

# Overview of the JLARC Study on Mitigating the Cost of Substance Abuse

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## Prevalence of Substance Abuse in Virginia

- According to the National Survey on Drug Use and Health (sponsored by the Substance Abuse and Mental Health Services Administration) in 2006:
  - There were an estimated 517,000 Virginians (12 years or older) with substance dependence or abuse
    - This represented 8.38% of all Virginians (12 or older) as compared to 9.2% of Americans (12 years or older) with substance dependence or abuse
    - Of the 517,000 Virginians, an estimated:
      - 440,000 were dependent on or abused alcohol
      - 158,000 were dependent on or abused illicit drugs

## Selected Key Findings of JLARC Report

- “The adverse effects of substance abuse cost [Virginia] State and local governments approximately \$613 million in 2006.... To mitigate these effects, the State and localities spent \$102 million providing substance abuse services.”
- “The benefits of substance abuse services are not maximized in Virginia because many individuals who need substance abuse services (1) do not seek them, (2) cannot access them due to cost or logistical barriers, (3) fail to receive the most appropriate treatment because of capacity constraints and service gaps, or (4) are receiving services that do not adequately follow proven practices.”

*Source: JLARC Report Summary: Mitigating the Costs of Substance Abuse in Virginia, p. i.*

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## JLARC Study Findings Related to State Funding

- JLARC reported several concerns related to the funding of substance abuse programs in Virginia
  - It is not clear that all of the funding from alcoholic beverage sales that is transferred to the general fund for substance abuse treatment is being used for treatment.
  - Relatively little of the funding appropriated (beginning in July 2007) for Medicaid coverage of substance abuse services is being used.
- JLARC also estimates that revenue from alcoholic beverage sales will increase by \$20 million per year by 2010 (due to Sunday sales and 28 new retail locations)
  - This finding provided JCHC staff with a new policy option (included in the forthcoming report on underage drinking in Virginia).

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## ***SJR 77 – Joint Subcommittee to Study Strategies and Models for Substance Abuse Prevention and Treatment***

- SJR 77 – 2008 (Hanger) established the *Joint Subcommittee* “to study strategies and models for substance abuse prevention and treatment that effectively reduce the costly service demands created by substance abuse.”

### Legislative Members

Senator Emmett W. Hanger, Jr.  
Senator Mamie E. Locke  
Delegate M. Kirkland Cox  
Delegate John M. O'Bannon, III  
Delegate Paul F. Nichols

### Citizen Members

John Shinholser  
Terry R. Tinsley  
Sherman Master, M.D.

### Ex Officio Members

Anthony Conyers, Jr. DSS Commissioner  
James S. Reinhard, M.D., DMHMRSAS Commissioner  
Gene M. Johnson, DOC Director

- The first meeting of the *Joint Subcommittee* is scheduled for July 31st

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## **Revisit Substance Abuse Prevention and Treatment in 2009**

- BHC Subcommittee may wish to consider revisiting issues related to substance abuse prevention and treatment in 2009.
  - This would allow time for the *Joint Subcommittee to Study Strategies and Models for Substance Abuse Prevention and Treatment* to complete its review and possibly recommend legislation.

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