

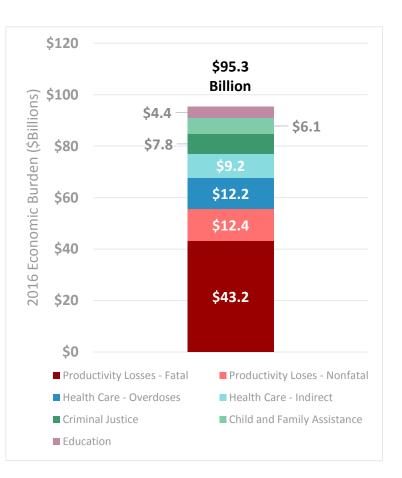
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Burden of Opioid Crisis Reached \$95 Billion in 2016; Private Sector Hit Hardest Altarum analysis underscores the need to invest in prevention and recovery efforts

Washington, DC—The benefits of putting an end to the opioid crisis exceeded \$95 billion in 2016 according to an analysis released today by Altarum, underscoring the importance of swift investment in evidence-based interventions.

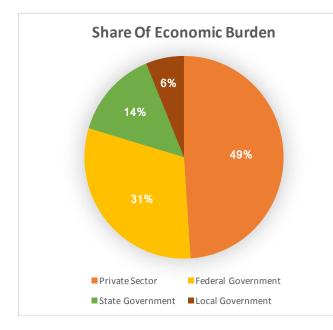
The largest contributor to the current economic burden of this crisis—\$43.2 billion—is the economic impact from loss of life due to overdoses. In 2016 alone, the number of overdose deaths reached 53,054, placing this in the top ten leading causes of death in the United States. An additional \$12.4 billion economic burden is due to loss of productivity from non-fatal use, which also contributes to the \$21.4 billion in health care services for all



those who suffer from opioid dependencies. The balance of the costs are borne by the criminal justice system (\$7.8b), child and family assistance services (\$6.1b) and education costs (\$4.4b).

Compared to the \$95 billion burden a relatively small amount is currently spent on opioid prevention and treatment efforts. Increasing that amount could reduce the number of overdose fatalities and yield substantial benefits to the public and private sectors.





This new figure, based on Altarum's Value of Health modeling tool, is the most recent estimate of the total economic benefit that would accrue to the nation if this crisis was ended, and shows that failure to invest in action to stop the crisis continues to take a toll on the broader economy and state and local government. The federal government alone assumed \$29.2 billion of the costs associated with the crisis, primarily in the form of lost tax revenue, health care costs, and criminal justice-related costs. But the heaviest burden is shouldered by the private sector because of the loss of potential

workers, loss of productivity from current workers, and the net economic benefit that accrues from productive citizens.

This analysis does not take into account the emotional cost of the opioid crisis to communities and families, which is great, but difficult to quantify. It does not look at decreased quality of life, emotional burdens of substance use and the loss of loved ones, decreased property values, the impacts on children of parents facing opioid addiction. Nor does it include an estimate of the overall cost of a life—only the cost in terms of lost productivity. As a result, the total societal burden is underestimated and, consequently, the net benefit to the United States of ending the opioid crisis is likely well in excess of \$100 billion. Additionally, preliminary data on the scale of the epidemic in 2017 indicate deaths, overdoses, and associated costs are unfortunately likely to rise above 2016 levels, pushing this estimate even higher.

"The first step in taking action is to understand the enormous benefit of eliminating the opioid crisis. Only then will we allocate the appropriate funding to empower local governments, health providers, and community-based organizations to reduce its toll," says Linc Smith, president and CEO of Altarum. "With an effective response, state and local communities will see a reduction in avoidable medical and social services costs and increases in worker productivity and tax revenues. Most importantly, an effective response will save lives. The opioid crisis will not go away without bold action, and inaction cannot be an option."

About Altarum:

Altarum is a national nonprofit whose mission is to create a better, more sustainable future through ideas and action that transform American health and health care. Learn more at <u>www.Altarum.org</u>.

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