



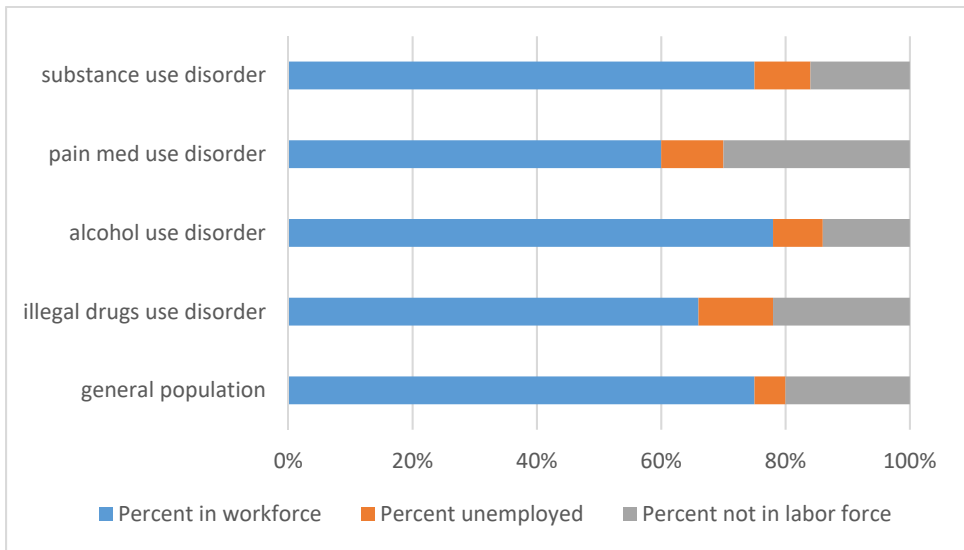
**The New Workplace Addiction Cost Calculator Helps Businesses Understand the Real Costs of Substance Use in the Workforce
Find Out How Much Substance Use Disorders Are Costing Your Business
By The National Safety Council, Shatterproof and NORC at the University of Chicago**

It seems every day there's a new story about the drug epidemic in America, and the former Surgeon General's landmark 2016 report, "Facing Addiction in America," left no room for doubt that the problem is pervasive – and getting worse. You may not think that addiction has any impact on your business, but statistics prove otherwise. Roughly 75% of adults with a substance use disorder are part of the workforce, which means it's likely that one or more of your employees is or has been affected. Whether they have personal issues with substance use or they're dealing with family members who have addiction issues, you're almost certainly paying part of the estimated \$440 billion that substance use disorders cost the US economy each year.

To help employers become more aware of the actual business costs of addiction in the workplace, Shatterproof, a national nonprofit organization dedicated to ending the devastation addiction causes families, and the National Safety Council, an organization dedicated to eliminating preventable deaths at work, recently launched the Real Cost of Substance Use to Employers tool. Created in partnership with NORC at the University of Chicago the calculator helps employers to identify the real costs of substance use in the workforce and then provides information about how to reduce those costs.

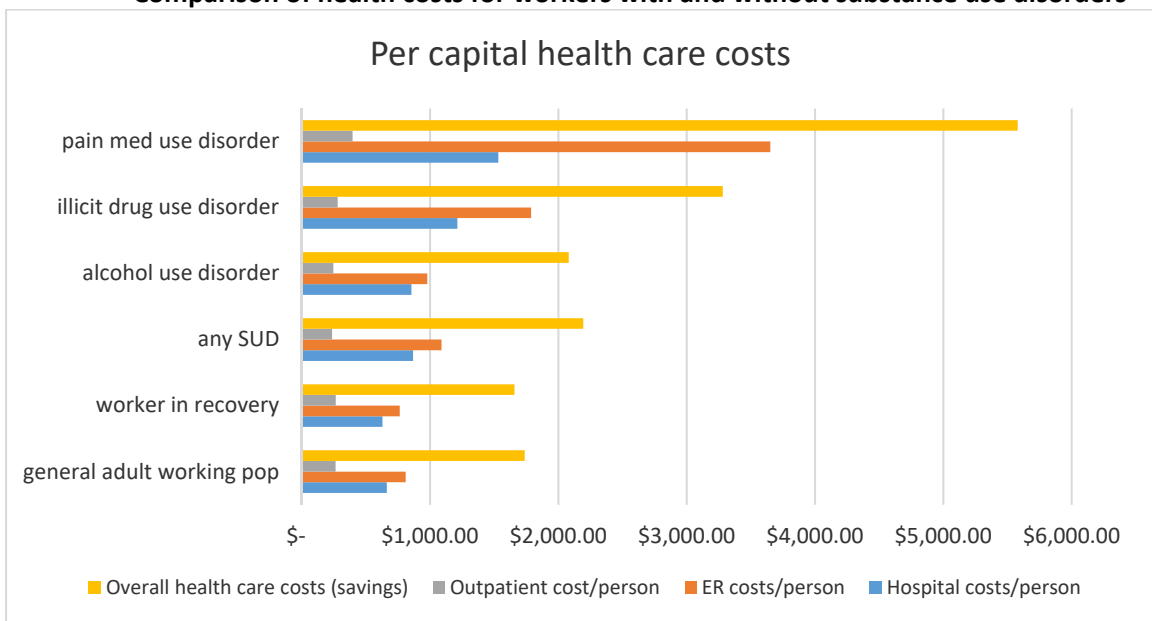
Scientifically-grounded and easy to use, the calculator provides business owners and leaders with industry-specific information about how alcohol, prescription pain medication misuse, and illicit drug use impacts their workplaces. It then outlines research-proven steps that employers can take to help employees with substance use disorders and, at the same time, increase their safety, health, and productivity.

An overview of the workforce comparing SUDs and the general population:



There are many reasons why substance use disorders can hurt the bottom line of a business. The increased health care costs, for one, are extraordinary. In “Facing Addiction in America,” the Surgeon General estimated that Americans pay \$120 billion each year to treat substance use disorders and the resulting injuries and illnesses. In the US, most of the population gets health insurance as a benefit of their job, with employers covering the costs of 82% of individuals’ premiums and 71% of family premiums. If you pay for your employees’ health care, that means you’re contributing to the national price tag of \$120 billion spent on substance use disorder each year through increased premiums for every one of your employees. However, each worker who enters recovery after seeking treatment for a substance use disorder saves an employer \$738 per year.

Comparison of health costs for workers with and without substance use disorders



Of course, there are also other ways in which substance use disorder affects your business and your budget. Whether it's your employee or one of their family members who is suffering from addiction, your business pays for substance use disorders in any of the following ways:

- Missed work days (or absenteeism)
- Reduced productivity
- Turnover and employee replacement
- Disability and workman's compensation
- Lower morale for affected colleagues
- Increased taxes for law enforcement and criminal justice

Missed Work Days Consider the costs of missed work days alone. Statistics show that an employee with a substance use disorder that goes untreated misses 50% more workdays than their colleagues, averaging nearly 15 days per year. If the substance use disorder involves pain medication that number skyrockets to 29 days. This absenteeism is due to illness or injury related to the substance use disorder and averages 22 days annually – more than four weeks of work – taken off by each employee with an untreated substance use disorder.

Job Turnover and Re-training Employee turnover is also higher for workers with untreated substance use disorders. Roughly 36% of workers with a substance use disorder and 42% of workers with prescription pain medication use disorder report having had more than one employer in the last year. When you consider that studies show it costs employers an average of 21% of a person's salary to recruit and train their replacement, you get a sense of exactly how expensive untreated substance use can be for business.

Safety The impact doesn't end with influencing your profits. Addiction can also affect the safety of your workplace. Workers with untreated substance use disorders are reported to cause an increase in accidents or injuries and may be more prone to workplace violence, resulting in an increase in your workman's compensation premiums. Add this to the other costs associated with untreated substance use disorders, and the imperative to help your employees get treatment for addiction becomes clear.

Employer Savings Once an employee seeks treatment for a substance abuse disorder and enters recovery, statistics show that the associated costs decrease to correspond with rates for the average working population. For example, workers in recovery from substance use disorder have turnover rates that are nearly identical to overall industry averages – and in some industries, workers in recovery have lower than average turnover rates. Healthcare costs for workers in recovery are slightly lower than costs for those without substance use disorders, and the overall savings for a single worker who recovers from substance use disorder averages over \$3,200 per year. In some industries, that savings is as much as \$8,400 per worker per year - and even more importantly, encouraging your employees to seek treatment for addiction may save their lives.

Industry sector	Savings per worker in recovery
agriculture	\$1,155
mining	\$3,890
construction	\$2,373

manufacturing, nondurable	\$3,823
manufacturing, durable	\$3,495
transportation, utilities	\$2,252
information, communications	\$8,466
wholesale, durable	\$1,806
wholesale, nondurable	\$1,900
retail	\$3,134
finance, insurance real estate	\$2,950
professional, mgmt., admin	\$4,322
education, health, social services	\$2,998
entertainment, recreation, food	\$2,356
public administration	\$2,815
other services except publ. admin	\$3,773
Overall average all occupations	\$3,219

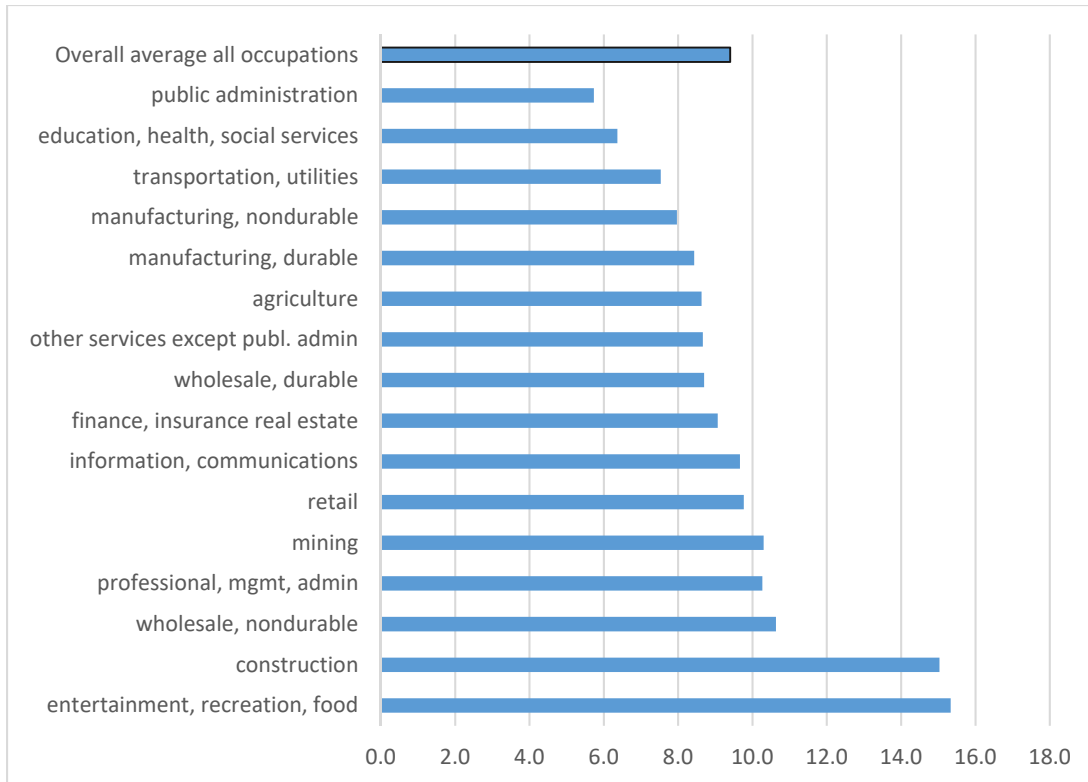
“Businesses that do not address the prescription drug crisis are like ostriches sticking their head in the sand,” says National Safety Council President and CEO Deborah A.P. Hersman. “The problem exists, and doing nothing will harm your employees and your business. As the tool shows, the cost of inaction is far too great.”

The [Real Cost of Substance Use to Employers Calculator](#) shows you the real costs of addiction in the workforce, and offers information that’s directly tailored to the type of company you have and the industry in which you work. Based on scientific evidence, it provides:

- a simple estimate of the financial toll of addiction on your business
- an estimate of the prevalence of employee substance use disorders and associated costs
- customized information based on input you provide about your workforce
- tools to identify opportunities for health and productivity savings
- ideas for improving the health of employees and their families
- estimates of savings when employees receive successful treatment

The calculator is customized by inputting data about your workers and your business. It then provides a clear picture of exactly what effect substance use disorder is having on your business, your corporate culture, and your bottom line.

The cost calculator includes valuable resources, like the prevalence of substance use disorder by industry:



“This is a wakeup call for businesses,” says Gary Mendell, founder and CEO of Shatterproof. “When it comes to addiction’s cost in the workplace, the numbers are staggering. Knowing what I do about substance use disorder as well as about running a business as the former CEO of HEI hotel and resorts, I see the extraordinary impact this tool will have. It will save lives and save money. It will also help address the stigma that may keep employees from coming forward and seeking help when they need it.”

Taking Action The results and data provided by the tool will help you understand the huge burden that addiction is quietly placing on your organization. But that is just the first step. Businesses need to review their company policies and procedures involving substance use disorder. Change comes from the top – and executive leadership has the power to educate employees about addiction. By making it clear that addiction is in fact a disease and letting your employees know your company will treat it the same way in which it would other diseases, such as cancer or diabetes, you can reduce any negative perceptions or stigma surrounding substance use disorder and make it more likely your employees will ask for help if they need it. Not only will this ultimately reduce your costs, it also has the potential to increase the productivity and morale of your whole organization.

To improve the health and wellbeing of your workforce, and to begin reducing the direct and indirect costs of substance abuse on your business, the Real Cost of Substance Use to Employers tool provides suggestions for reducing the stigma of substance use disorder that you can start implementing in your workplace today, including:

- Promoting education to improve awareness of addiction treatment and disease management benefits for employees and their families
- Changing attitudes within your company so more employees feel comfortable asking for help

- Encouraging a culture of support by demonstrating a top-down approach to acceptance of and support for employees
- Improving knowledge of addiction and getting well, including resources for helping those suffering from substance use disorders
- Reviewing your health insurance coverage to ensure your employees have access to substance use treatment and talking with your insurance provider about the policies and practices regarding treatment

We all know that costs count, and there’s no denying that addiction is costing your company on many levels. Using evidenced-based approaches, such as the information provided in the Real Cost of Substance Use to Employers tool, ensures you’re taking the most effective steps to identify and reduce those costs – and to help your entire workforce in the process. For more information about the tool, along with additional resources for helping your employees understand addiction, visit nsc.org/drugsatwork.

About the Authors

The National Safety Council is dedicated to eliminating preventable deaths at work, in homes, in communities, and on the road through research, education, and advocacy. www.nsc.org
 NORC at the University of Chicago is a research institution dedicated to helping governments, non-profits, and businesses make better decisions through data and analysis. www.norc.org
 Shatterproof is a national non-profit organization dedicated to ending the devastation that addiction causes families. www.shatterproof.org

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The Partnership for a Drug-Free New Jersey (PDFNJ) is a private 501(c)(3) not-for-profit organization that promotes prevention of substance abuse throughout the state through media campaigns, school-based programs and community and workplace initiatives. PDFNJ programs are made possible by support from the Governor’s Council on Alcoholism and Drug Abuse, the New Jersey Department of Human Services, and funding from corporations and foundations. All PDFNJ programs and services are offered free of charge to NJ residents and businesses.

Join the conversation Attend a Knock Out Opioid Abuse Town Hall Series

The Knock Out Opioid Abuse Town Hall series is being organized by the Partnership for a Drug-Free New Jersey and The Horizon Foundation for New Jersey, along with collaboration from local prevention and treatment organizations, local and county law enforcement, government and medical community leaders. Town hall meetings are being scheduled throughout the state
 Have your voice heard and be part of the solution to end opioid abuse in your community

For locations and registration of upcoming town hall meetings visit knockoutopioidabuse.drugfreenj.gov

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