



# ASAM

American Society of Addiction Medicine

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## **Public Policy Statement on Federal Funding for Addiction Prevention, Treatment and Rehabilitation**

### **BACKGROUND**

Since 1981, federal funds dedicated to the development and support of publicly financed addiction prevention, treatment and rehabilitation programs have been provided to the states through the mechanism of the federal Block Grant. These funds are provided with the requirement that they be spent to support and improve alcoholism and other drug dependency services.

At present in the United States, the demand for publicly funded prevention and treatment far outstrips the capacity of the service system. The Block Grants provide a viable mechanism to increase federal support for this purpose, and their funding should be increased substantially to assist the states in meeting this critical need. Cost-benefit studies have shown that an investment in addiction treatment yields savings in societal costs related to general health care, criminal justice and social services that far outweigh the treatment cost. Funds for increasing the Block Grant can be obtained from a redirection of resources currently appropriated for less cost-efficient, supply reduction measures. At present, supply reduction is funded at a greater than two-to-one ratio compared to demand reduction.

Although the Block Grant funds are not the largest source of support for the publicly financed delivery system for addiction services, they are an indispensable component of funding for these services. They are the financial underpinning for addiction services to the millions of Americans who are uninsured. Moreover, they are integral components of the continuum of care for persons with alcohol and other drug dependencies, services such as halfway house services, therapeutic communities, home-based care, freestanding detoxification centers, specialized medication dispensing services such as Methadone clinics. Although these services are essential and have proven efficacy, they have historically not been covered by Medicare, Medicaid and commercial insurance programs. The federal Block Grants provide funds to the states for essential services that are not covered by other funding mechanisms.

Proposals have been made to reduce or eliminate the Block Grants, to freeze or limit their growth below the rate of inflation, or to allow Block Grant funds to be transferred for use in support of programs not devoted to addiction services.

Such proposals are shortsighted in failing to recognize the benefits of addiction programs, in fiscal as well as social and personal terms.

## **RECOMMENDATIONS**

**In view of the above, the American Society of Addiction Medicine recommends:**

- 1. The federal Block Grants should be recognized as indispensable components of support for addiction prevention, treatment and rehabilitation.**
- 2. Block Grant funds should be increased progressively to encourage and support the growth of a full continuum of prevention treatment and rehabilitation services in all parts of the country.**
- 3. Legislation that would allow Alcohol and Drug Block Grant funds to be spent for other purposes should not be enacted.**
- 4. Block Grant funds should be administered by the states both to support general addiction programs and to support special programming for underserved populations, including but not limited to pregnant and postpartum women, racial and ethnic groups of color, homeless persons, persons at risk for HIV infection and those in the criminal justice system.**
- 5. If the United States adopts a plan of national health system reform that includes universal coverage and a full continuum of addiction medicine services (see ASAM "Statement on Core Benefit for Primary Care and Specialty Treatment and Prevention of Alcohol, Nicotine and Other Drug Abuse and Dependence), the Block Grant should be used to support those nonmedical prevention and rehabilitation services that are not included in health insurance coverage. Public and school-based preventive education should be supported, as well as those social and vocational programs necessary for rehabilitation in deprived populations, including child care, vocational training, transportation and supportive housing.**

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