

# Quest Diagnostics

## The Value of Drug Testing



Employer Solutions



# A presentation by...

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## William F. Current

- **Institute for a Drug-Free Workplace**
- **American Council for Drug Education**
- **WFC & Associates**
  - Author of *Why Drug Testing?*
  - Publisher of “The Ultimate Guide to State Drug Testing Laws” (monthly update service)
  - Director of the Annual Survey of Drug Testing Trends (now in it’s 8<sup>th</sup> year)

# Lies, Damn Lies & Statistics

- Substance Abuse and Mental Health Services Administration (SAMHSA) (a division of the Dept. of Health & Human Services)
- National Surveys on Drug Use and Health (NSDUHs) (issued annually for the previous year)
- Worker Substance Use and Workplace Policies and Programs (issued in 2007 and based on 2002, 2003 and 2004 NSDUH surveys)

## The Drug Problem Today

- Nearly 20 million *current* illicit drug users in United States in 2006 aged 12 and older
- 8.3 percent of the U.S. population in that age group

## What is a “current” user?

A “current” drug user is someone who used an illicit drug at least once in the 30 days just prior to being surveyed.

## In the Workplace

### Survey says...

- Three quarters of current illicit drug users are employed either full- or part-time
- 8.2% of full-time workers aged 18-64 are current illicit drug users

## Drug Abuse in the Workplace

<u>Age Group</u>	<u>% Drug Abusers</u>
Overall	8.2%
18-25 year olds	19.0%
26-34 year olds	10.3%
35-49 year olds	7.0%
50-64 year olds	2.6%

## Alcohol Abuse in the Workplace

<u>Age Group</u>	<u>% Alcohol Abusers</u>
Overall	8.8%
18-25 year olds	16.3%
26-34 year olds	10.4%
35-49 year olds	8.1%
50-64 year olds	4.7%

## Alcohol Abuse

A “heavy” alcohol user is someone who had five or more drinks on at least five occasions in the past 30 days.

## Illicit Drug Use by Industry

### **The highest...**

- Accommodations and Food Services (16.9%)
- Construction (13.7%)

### **The lowest...**

- Public Administration (4.1%)
- Educational Services (4.0%)
- Utilities (3.8%)

# Heavy Alcohol Use by Industry

## The highest...

- Construction (15.9%)
- Arts, Entertainment and Recreation (13.6%)
- Mining (13.3%)

## The lowest...

- Health Care & Social Assistance (4.3%)
- Educational Services (4.0%)

# Illicit Drug Use by Occupations

## **The highest...**

- Food Service Workers (17.4%)
- Construction Workers (15.1%)

## **The lowest...**

- Education, training, and library admin. (4.1%)
- Community and social services (4.0%)
- Protective services (3.4%)

# Heavy Alcohol Use by Occupations

## The highest...

- Construction & extraction workers (17.8%)
- Installation, maintenance & repair (14.7%)

## The lowest...

- Community and social services workers (2.8%)

## Drug Abuse by Establishment Size

<u>Establishment Size</u>	<u>% Drug Abusers</u>
25-99 workers	8.2%
100-499 workers	6.7%
500 or more workers	5.7%

## Drug Users as Employees

- More likely to be involved in an accident
- More likely to file a workers' comp. claim
- More likely to utilize health care benefits
- More likely to quit or get fired
- More likely to steal from their workplace
- More likely to miss work or show up late
- More likely to be involved in a confrontation
- Less productive

## Impact on Safety

Substance abusers are...

- 3.6 times more likely to be involved in a workplace accident
- 5 times more likely to file a workers' compensation claim
- In fact, as many as 50% of all workers' compensation claims involve substance abuse

(Sources: HHS)

## Impact on Safety

80% of those injured in “serious”  
drug-related accidents at work  
are not the drug abusing employees...  
but innocent co-workers  
and others.

(Source: National Safety Council)

## Drug Users Compared to Non-Drug Users (Full-time Workers)

<u>Behavior</u>	<u>Drug Users</u>	<u>Non-Users</u>
3+ employers in past year	12.3%	5.1%
Missing 2+ work days in past month due to illness/injury	16.4%	11%
Skipping 1+ days of work in past month	16.3%	8.2%

(Source: SAMHSA)

## Employers' Response

1. Written Policy
2. Supervisor Training
3. Employee Education
4. Employee Assistance Services
5. Drug and Alcohol Testing

# Drug and Alcohol Testing

Employers used to debate whether or not to conduct drug testing.

- Was it legal?
- Was it accurate?
- Was it practical?
- Did it work???

# Drug and Alcohol Testing

Is it legal? **YES!**

Is it accurate? **YES!**

Is it practical? **YES!**

# Does Drug Testing Work

Depends on...

- Who you test
- When you test
- How you test

## Why You Test

- Improving safety
- Minimizing accidents
- Reducing workers' compensation claims
- Increasing productivity
- Improving attendance
- Decreasing theft and violence
- Improving morale and public image
- Many others...

## Why You Test

- Identify your testing objectives
- Develop a strategy for achieving those objectives
- Design your policy to be the blueprint for achieving your objectives
- With an objectives-oriented policy in place you can best determine how to test

# Options

1. Lab-based urine testing
  - with off-site professional collections
  - with on-site professional collections
2. On-site urine testing
  - company-administered
  - off-site collection facility
3. Lab-based hair testing
4. Lab-based oral fluid testing
5. Instant result oral fluid testing (POCT)

# The Value of Drug Testing

Regardless of how you test, drug testing always produces a positive return on investment.

# Return On Investment

**How much does substance abuse cost per drug user?**

- \$7,000 (natl. aver. based on U.S. Navy study)

**How many substance abusers do you have?**

- 15% of workforce (national average)
- Use your own figure

**How many employees do you have?**

## Do the Math!

- 250 employees
- multiplied by % of substance abusers in your work force (let's say 5%)
- multiplied by \$7,000
- equals cost of substance abuse
- compare to cost of drug testing
  - (300 tests at \$45 per test average)

## Return On Investment

$$250 \times 5\% = 13$$

$$13 \times \$7,000 = \mathbf{\$91,000}$$

$$300 \text{ (drug tests/year)} \times \$45 \text{ (cost per test)} \\ = \mathbf{\$13,500}$$

$$\begin{array}{r} \$ 91,000 \\ \quad \underline{-13,500} \\ \mathbf{=\$77,500 \text{ SAVINGS!}} \end{array}$$

## Positivity Rates in 2006 (General U.S. Workforce)

<u>Testing Reason</u>	<u>% Positive</u>
• For Cause	18.1%
• Post-Accident	5.7%
• Pre-Employment	3.9%
• Random	5.5%

*(Source: Quest Diagnostics from more than 6.9 million tests conducted in 2006)*

## 300 Tests Broken Down

<u>Reason for Test</u>	<u>% Positive</u>
200 pre-employment	3.9%
60 random (20% frequency rate)	5.5%
25 post-accident	5.7%
15 for cause (reasonable suspicion)	18.1%

## ROI from Pre-Employment Testing

$$200 \times 3.9\% = 8$$

$$8 \times \$7,000 = \mathbf{\$56,000}$$

$$200 \text{ (drug tests/year)} \times \$45 \text{ (cost per test)} \\ = \mathbf{\$9,000}$$

$$\begin{array}{r} \$ 56,000 \\ - \quad \underline{9,000} \\ = \mathbf{\$47,000} \text{ (6-to-1 savings ratio)} \end{array}$$

## Value of Pre-Employment Drug Testing

- 5.6 million or 4.9% of all workers indicated that they would be less likely to work for an employer who conducts pre-hire drug testing
- 52.5 million (46.0%) indicated that they would be more likely to work for an employer who tests before hiring
- 56.2 million (49.1%) workers reported that pre-hire testing would not influence their decision to work for an employer

## ROI from Random Testing

$$60 \times 5.5\% = 3$$

$$3 \times \$7,000 = \mathbf{\$21,000}$$

$$60 \text{ (drug tests/year)} \times \$45 \text{ (cost per test)} \\ = \mathbf{\$2,700}$$

$$\begin{array}{r} \$ 21,000 \\ - \quad \underline{2,700} \\ = \mathbf{\$ 18,300} \text{ (8-to-1 savings ratio)} \end{array}$$

## Value of Random Drug Testing

- 29.1% of illicit drug using employees say they would be less likely to work for employers who conduct random drug testing
- 6.9% of workers who do not use drugs would be less likely to work for employers who conduct random drug testing

## Value of Random Drug Testing

- 10.0 million or 8.7% of all workers reported that they would be less likely to work for an employer who tests randomly for drug or alcohol use
- 45.5 million (39.8%) reported that they would be more likely
- 58.8 million (51.4%) indicated that random testing would not influence their decision to work for an employer

## ROI from For Cause Testing

$$15 \times 18.1\% = 3$$

$$3 \times \$7,000 = \mathbf{\$21,000}$$

$$15 \text{ (drug tests/year)} \times \$45 \text{ (cost per test)} \\ = \mathbf{\$675}$$

$$\begin{array}{r} \$ 21,000 \\ - \quad \underline{675} \\ = \mathbf{\$ 20,325} \end{array} \text{ (31-to-1 savings ratio)}$$

# Getting the Most Out of Drug Testing

There are many ways to improve your  
return on investment in drug testing

“101 Things You Can Do to  
Get the Most Out of Drug Testing”

## Top 10 Things You Can Do

1. **Identify your drug testing objectives**
2. **Devise a strategy aimed at achieving objectives**
3. **Write your policy around your objectives**
4. **Re-evaluate whom you test**
5. **Reconsider when you test**
6. **Consider alternative testing methods**
7. **Train supervisors**
8. **Take advantage of state laws**
9. **Annually review the success of your program**
10. **Update your program as needed**

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**For more information on drug  
testing from Quest Diagnostics  
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