

# The Opioid Crisis Among Virginia Medicaid Beneficiaries

Prepared for the Senate of Virginia

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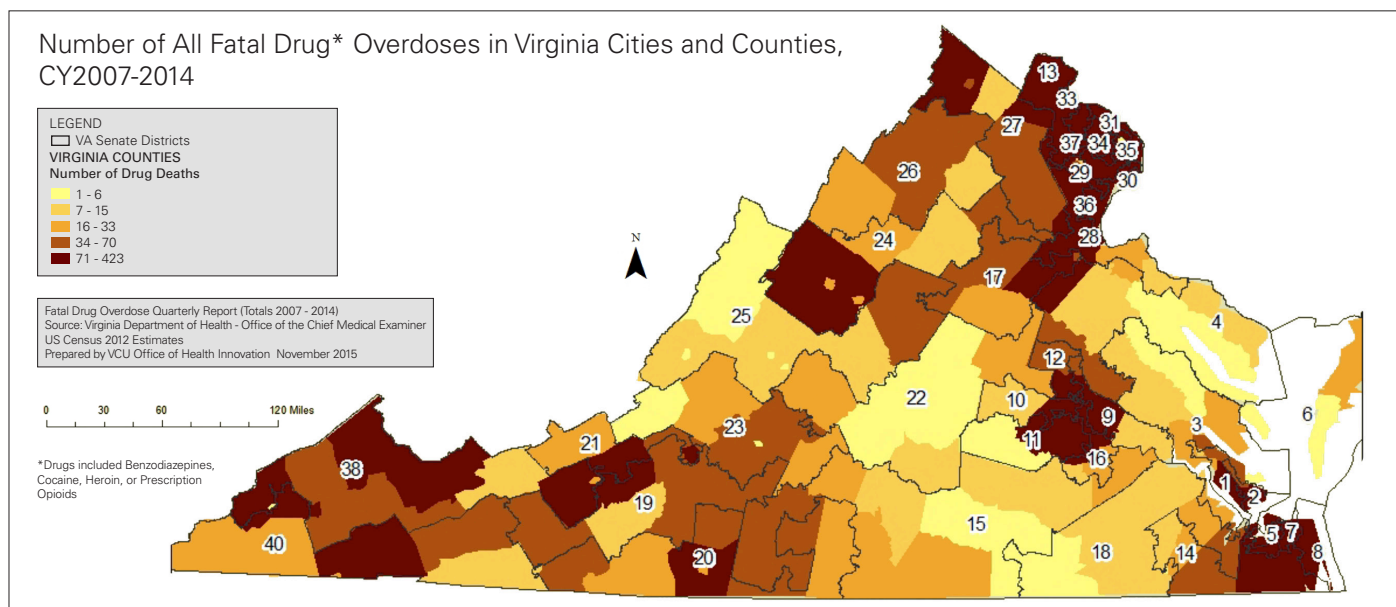
Virginia is experiencing an opioid crisis of overwhelming proportions. At least two Virginians die from prescription opioid and heroin overdoses every day. The Virginia Department of Health reported a 38% increase in deaths from prescription opioid and heroin overdoses between 2012 and 2014.<sup>1</sup> Opioid abuse is increasing in Virginia due to high levels of prescription opioid drug supply, lack of understanding of the issue among the public and providers, and limited availability of treatment. Virginia's Medicaid program spent \$26 million on opioid use and misuse in 2013, with \$10 million of this spending occurring in Southwest Virginia. More broadly, at least 40,000 adults in Virginia's Medicaid program have a substance abuse disorder,<sup>2</sup> and over 50% of Medicaid members with serious mental illness also have a substance use disorder.<sup>3</sup> JLARC estimates that untreated substance abuse costs Virginia state and local governments \$613 million per year in public safety and health care services alone.<sup>4</sup> Much of this cost is driven by public safety expenses (such as police, jail, and prison costs) as well health care costs for expensive co-morbid chronic diseases associated with substance abuse such as HIV/AIDS, Hepatitis B and C, kidney failure, liver cirrhosis and failure, and cancer.

**At least TWO VIRGINIANS DIE from prescription opioid or heroin overdoses EVERY DAY.**

**Virginia's opioid epidemic and untreated substance abuse are costing taxpayers hundreds of millions of dollars and costing many Virginians their lives.**

## The Human Cost

**Across Virginia, 986 people died due to fatal drug overdoses in 2014, and nearly 80% involved prescription opioid drugs or heroin.** Prescription opiate deaths are occurring statewide, especially in Southwest Virginia, Southside, Hampton Roads, Metro Richmond, the Shenandoah Valley, and Northern Virginia. Deaths from heroin overdoses are concentrated in Hampton Roads, Metro Richmond, the Shenandoah Valley, and Northern Virginia. Rising heroin use in these regions is associated with an increase in costly diseases such as HIV/AIDS and Hepatitis B and C. Districts throughout the Commonwealth are suffering increasing numbers of deaths from the opioid epidemic.



## ER and Hospital Use and Cost Related to Substance Abuse

Districts in Southwest Virginia, Hampton Roads, Metro Richmond, and Northern Virginia are experiencing a higher burden of Medicaid ER visits and inpatient hospitalizations related to substance abuse. The hundreds of Medicaid members who are admitted to ERs and hospitals with a substance use disorder cost Virginia over \$28 million in 2013. Some districts include counties spending nearly \$2 million per year on ER and hospital costs for substance abuse among the Medicaid population.

### Key Stats for Virginia

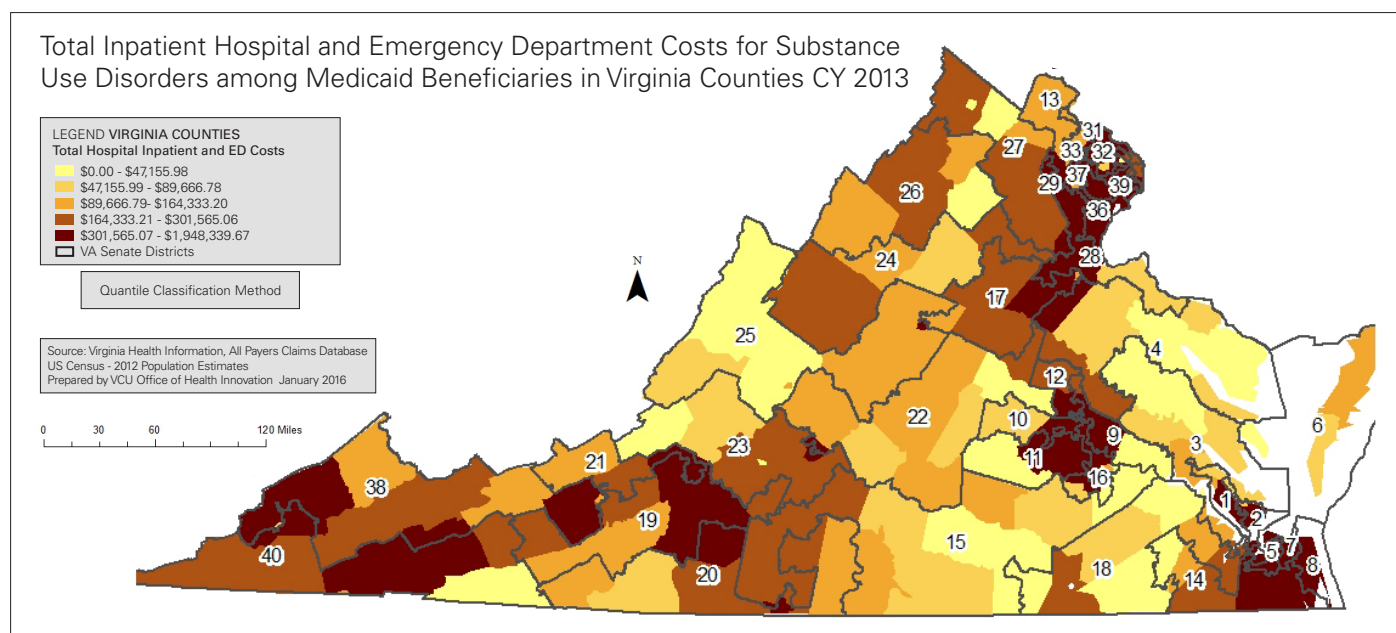
- Of the **986** deaths from drug overdoses in Virginia in 2014, **80%** involved prescription opioids or heroin
- More Virginians die each year from drug overdoses than motor vehicle accidents
- Opioid prescriptions cost Medicaid **\$26 million** annually
- **\$28 million** spent on ER and inpatient hospital treatment for Medicaid members with substance use disorders per year

**Opioids include prescription drugs such as Vicodin, Percocet, and OxyContin as well as heroin. Addiction to prescription opioid drugs is the #1 reason that people become heroin users.**

The cost of opioid addiction is particularly high in the Southwest Health Planning Region, which accounts for 42% of Medicaid spending on ER and inpatient hospital services related to opioid abuse – more than twice the amount of any other region in the Commonwealth. Southwest Virginia is experiencing a perfect storm due to the large supply of prescription opioid drugs, limited public understanding, and lack of access to treatment combined with a physical labor economy and historic isolation from advancements in medicine.

This Policy Brief was prepared by **Andrew Barnes**, PhD, Assistant Professor in the Department of Health Behavior and Policy and **Katherine Neuhausen**, MD, MPH, Associate Director of the Office of Health Innovation and Assistant Professor, Department of Family Medicine and Population Health at Virginia Commonwealth University. The authors acknowledge the invaluable assistance provided by the OHI data team in creating the maps in this brief.

Additional maps and data tables available in an online appendix at: <http://hbp.vcu.edu/policy-briefs/>



<sup>1</sup>Virginia Department of Health (2015). Available from: <http://www.vdh.virginia.gov/medExam/ForensicEpidemiology.htm> <sup>2</sup>Behavioral Health Treatment Needs Assessment Tool Kit for States. HHS Publication No. SMA13-4757. Rockville, MD: Substance Abuse and Mental Health Services Administration (2013). Available at: <http://store.samhsa.gov/shin/content/SMA13-4757/SMA13-4757.pdf>; Virginia Medicaid at a Glance. Virginia Department of Medical Assistance Services (2013). Available at: [http://www.dmas.virginia.gov/Content\\_atchs/atchs/va-medprg.pdf](http://www.dmas.virginia.gov/Content_atchs/atchs/va-medprg.pdf) <sup>3</sup>US Department of Health and Human Services. Mental health: a report to the surgeon general, executive summary. Rockville, MD: USDHHA, SAMHSA, CMHS, NIH, NIMH; 1999 <sup>4</sup>Joint Legislative Audit and Review Commission (2008). Report to the Governor and The General Assembly of Virginia. Mitigating the Costs of Substance Abuse in Virginia. Available from: <http://jlarc.virginia.gov/pdfs/reports/Rpt372.pdf>