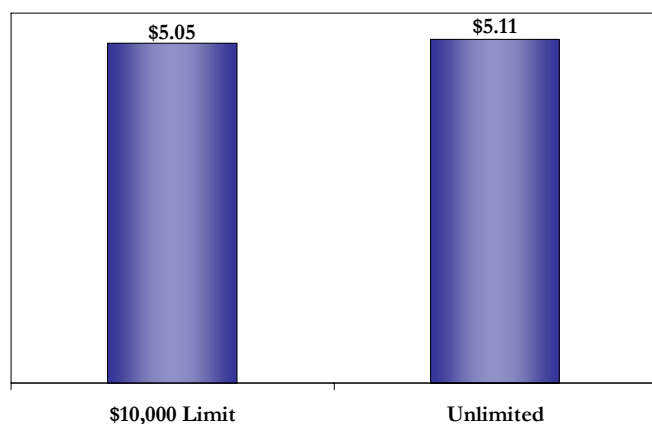


Employees are among a company's most valuable assets. The skills, relationships and knowledge they bring to work each day drive success. When a valued employee has a problem with alcohol or drugs, promoting access to quality treatment is often a wise investment. One way for employers to accomplish this is by ensuring that their health benefits package provides comprehensive coverage for substance abuse treatment.

DID YOU KNOW?

The cost of providing comprehensive insurance coverage is just 1% greater than the cost of coverage with a \$10,000 limit on behavioral health treatment. The benefits can far outweigh the small additional cost.¹

**Costs of Providing Insurance Benefits
For Substance Use Treatment
\$10,000 Limit versus Comprehensive Coverage²**
(Costs per member per year)



FAST FACTS

- ◆ 76 percent of people with drug or alcohol problems are employed.³
- ◆ The average cost per outpatient visit (the most common type of substance abuse treatment) in 2002 was \$26.72.⁴
- ◆ One study found that when outpatient co-payments for alcohol treatment were \$20 or more per session, patients did not come for an initial appointment or failed to return for further treatment.⁵

Investing in Treatment Helps Employers Manage Risk

- ◆ Replacing an employee costs from 25 percent to almost 200 percent of annual compensation—not including the loss of institutional knowledge, service continuity, and co-worker productivity and morale that can accompany employee turnover.⁶

- ◆ Work productivity losses (including absenteeism and poor performance) related to illicit drug use totaled \$129 billion in 2002;⁷ for alcohol, productivity losses amounted to \$134 billion in 1998.⁸
- ◆ Even pre-employment drug testing and random testing during employment cannot totally eliminate the problem.
- ◆ Savings from investing in treatment for substance abuse problems can exceed costs by a ratio of 12 to 1.⁹
- ◆ Substance abuse treatment improves work performance and productivity while reducing interpersonal conflicts and drug- and alcohol-related accidents.¹⁰
- ◆ It is in the employer's interest to encourage an employee with a substance use problem to get the treatment he or she needs.

Screening Promotes Increased Treatment

The first step to promoting treatment is identifying those who need help. Confidential substance abuse screening, to determine whether an individual has a problem and if so how severe it is, can be done in a variety of settings. Potential sites include the workplace, as part of a company wellness program or employee assistance program (EAP)*, a physician's office or a hospital.

After a problem is identified, the individual and health professional can work together to determine the best treatment options.

Brief intervention—a series of short counseling sessions that can be conducted by an EAP or other qualified health professional—has shown promise in treating substance abuse, particularly among non-dependent drinkers. One

***Employee Assistance Programs (EAPs)** are designed to help identify and resolve productivity problems affecting employees who are impaired by personal concerns. EAPs come in many forms, from telephone-based services to on-site programs. Face-to-face programs provide more comprehensive services for employees with substance use disorders, including screening, treatment referrals and follow-up care.



study found that heavy drinkers who received brief intervention over two months had fewer accidents, hospital visits, and other events related to problem drinking, resulting in medical savings of \$523 per patient, during the following year.¹¹

Designing a Benefit Package To Maximize Return on Investment

To effectively address substance abuse in the workplace, a comprehensive health benefits package should include several key features:

1. Early Identification & Screening

As with other health conditions, identifying substance abuse early can prevent workers and employers from incurring higher subsequent health and productivity costs. Ask workplace wellness programs, EAPs, and health insurance plans to include:

- ◆ A substance abuse education component,
- ◆ Confidential screening and treatment referrals, and
- ◆ Confidential follow-up care to support individuals in recovery.

2. Access to Multiple Treatment Options

Treatment for drug or alcohol problems that is tailored to individual needs has proven as effective as treatment for other chronic, manageable conditions such as diabetes and asthma.

Employers can help maximize the success of treatment by offering health insurance that covers a wide range of options, such as:

- ◆ Brief intervention,
- ◆ Outpatient and inpatient treatment,
- ◆ Counseling,
- ◆ Medication,
- ◆ Peer support groups,
- ◆ Illness self-management programs, and
- ◆ Follow-up care during recovery.

3. Integrated Care

Drug and alcohol problems can affect a person's overall mental, emotional, and physical health. That's why a report by the Institute of Medicine recommends that healthcare for physical, mental, and substance abuse problems and illnesses be delivered with an understanding of the inherent interactions between mind and body.¹²

To achieve integrated care, health insurance plans should

- ◆ Include patients in making decisions about their care;

- ◆ Require coordination of care and clinical information sharing (with the patient's consent) among primary care, mental health, and substance abuse providers; and
- ◆ Cover case management services that can help coordinate patients' care and identify treatment and recovery resources.

WHAT TO LOOK FOR IN A HEALTH PLAN

Accessibility

- ◆ Does not require pre-authorization, or referral from primary care physicians, for substance abuse treatment
- ◆ Places no restrictions on hospital stays, treatment episodes or lifetime expenditures on treatment

Affordability

- ◆ Offers low co-payments, comparable to those required for other medical services
- ◆ Minimizes out-of-pocket costs to employees

Flexibility

- ◆ Covers a wide variety of treatment options
- ◆ Includes a broad network of providers in a wide geographic area

More Information

- Substance Abuse and Mental Health Services Administration, www.samhsa.gov
- National Institute on Drug Abuse - www.nida.nih.gov
- Drug-Free Workplace Program, <http://www.workplace.samhsa.gov/>
- National Institute on Alcohol Abuse & Alcoholism, <http://www.niaaa.nih.gov/>

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- ¹¹ *Ibid.*
- ¹² Institute of Medicine, *Improving the quality of health care for mental and substance-use conditions*. Wash., DC: National Academies, 2005.

