

TALKING POINTS ON THE COST OF SUBSTANCE MISUSE IN NEW HAMPSHIRE

1. NEW HAMPSHIRE IS EXPERIENCING A SUBSTANCE MISUSE EPIDEMIC

100,000 Estimated New Hampshire residents needing substance use disorder treatment.

5,900 People who actually received treatment in 2012.

- New Hampshire ranks 49th in the country when it comes to someone in need of treatment being able to access it
- Someone dies every 48-hours from a drug overdose in New Hampshire

2. SUBSTANCE MISUSE COSTS THE STATE OF NEW HAMPSHIRE \$1.84 BILLION A YEAR

\$1.15 Billion dollars in lost worker productivity and absenteeism at local businesses.

\$284 Million dollars in costs to police protection, the judicial system, and state and county correctional systems resulting from alcohol and drug misuse.

\$266 Million dollars in total costs to the New Hampshire healthcare system.

- Employees with substance misuse problems miss significantly more workdays per month than other employees
- Alcohol misuse resulted in an estimated 9,237 fewer male workers in New Hampshire's workforce in 2012, an overall reduction in the workforce of 1.2%, with an associated loss of earnings in the New Hampshire economy of \$583.4 million in 2012
- The annual mean earnings reduction of a worker misusing alcohol in New Hampshire was \$4,777
- The output (the value of goods and services) of industries was reduced by more than \$187 million in 2012 because of substance misuse attributable absenteeism
- Policing and public safety costs related to substance misuse total \$139.9 million in NH; \$108.7 million of that is borne by local government
- Judicial costs attributable to substance misuse are \$27.7 million annually
- Substance-attributable incarcerations increase corrections costs by \$100.6 million annually
- Healthcare payments related to substance misuse—hospital and provider payments, prescription drugs and other costs—were \$231 million in 2012, 2% of total medical expenditures in the state
- Insurance administration costs for substance misuse related medical services add an additional \$19.6 million in costs

3. EXPANDING PREVENTION, TREATMENT, AND RECOVERY SUPPORTS IS LIKELY TO IMPROVE NEW HAMPSHIRE'S ECONOMY MORE THAN ANY OTHER STRATEGY

\$43 to \$101 Million in net benefits from the 5,900 individuals currently getting treatment

\$227 Million reduction in costs if NH doubles treatment to 11,800 individuals

- The average annual cost for an individual in NH who misuses substances is \$19,063
- The estimated annual per person cost for treatment is \$2,632
- Reducing substance misuse would have a benefit-cost ratio of 7:2

4. GOVERNOR HASSAN'S BUDGET ADDRESSES THE NEW HAMPSHIRE SUBSTANCE MISUSE EPIDEMIC

Reauthorizes the NH Health Protection Program

Provides a Substance Use Disorder Benefit to the Existing Medicaid Population

Funds Prevention and Recovery Supports

- An estimated 50,000 NH citizens are eligible for health insurance coverage under the NH Health Protection Program; 7,000 of them likely to access the substance use disorder benefit
- Providing a substance use disorder benefit to the traditional Medicaid population will ensure that thousands more NH citizens have access to needed treatment, thereby further reducing substance misuse related costs to NH
- Prevention programs and recovery supports have potential benefit to cost ratios as high or higher than those for substance misuse treatment

"...reducing substance misuse would produce substantial benefits for the New Hampshire economy. So much so that... the issue of substance misuse prevention, treatment, and recovery support should be fully integrated into the workforce development and economic development strategies adopted by the state of New Hampshire, its communities, and businesses."

-Brian Gottlob, PolEcon Research