2012/11/16084443/CostofTurnover0815.pdf>. Tracey JB, Hinkin TR. Contextual factors and cost profiles associated with employee turnover. *Cornell Hospitality Quarterly* 49(1): 2008.12-27.

| | | | | | | |
|------------------------------------|----|----|----|----------|----------|----------|
| Information, communications | 24 | 43 | 23 | \$ 5,068 | \$ 9,137 | \$ 4,069 |
| Wholesale, durable | 21 | 34 | 21 | \$ 3,681 | \$ 5,924 | \$ 2,243 |
| Wholesale, nondurable | 20 | 26 | 21 | \$ 2,125 | \$ 2,682 | \$ 557 |
| Retail | 26 | 39 | 26 | \$ 2,682 | \$ 4,075 | \$ 1,393 |
| Finance, insurance real estate | 21 | 28 | 20 | \$ 3,974 | \$ 5,299 | \$ 1,325 |
| Professional, mgmt, admin | 25 | 32 | 25 | \$ 4,506 | \$ 5,767 | \$ 1,262 |
| Education, health, social services | 25 | 36 | 25 | \$ 3,762 | \$ 5,417 | \$ 1,655 |
| Entertainment, recreation, food | 36 | 49 | 36 | \$ 3,167 | \$ 4,271 | \$ 1,104 |
| Public administration | 18 | 25 | 18 | \$ 2,759 | \$ 3,711 | \$ 953 |
| Other services except publ. admin | 26 | 44 | 27 | \$ 3,490 | \$ 5,862 | \$ 2,372 |

a. Average turnover, recruitment, replacement and training costs estimated at 21.4% of annual salary

Overall Costs of Untreated SUDs: Employers' costs for untreated SUDs are substantial. The next table shows the costs per employee with an SUD when excess health care use, absenteeism, and turn-over are added together. Information and communications, and professional services bear the highest costs. But other sectors with high rates of SUDs in their workforce, for example construction and entertainment, lodging, hospitality and food service, are exposed to significant costs because SUDs are so common.

| | Prevalence of SUD (%) | Excess cost for each employee with an SUD | Cost of SUD per employees |
|------------------------------------|-----------------------|---|---------------------------|
| agriculture | 8.6 | \$2,689 | \$232 |
| mining | 10.3 | \$8,934 | \$920 |
| construction | 15.0 | \$6,813 | \$1,024 |
| manufacturing, nondurable | 8.0 | \$6,907 | \$550 |
| manufacturing, durable | 8.4 | \$6,096 | \$514 |
| transportation, utilities | 7.5 | \$5,123 | \$385 |
| information, communications | 9.7 | \$13,534 | \$1,308 |
| wholesale, durable | 7.4 | \$5,487 | \$477 |
| wholesale, nondurable | 10.6 | \$4,024 | \$427 |
| retail | 9.8 | \$5,815 | \$568 |
| finance, insurance real estate | 9.1 | \$6,925 | \$627 |
| professional, mgmt, admin | 10.3 | \$8,827 | \$906 |
| education, health, social services | 6.4 | \$6,760 | \$430 |
| entertainment, recreation, food | 15.3 | \$5,523 | \$846 |
| public administration | 5.7 | \$5,573 | \$319 |
| other services except publ. admin | 8.7 | \$7,264 | \$629 |
| Overall average | 9.4 | \$6,643 | \$624 |

Greater healthcare use by family members who have an SUD adds an extra \$1,267 annually for each person with an untreated SUD, about \$900 of which an employer covers through family premium support. SUDs among family members adds roughly \$87 to employers' costs for each and every worker.

Savings to Business when Workers Recover

Based on the responses across the three NSDUH surveys of 7,988 employees in recovery, who reported past substance use treatment and who had no signs of an SUD in the previous 12 months, and 5,022 individuals in recovery in the general population, we can estimate the annual per capita savings in health care, absenteeism and replacement costs of workers in recovery. Healthcare costs of a worker in recovery are \$541 per year lower than a worker with an SUD. A family member in recovery has health costs \$336 lower than one with an SUD. Adjusting for employers' premium support, a worker in recovery saves her employer \$450 per year, and a worker's family member in recovery saves the business \$239 annually.

| Savings for each worker in recovery | absenteeism | turnover | health | total |
|--|--------------------|-----------------|---------------|--------------|
| Agriculture | \$ 188 | \$ 512 | \$ 541 | \$ 1,156 |
| Mining | \$ 881 | \$ 2,553 | \$ 541 | \$ 3,891 |
| Construction | \$ 1,040 | \$ 877 | \$ 541 | \$ 2,374 |
| Manufacturing: Durable goods | \$ 1,399 | \$ 1,968 | \$ 541 | \$ 3,823 |
| Manufacturing Nondurable goods | \$ 1,693 | \$ 1,347 | \$ 541 | \$ 3,496 |
| Transportation and warehousing | \$ 383 | \$ 1,413 | \$ 541 | \$ 2,252 |
| Information, communications | \$ 3,941 | \$ 4,069 | \$ 541 | \$ 8,467 |
| Wholesale durable | \$ (893) | \$ 2,243 | \$ 541 | \$ 1,806 |
| Wholesale nondurable | \$ 886 | \$ 557 | \$ 541 | \$ 1,900 |
| Retail trade | \$ 1,285 | \$ 1,393 | \$ 541 | \$ 3,134 |
| Finance, insurance, real estate | \$ 1,170 | \$ 1,325 | \$ 541 | \$ 2,951 |
| Professional, mgmt, admin | \$ 2,604 | \$ 1,262 | \$ 541 | \$ 4,322 |
| Education, health, social services | \$ 887 | \$ 1,655 | \$ 541 | \$ 2,999 |
| Entertainment, recreation, food | \$ 796 | \$ 1,104 | \$ 541 | \$ 2,356 |
| Public administration | \$ 1,406 | \$ 953 | \$ 541 | \$ 2,816 |
| Other services | \$ 946 | \$ 2,372 | \$ 541 | \$ 3,774 |

Workers in recovery stay with one employer at nearly identical rates as other workers in that sector. The difference in the percentage of worker who had only one employer for the previous 12 months was one percent or less in every industry. Comparing the costs of turn-over and replacement of workers with an SUD and workers in recovery, the savings for employers are substantial in every sector.

Workers in recovery miss work much less than workers with an SUD. They even miss less work than workers who have never had a substance use problem. They miss work a week less than workers with an SUD, and a day less than workers who have never had an SUD. The table above shows savings to employers from reduced absenteeism for each worker in recovery compared with absence rates by workers in that sector with an SUD.

Employers can save a significant amount if they can assist their employees to receive treatment for an SUD. The one-year savings for each employee who recovers from an

SUD is more than \$3,200. For some industries, the savings are significantly higher: more than \$8,400 for each employee in recovery in information and communications industries, more than \$4,300 in professional, management and administrative industries.

Conclusion

The Calculator gives a simple estimate of the financial toll faced by individual businesses, illuminating an area with significant potential for cost reduction and improved productivity. The Calculator provides employers tools to identify opportunities for health and productivity savings while also improving the health of employees and their families.