

Washington State Institute for Public Policy

Benefit-Cost Results

Individual drug counseling approach for the treatment of cocaine addiction Substance Use Disorders: Treatment for Adults

Benefit-cost estimates updated December 2023. Literature review updated May 2014.

Current estimates replace old estimates. Numbers will change over time as a result of model inputs and monetization methods.

The WSIPP benefit-cost analysis examines, on an apples-to-apples basis, the monetary value of programs or policies to determine whether the benefits from the program exceed its costs. WSIPP's research approach to identifying evidence-based programs and policies has three main steps. First, we determine "what works" (and what does not work) to improve outcomes using a statistical technique called meta-analysis. Second, we calculate whether the benefits of a program exceed its costs. Third, we estimate the risk of investing in a program by testing the sensitivity of our results. For more detail on our methods, see our Technical Documentation.

Program Description: Individual drug counseling for the treatment of cocaine addiction is a manualized treatment that can be provided as a component of comprehensive outpatient therapy or as a standalone treatment. The manualized version was developed for use in the Collaborative Cocaine Treatment Study, where the individual counseling was provided in addition to group counseling. The individual drug counseling approach follows a 12-step philosophy and addresses the physical, emotional, spiritual, and interpersonal needs of the client. The model is generally applied in 36 individual sessions over six months with booster sessions as needed.

Benefit-Cost Summary Statistics Per Participant							
Benefits to:							
Taxpayers	\$744	Benefit to cost ratio	\$2.21				
Participants	\$1,067	Benefits minus costs	\$3,380				
Others	\$320	Chance the program will produce					
Indirect	\$4,051	benefits greater than the costs	54%				
Total benefits	\$6,181						
Net program cost	(\$2,802)						
Benefits minus cost	\$3,380						

The estimates shown are present value, life cycle benefits and costs. All dollars are expressed in the base year chosen for this analysis (2022). The chance the benefits exceed the costs are derived from a Monte Carlo risk analysis. The details on this, as well as the economic discount rates and other relevant parameters are described in our Technical Documentation.

Meta-Analysis of Program Effects											
Outcomes measured	age e	No. of effect	Treatment N	Adjusted effect sizes and standard errors used in the benefit-cost analysis					Unadjusted effect size (random effects		
		sizes		First time ES is estimated		Second time ES is estimated		model)			
				ES	SE	Age	ES	SE	Age	ES	p-value
Major depressive disorder	45	1	92	-0.093	0.169	45	0.000	0.187	48	-0.093	0.579
Illicit drug use disorder	45	1	121	-0.307	0.167	45	0.000	0.187	48	-0.307	0.066
Anxiety disorder	45	1	92	0.044	0.168	45	0.000	0.187	48	0.044	0.793
Alcohol use [^]	45	1	92	0.208	0.169	45	n/a	n/a	n/a	0.208	0.218
Psychiatric symptoms [^]	45	1	92	-0.274	0.169	45	n/a	n/a	n/a	-0.274	0.105

[^]WSIPP's benefit-cost model does not monetize this outcome.

Meta-analysis is a statistical method to combine the results from separate studies on a program, policy, or topic in order to estimate its effect on an outcome. WSIPP systematically evaluates all credible evaluations we can locate on each topic. The outcomes measured are the types of program impacts that were measured in the research literature (for example, crime or educational attainment). Treatment N represents the total number of individuals or units in the treatment group across the included studies.

An effect size (ES) is a standard metric that summarizes the degree to which a program or policy affects a measured outcome. If the effect size is positive, the outcome increases. If the effect size is negative, the outcome decreases.

Adjusted effect sizes are used to calculate the benefits from our benefit cost model. WSIPP may adjust effect sizes based on methodological characteristics of the study. For example, we may adjust effect sizes when a study has a weak research design or when the program developer is involved in the research. The magnitude of these adjustments varies depending on the topic area.

WSIPP may also adjust the second ES measurement. Research shows the magnitude of some effect sizes decrease over time. For those effect sizes, we estimate outcome-based adjustments which we apply between the first time ES is estimated and the second time ES is estimated. We also report the unadjusted effect size to show the effect sizes before any adjustments have been made. More details about these adjustments can be found in our Technical Documentation.

	Detailed Moneta	ary Benefit Es	timates Per Pa	articipant		
Affected outcome:	Resulting benefits:1		Benef	its accrue to:		
		Taxpayers	Participants	Others ²	Indirect ³	Total
Illicit drug use disorder	Criminal justice system	\$0	\$0	\$0	\$0	\$0
Illicit drug use disorder	Labor market earnings associated with illicit drug abuse or dependence	\$365	\$861	\$0	\$0	\$1,226
Illicit drug use disorder	Health care associated with illicit drug abuse or dependence	\$317	\$49	\$326	\$159	\$851
Anxiety disorder	Labor market earnings associated with anxiety disorder	(\$139)	(\$328)	\$0	\$0	(\$467)
Anxiety disorder	Health care associated with anxiety disorder	(\$6)	(\$2)	(\$7)	(\$3)	(\$18)
Illicit drug use disorder	Mortality associated with illicit drugs	\$206	\$486	\$0	\$5,296	\$5,989
Program cost	Adjustment for deadweight cost of program	\$0	\$0	\$0	(\$1,401)	(\$1,401)
Totals		\$744	\$1,067	\$320	\$4,051	\$6,181

¹In addition to the outcomes measured in the meta-analysis table, WSIPP measures benefits and costs estimated from other outcomes associated with those reported in the evaluation literature. For example, empirical research demonstrates that high school graduation leads to reduced crime. These associated measures provide a more complete picture of the detailed costs and benefits of the program.

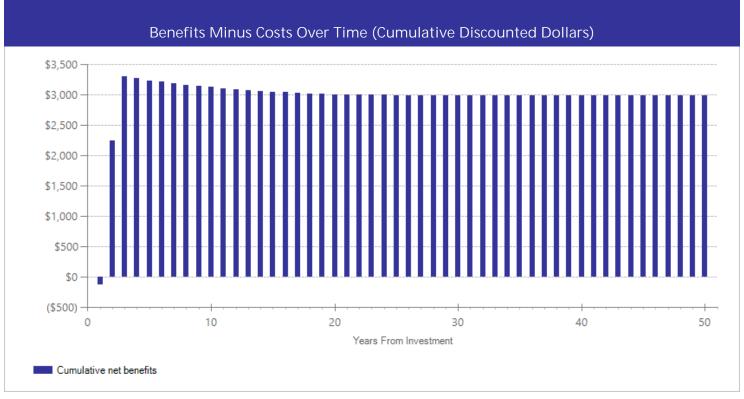
^{3&}quot;Indirect benefits" includes estimates of the net changes in the value of a statistical life and net changes in the deadweight costs of taxation.

Detailed Annual Cost Estimates Per Participant								
	Annual cost	Year dollars	Summary					
Program costs Comparison costs	\$2,311 \$0	2013 2013	Present value of net program costs (in 2022 dollars) Cost range (+ or -)	(\$2,802) 10%				

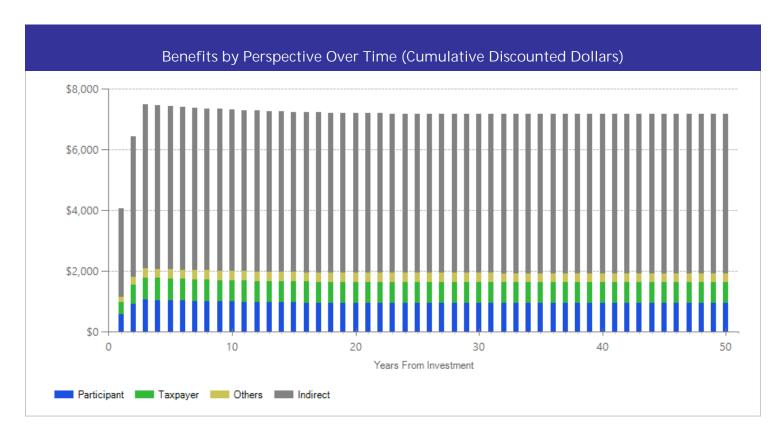
This program is typically delivered over a six-month period. The per-participant cost of treatment is based on the single study in the analysis and includes 36 individual 50-minute sessions estimated using Washington's Medicaid hourly reimbursement rate for individual treatment. The costs of this intervention are in addition to group therapy provided to both the treated and comparison groups.

The figures shown are estimates of the costs to implement programs in Washington. The comparison group costs reflect either no treatment as usual, depending on how effect sizes were calculated in the meta-analysis. The cost range reported above reflects potential variation or uncertainty in the cost estimate; more detail can be found in our Technical Documentation.

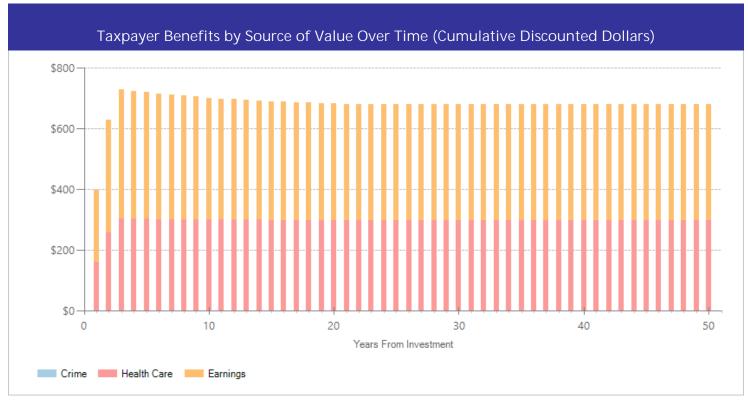
 $^{^{2}}$ "Others" includes benefits to people other than taxpayers and participants. Depending on the program, it could include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance.



The graph above illustrates the estimated cumulative net benefits per-participant for the first fifty years beyond the initial investment in the program. We present these cash flows in discounted dollars. If the dollars are negative (bars below \$0 line), the cumulative benefits do not outweigh the cost of the program up to that point in time. The program breaks even when the dollars reach \$0. At this point, the total benefits to participants, taxpayers, and others, are equal to the cost of the program. If the dollars are above \$0, the benefits of the program exceed the initial investment.



The graph above illustrates the breakdown of the estimated cumulative benefits (not including program costs) per-participant for the first fifty years beyond the initial investment in the program. These cash flows provide a breakdown of the classification of dollars over time into four perspectives: taxpayer, participant, others, and indirect. "Taxpayers" includes expected savings to government and expected increases in tax revenue. "Participants" includes expected increases in earnings and expenditures for items such as health care and college tuition. "Others" includes benefits to people other than taxpayers and participants. Depending on the program, it could include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance. "Indirect benefits" includes estimates of the changes in the value of a statistical life and changes in the deadweight costs of taxation. If a section of the bar is below the \$0 line, the program is creating a negative benefit, meaning a loss of value from that perspective.



The graph above focuses on the subset of estimated cumulative benefits that accrue to taxpayers. The cash flows are divided into the source of the value.

Citations Used in the Meta-Analysis

Crits-Christoph, P., Siqueland, L., McCalmont, E., Frank, A., Blaine, J., Weiss, R.D., . . . , Thase, M.E. (2001). Impact of psychosocial treatments on associated problems of cocaine-dependent patients. *Journal of Consulting and Clinical Psychology*, 69(5), 825-830.

Crits-Christoph, P., Siqueland, L., Blaine, J., Frank, A., Luborsky, L., Onken, L.S., . . . , Beck, A.T. (1999). Psychosocial treatments for cocaine dependence: National Institute on Drug Abuse Collaborative Cocaine Treatment Study. *Archives of General Psychiatry*, *56*(6), 493-502.

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Washington State Institute for Public Policy

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