The Economic Impacts of Illicit Drug Use and Excessive Alcohol Consumption on the Eastern Shore of Maryland

Presented by:
Dr. Memo Diriker

BEACON
Business Economic and Community Outreach Network
At Salisbury University
Study Objective

• This study quantifies the societal costs of illicit drug use and the Excessive Consumption of Alcohol to each of the counties on the Eastern Shore of Maryland individually, and as a region.

• The study is based on research from the U.S. Department of Justice, National Drug Intelligence Center which examined such costs at the national level.

• In addition to quantifying these costs, the study also examines some potential policy recommendations.
How the Study was Conducted

• Data and Information Sources
  • Federal
  • State
  • Local

• Only public costs are examined, individual private costs (such as private payment of healthcare costs by victims of crime) are not included in the analysis

• Costs are examined on an annual basis. Future costs are not included in the annual estimates

• Intangible costs such as quality of life costs are not included in these estimates

• Methodology 1: National Drug Intelligence Center Approach for Opioids

• Methodology 2: Sacks et al. (2015), American Journal of Preventive Medicine
Key Findings

• The public cost associated with the treatment of illicit drug-related ailments totals over $242 million on the Eastern Shore.

• The total criminal justice system costs for drug-related offenses on the Eastern Shore is estimated to equal approximately $49.45 million. Total costs at the county level range between approximately $2.53 million and $11.73 million.

• Total property damage costs associated with drug-related crime is estimated to be approximately $0.9 million with per county estimates between $136,000 and $260,000.
Key Findings (continued)

• The total estimated loss of productivity due to drug-related crime victimization on the Eastern Shore is approximately $550,000 with county totals ranging from $15,000 to $140,000.

• The total cost of lost labor participation attributable to illicit drug use on the Eastern Shore is approximately $520 million with county totals ranging from $23 million to $117 million.

• The lost productivity associated with illicit drug use on the Eastern Shore is approximately $128 million. This figure combines losses due to treatment as well as incarceration.
Key Findings (continued)

• The total cost of excessive alcohol consumption on the Eastern Shore is approximately $327 million ($42 million in treatment costs, $230 million in lost labor and productivity costs, and $55 million other costs). County costs range from $8.63 million to $117.42 million.
Costs of Opioid Disease on the Eastern Shore
(in millions)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treatment Costs</td>
<td>$242.29</td>
</tr>
<tr>
<td>Labor Participation &amp; Productivity Losses</td>
<td>$647.73</td>
</tr>
<tr>
<td>Crime Related Costs</td>
<td>$50.94</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$940.96</strong></td>
</tr>
</tbody>
</table>
Costs of Excessive Alcohol Consumption on the Eastern Shore (in millions)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Costs</td>
<td>$41.85</td>
</tr>
<tr>
<td>Lost Productivity</td>
<td>$229.84</td>
</tr>
<tr>
<td>Other Costs</td>
<td>$55.26</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$326.95</strong></td>
</tr>
</tbody>
</table>
Total Annual Combined Impact

$1.3 billion (and climbing)
Thank You!

For more information, please contact us at: BEACON@Salisbury.edu