

The Economic Toll of the Opioid Crisis Reached Nearly \$1.5 Trillion in 2020

As a result of the pandemic, the U.S. health care system was [disrupted](#), reducing access to substance abuse treatment and exacerbating social and economic stress that can worsen addiction. This contributed to a [significant](#) increase in the number of Americans diagnosed with [opioid use disorder](#) and in the number of fatal opioid overdoses.

In addition to its effects on survivors, families and communities, the spike in opioid use disorder cases and fatal overdoses during the pandemic increased the economic toll of the opioid crisis in 2020. Adapting an [approach](#) used by researchers at the Centers for Disease Control and Prevention (CDC), the Joint Economic Committee estimates the opioid epidemic cost the United States nearly \$1.5 trillion in 2020 alone—up 37% from 2017, when the CDC last measured the cost.

The coronavirus pandemic also shed light on the racial disparities among those suffering from opioid use. Although opioid use is more common among white Americans, Black [adults](#) and [teens](#) experienced a steeper increase in the rate of fatal opioid overdoses compared to their white counterparts over the last decade.

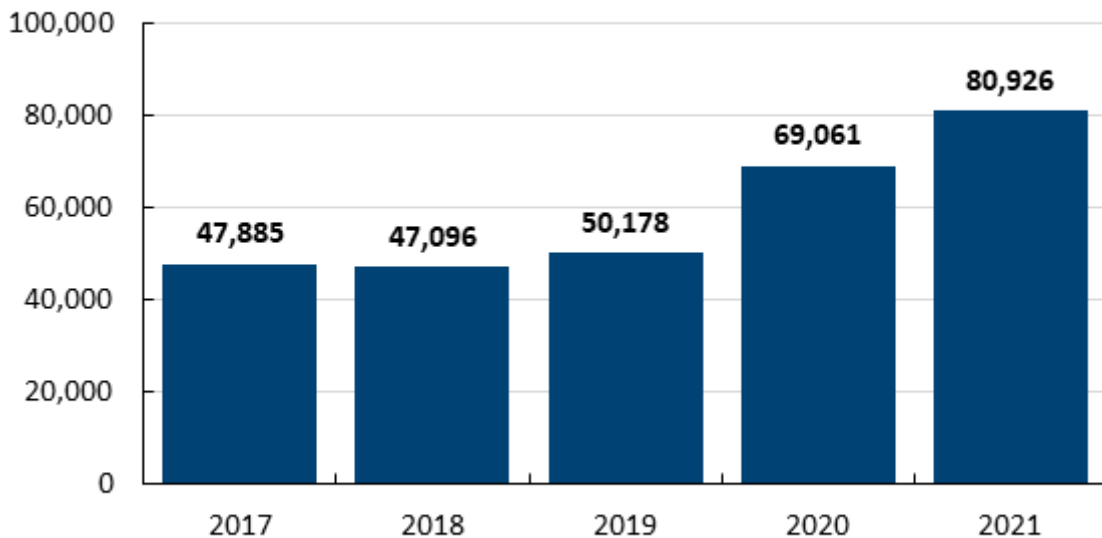
To help address the opioid epidemic, federal [legislation](#) and [efforts](#) by the Biden administration have improved access to and funding for the medication and treatment services needed to reduce addiction. However, given the scale of the crisis, more funding and action across federal, state and local government is needed to better address the crisis at hand.

Opioid cases increased during the coronavirus pandemic, costing the United States an estimated \$1.5 trillion in 2020

Opioid use increased during the pandemic, leading to the highest number of opioid-related deaths on record in the United States. The data show 2020 and 2021 saw the highest numbers of fatal opioid overdoses ever reported, with 69,061 and 80,926 fatalities, respectively (see graph below), and opioids are the [main driver](#) of drug overdose deaths. In 2020, 2.7 million people over the age of 12 were reported to suffer from opioid use disorder, a significant increase compared to the 1.9 million cases in 2019.

Opioid Overdoses Increased During the COVID-19 Pandemic

Number of reported opioid overdose deaths in the United States



Source: CDC

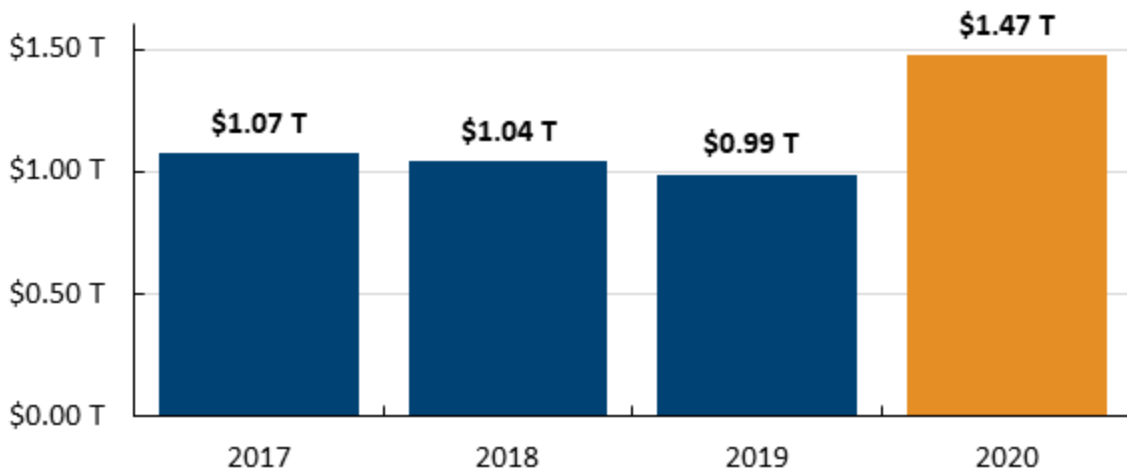


An analysis by the Joint Economic Committee finds that opioid-related costs rose to nearly \$1.5 trillion in 2020, a \$487 billion increase from 2019 and a 37% increase from 2017 (see graph below). JEC staff produced these estimates by adapting a [methodology](#) used by the CDC to estimate the cost of the opioid epidemic in 2017 to create similar estimates for 2018, 2019 and 2020.¹

¹ The JEC calculated new estimates of the economic toll of opioid use disorder and fatal opioid overdoses for 2018 through 2020—the most recent year for which data is available. These JEC estimates were calculated by multiplying the CDC [per capita cost estimate](#) of opioid use disorder and fatal opioid overdose from 2017 by the total number of opioid use disorder [cases](#) and fatal opioid [overdoses](#) in 2018, 2019 and 2020, and then adjusting the total costs for inflation to put each total in 2020 dollars. The 2017 total was also adjusted for inflation into 2020 dollars. The CDC produced its original [estimates](#) for the cost of opioid use disorder and fatal opioid overdoses by accounting for the costs of health care, public safety, lost productivity, lower quality of life and lives lost due to opioids. The JEC cost estimates are limited to only going through 2020 because the data on the number of people with opioid use disorders in 2021 will not be released until later this year.

In 2020, the Opioid Crisis Cost \$400 Billion More Than in 2017

U.S. cost of opioid use disorder and fatal opioid overdose in 2020 dollars (trillions)



Source: The 2017 cost estimate is from "The Economic Burden of Opioid Use Disorder and Fatal Opioid Overdoses in the United States, 2017," Florence et al. The 2018-2020 cost estimates are JEC calculations that adopt Florence et al's methodology and use annual data from SAMHSA and the CDC's National Vital Statistics System. All cost estimates are adjusted to 2020 dollars.



While this analysis does not forecast the economic cost of the opioid epidemic for 2021, the rise in fatal opioid overdoses in 2021 suggests the total cost is likely to continue to increase. In addition, the methodology used to produce the totals above involves some uncertainty that likely makes the national cost estimate a lower-bound on the true economic cost of the epidemic in a given year.²

Coronavirus pandemic disruptions created new barriers for people diagnosed with opioid use disorder

The coronavirus pandemic created disruptions to worldwide health care systems and treatment services. Clinics shifted to telehealth and remote work to protect health care workers and patients from COVID-19, which disrupted treatment for some [patients](#) who depended on face-to-face care. Additionally, the disruption around the pandemic meant that some users [turned](#) to new dealers, who were more likely to sell them [fentanyl](#) due to changes in drug smuggling patterns. Because fentanyl is such a [potent](#) drug and is sometimes present in drug supplies without users' knowledge, this shift increased the likelihood of overdose among people using opioids.

² One limitation of the approach is that the National Survey on Drug Use and Health excludes people who are [unhoused](#) or [incarcerated](#) due to sampling difficulty, although people in those situations are disproportionately hurt by the opioid epidemic. Similarly, the CDC's original cost estimates cannot account for how opioid use disorder and fatal overdoses impact the quality of life of the friends, family and community members who are also burdened by the epidemic. SAMHSA [cautions](#) that comparing 2020 survey data to previous years is complicated by the impacts of the coronavirus pandemic on survey data collection and because of the recent implementation of the *Diagnostic and Statistical Manual of Mental Disorders Fifth Edition (DSM-5)*, which classifies substance use disorder differently than previous editions.

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Pandemic-related stress and additional barriers to care likely also led to increased [relapse rates](#) among those who struggle with opioid use. Factors like [self-isolation](#) and the [economic shock](#) of the pandemic were linked to higher levels of stress, anxiety and other [mental health issues](#), which [worsened](#) conditions for those with substance use disorder. It is likely that pandemic disruptions to health care, addiction treatment and mental health played an important role in the increase in opioid use disorder and fatal overdoses during this period.

The opioid crisis disproportionately hurts Black Americans and increases economic inequality

While white Americans make up the majority of those who overdose from opioids, Black Americans are disproportionately impacted by the opioid crisis and have experienced a [steep increase](#) in the rate of fatal opioid overdoses over the last five years. In 2020, Black Americans accounted for [12.4%](#) of people living in the United States but [17%](#) of U.S. fatal opioid overdoses—an increase of 5 percentage points from 2017. Similarly, the overdose rate from synthetic opioids rose [faster](#) for Black teenagers than the national rate for teenagers overall over the past two years.

Higher rates of opioid use disorder and fatal overdoses create a particularly serious threat to Black Americans, who experience inequitable access to addiction treatment. Specifically, structural barriers mean Black Americans are less likely to have access to affordable health care, evidence-based treatment and prescribed medications that can [reduce](#) the risk of fatal opioid overdoses. Racial inequities in access to health care and addiction treatment likely demonstrate that Black Americans face a steeper economic cost due to the opioid epidemic than white Americans, further exacerbating racial inequality.

The federal government has taken important recent steps to fund effective treatment programs and addiction prevention tools to combat the opioid epidemic

As the opioid crisis has worsened in recent years, federal, state and local governments have increased investments in drug treatment and prevention programs. In 2016, President Obama signed into law the [Comprehensive Addiction and Recovery Act](#) to address the opioid epidemic that was centered around six pillars: prevention, treatment, recovery, law enforcement, criminal justice reform and overdose reversal. In 2019, the federal government awarded [\\$1.8 billion](#) in grants to help states fight the opioid epidemic, including \$900 million in grants over three years allocated to the CDC to help states and localities track overdose data and develop treatment strategies and \$932 million awarded in State Opioid Response grants to all 50 states.

More recently, the American Rescue Plan Act (ARP) and other actions by the Biden administration provided nearly [\\$5.5 billion](#) in 2021 for mental health and substance abuse prevention block grants and committed \$1.5 billion for [State Opioid Response](#) grants in 2022. Additionally, some states and localities used Coronavirus State and Local Fiscal Recovery Funds from the ARP to provide behavioral health, addiction prevention and treatment programs to help tackle the opioid epidemic. In April 2022, President Biden released his administration's inaugural National Drug Control Strategy emphasizing a [harm reduction approach](#) that prioritizes life-saving tools like naloxone, drug test strips and syringe services programs. The strategy also focuses on improving the availability of evidence-based treatment, particularly for those at highest risk of an overdose.

Additional federal action is needed to address the opioid crisis, better understand its impacts on marginalized communities and address its economic toll

The scale of the opioid epidemic demands large and significant action to reduce both the human and economic toll. While recent policy commitments are important steps, the \$1.5 trillion annual cost highlighted in this brief suggests the size and scope of the government's response must be significantly larger. The federal government should address barriers to health care and expand access to evidence-based treatment by continuing a shift towards a "[treatment instead of punishment](#)" approach that prioritizes medical treatment and support services over incarceration. One additional step to support treatment would be for the 12 states that have yet to expand Medicaid under the Affordable Care Act to do so, as Medicaid expansion is associated with [reduced](#) fatal opioid overdoses through greater access to treatment.

Similarly, the federal government should further fund the [Overdose Data to Action](#) program to [collect](#) data on overdose deaths from all U.S. jurisdictions. This expanded approach to opioid data collection will help researchers and policymakers estimate the exact cost and impact of the opioid crisis and pave the path to better understand and resolve the epidemic. The federal response should also do its part to lessen the [societal stigma](#) around substance use disorder, in large part to encourage those struggling with opioid use to enroll in treatment services.

Although there is a long road ahead to address the opioid epidemic and its impact on communities, allocating funding, expanding treatment access and improving understanding of the crisis are important next steps to reduce the toll of the epidemic on the United States.