

# Washington State Institute for Public Policy Benefit-Cost Results

### Injectable naltrexone for opioid use disorder for adults post-release **Adult Criminal Justice**

Benefit-cost estimates updated December 2023. Literature review updated March 2021.

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: Extended-release injectable naltrexone is an opiate antagonist used to treat opiate use disorder. Naltrexone blocks the euphoric effects of opiates while preventing patients from developing a tolerance or from experiencing withdrawal symptoms when they stop taking the drug. Ultimately, it is intended to reduce cravings and prevent relapse.

Naltrexone injections are typically administered monthly for 2-6 months. In some cases, patients may also receive counseling therapies such as cognitive-behavioral treatment or motivational enhancement therapy. Patients in our analysis meet the criteria for opioid dependence and are on some form of criminal justice supervision (either parole or probation) following a release from jail or prison. Patients in the comparison condition receive either a medical placebo or usual treatment (i.e., drug counseling).

Benefit-Cost Summary Statistics Per Participant							
Benefits to:							
Taxpayers	\$1,233	Benefit to cost ratio	(\$0.17)				
Participants	\$363	Benefits minus costs	(\$22,714)				
Others	\$1,949	Chance the program will produce					
Indirect	(\$6,772)	benefits greater than the costs	0%				
Total benefits	(\$3,226)						
Net program cost	(\$19,488)						
Benefits minus cost	(\$22,714)						

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	Treatment age	No. of effect sizes	Treatment N	Adjusted effect sizes and standard errors used in the benefit-cost analysis					Unadjusted effect size (random effects		
				First time ES is estimated			Second time ES is estimated			model)	
				ES	SE	Age	ES	SE	Age	ES	p-value
Opioid use disorder	44	3	235	-0.316	0.172	44	0.000	0.000	45	-0.441	0.018
STD risky behavior <sup>^</sup>	44	1	153	-0.047	0.211	44	n/a	n/a	n/a	-0.047	0.825
Death <sup>^</sup>	44	1	153	0.000	0.211	44	n/a	n/a	n/a	0.000	1.000
Alcohol use disorder	44	1	153	-0.049	0.364	44	0.000	0.000	45	-0.049	0.893
Crime	44	2	169	-0.181	0.207	44	0.000	0.000	45	-0.218	0.294

<sup>^</sup>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 Monetary Benefit Estimates Per Participant								
Affected outcome:	Resulting benefits:1		Benefi	its accrue to	:			
		Taxpayers	Participants	Others <sup>2</sup>	Indirect <sup>3</sup>	Total		
Crime	Criminal justice system	\$765	\$0	\$1,616	\$383	\$2,763		
Alcohol use disorder	Property loss associated with alcohol abuse or dependence	\$0	\$0	\$0	\$0	\$0		
Opioid use disorder	Labor market earnings associated with opioid drug abuse or dependence	\$102	\$241	\$0	\$0	\$343		
Opioid use disorder	Health care associated with opioid drug abuse or dependence	\$334	\$46	\$333	\$167	\$880		
Opioid use disorder	Mortality associated with opioids	\$32	\$76	\$0	\$2,423	\$2,531		
Program cost	Adjustment for deadweight cost of program	\$0	\$0	\$0	(\$9,744)	(\$9,744)		
Totals		\$1,233	\$363	\$1,949	(\$6,772)	(\$3,226)		

<sup>&</sup>lt;sup>1</sup>In 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.

<sup>&</sup>lt;sup>2</sup>"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.

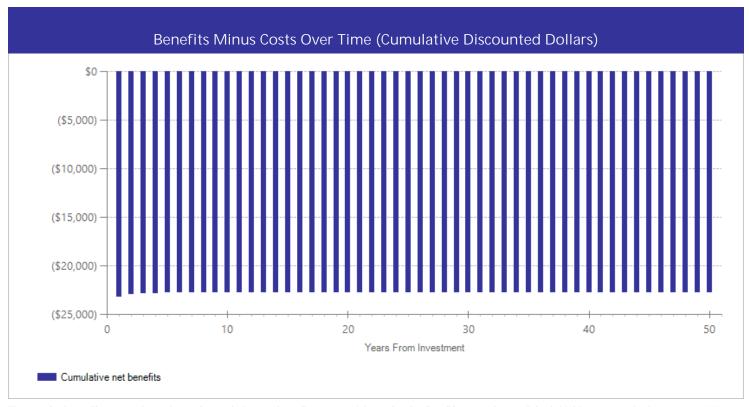
<sup>&</sup>lt;sup>3</sup>"Indirect benefits" includes estimates of the net changes in the value of a statistical life and net changes in the deadweight costs of taxation.

### Detailed Annual Cost Estimates Per Participant

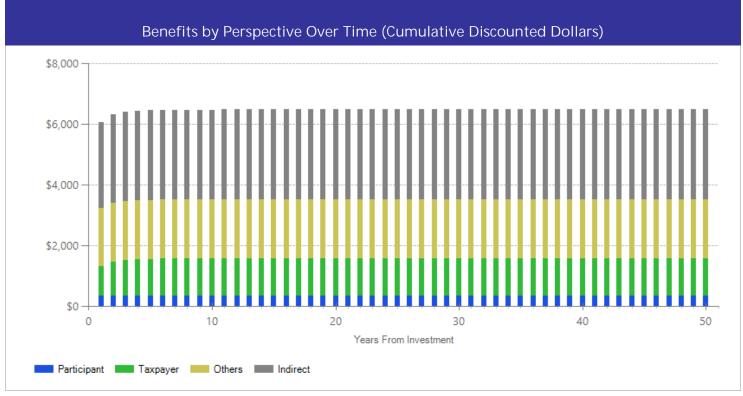
	Annual cost	Year dollars	Summary	
Program costs	\$16,356	2015	Present value of net program costs (in 2022 dollars)	(\$19,488)
Comparison costs	\$0	2015	Cost range (+ or -)	20%

From January to June of 2015, Medicaid in Washington State spent an average of \$1,363.03 per patient per month on injectable naltrexone treatment for alcohol and opiate dependence (personal communication with Donna Sullivan at Washington Health Care Authority, 2/4/2016). We assume an average treatment period of 12 months to reflect the time for which we model benefits. We multiply the treatment period by the patient per-month cost to calculate the total per-patient cost of injectable naltrexone treatment.

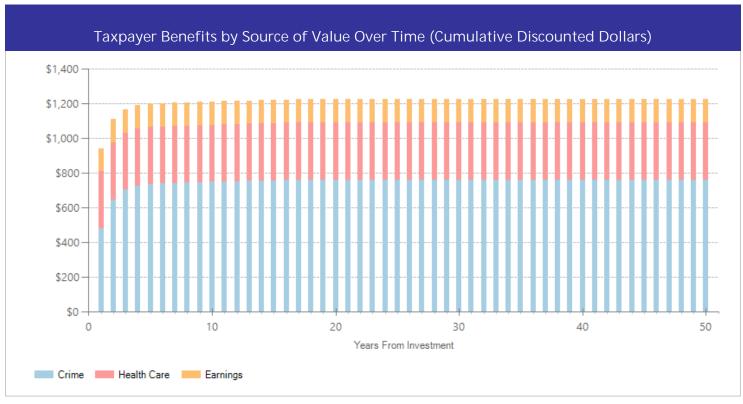
The figures shown are estimates of the costs to implement programs in Washington. The comparison group costs reflect either no treatment or treatment as usual, depending on how effect sizes were calculated in the meta-analysis. The cost range reported above reflects potential variation or uncertainty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



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

- Lee, J.D., McDonald, R., Grossman, E., McNeely, J., Laska, E., Rotrosen, J., & Gourevitch, M.N. (2015). Opioid treatment at release from jail using extended-release naltrexone: A pilot proof-of-concept randomized effectiveness trial. *Addiction*, 110(6), 1008-1014.
- Lee, J.D., Friedmann, P.D., Kinlock, T.W., Nunes, E.V., Boney, T.Y., Hoskinson, R.A., . . . O'Brien, C.P. (2016). Extended-release naltrexone to prevent opioid relapse in criminal justice offenders. *New England Journal of Medicine*, 374(13), 1232-1242.
- Springer, S.A., Di Paola, A., Azar, M.M., Barbour, R., Biondi, B.E., Desabrais, M., . . . Lincoln, T., (2018). Extended-release Naltrexone improves viral suppression among incarcerated persons living with HIV with opioid use disorders transitioning to the community: Results of a double-blind, placebo-controlled randomized trial. *Journal of Acquired Immune Deficiency Syndromes*, 78(1), 43-53.

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## Washington State Institute for Public Policy

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