

# Cost Effectiveness of Substance Abuse Prevention

*Studies reveal that efforts to prevent substance abuse may have compelling economic benefits...*

The economic cost of illicit drug abuse in the U.S. was estimated at \$180.9 billion in 2002.<sup>1</sup>

This *excludes* alcohol and tobacco. Figure 1 (right) illustrates the distribution of costs across three major components:

- \$ *Productivity*—work never performed due to drug abuse
- \$ *Health*—treatment, state/federal support, hospital and ambulatory care
- \$ *Other costs*—criminal justice, social welfare

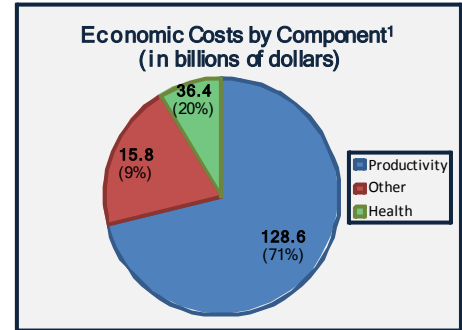


Figure 1

**Health care costs due to drug and alcohol abuse are alarming.**

Health care costs of abuse of alcohol, tobacco, and illicit drugs in the 1990s = approximately \$447.5 billion; Economic costs of cancer, heart disease, obesity, and diabetes **combined** in the 1990s = approximately \$447.5 billion<sup>1</sup>.

**Underage drinking alone costs Arkansas \$687 million annually<sup>2</sup>.**

Figure 2 (right) shows how Arkansans spent their millions in 2005. According to the *Journal of Studies on Alcohol*<sup>3</sup>, U.S. taxpayers pay an astounding \$61.9 billion annually as a result of underage drinking. Arkansas only spends \$22 million annually on prevention, largely with support of waning federal funds.<sup>2</sup>

Consequences of Underage Drinking	Cost to AR, 2005 (in millions)
Youth Violence	\$338.6
Youth Traffic Crashes	\$206.4
High-Risk Sex, Ages 14-20	\$64.6
Youth Property Crime	\$31.5
Youth Injury	\$19.1
Poisonings and Psychoses	\$3.8
FAS Among Mothers Age 15-20	\$12.3
Youth Alcohol Treatment	\$10.9
<b>Total</b>	<b>\$687.2</b>

Figure 2

**There is impressive potential for return on investment (ROI) in prevention.**

Research shows that for every dollar invested in prevention, up to \$10 can be saved on the cost of substance abuse treatment<sup>4</sup>. The return on investment is greater when evidence-based programs and strategies are employed.

<sup>1</sup> Office of National Drug Control Policy (ONDCP), "The Economic Costs of Drug Abuse in the United States, 1992-2002"

<sup>2</sup> International Institute for Alcohol Awareness, <http://www.iaaonline.org>

<sup>3</sup> Mothers Against Drunk Driving (MADD), [www.madd.org](http://www.madd.org)

<sup>4</sup> Pentz 1998; Hawkins 1999; Aos et al. 2001; Spoth et al. 2002, as referenced by the National Institute on Drug Abuse (NIDA)

*To learn more about prevention efforts in your area, contact:*

**Alcohol and Drug Abuse Prevention**

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