

1 Demand reduction expenditures on drugs in 1999

1.1 Concepts and definitions

In this chapter national costs of demand reduction activities are being collated for Germany following the EMCDDA guidelines. The topic is so complex that there would be the need of an extra project as it was carried out in France for example (Kopp 2001). In Germany the realization of such a project is not possible at the moment. Therefore it is tried to estimate at least a part of the expenses in the framework of what is possible. Exclusively expenses of the public resulting from caring for consumers of drugs are taken into consideration. Expenses of the drug users/addicts (e.g. for the purchase of drugs), third persons (e.g. thefts caused by drugs-related crime) as well as the expenses of secondary consequences (e.g. the treatment of follow-up diseases) are not taken into consideration.

This estimation is based on two approaches:

- As far as public means concerning drugs are known they are included.
- In some fields there is no data of specific budgets available because of the great number of financing departments (communities, Laender) and the often not sufficiently differentiated budgets. In these cases instead it was tried to estimate the expenses.

1.2 Funding mechanism

In Germany the **health and pension insurances** play an central role in health care. They are in the framework of respective laws (especially the Code of Social Law) independent organisations which are only responsible for their insured parties. There are several organisations in both fields which are organised either privately, commonly or publicly.

Health insurances are responsible for acute treatment whereas pension insurances are responsible for rehabilitation related to restoring the fitness for work. There are bodies of pension insurances at Laender and regional level and also for certain professional groups. Total statistics are available for the bodies which are part of the "legal pension insurances" (GKV). These are always means out of premiums payed by the insured persons.

The responsible bodies for social help (**Municipalities** or regional organisations) pay the expenses for the treatment of addiction for patients who are not covered by a health or pension insurance. Additionally they pay a big part of the expenses for non-medical and social offers for these clients. These are always means financed by tax revenues of social help institutions or public grants.

Alternatively or in addition to the public bodies also ecclesiastical and non-confessional charities participate in medical and social measures (especially counselling, social work).

Public means are provided for the realization of their activities, but the institutions contribute certain means of their own, for example, church tax.

The financing of medical services and increasingly also consultation offers can be lined up and clearly assigned to the individual drug user. A big part of social work and low threshold offers is still supported and financed by public budgets and budgets of the performing institutions .

1.3 National and regional budgets

In Germany the Federal Government is not responsible for the legal content and financing of the majority of the activities concerning the demand reduction of drugs. According to the constitution of the Federal Republic of Germany the Laender and communities are responsible for health care.

The **Federal** Government is responsible for the common framework, for example, a national narcotic law. Federal means are available for developing model projects, supporting the research and fulfilling national obligations.

The **Laender** are responsible for the fields of security (prosecution, police work, penal system), the public health system, the school system and the youth work. Thus expenses for demand reduction of drugs is part of each budget of the 16 Laender.

The **municipalities** have to support citizens who are not able to assure themselves a certain subsistence level by their own income or social insurances. The payments of social welfare and youth help can also be used for activities related to addiction work.

Additionally the cooperation of the various organisations is dynamically. Thus it is possible that the responsibilities and also expenses for certain fields related to the demand reduction of drugs might be changed. Pension insurances have financed gradually an increasing amount of outpatient treatment during the last several years which used to be paid exclusively out of direct public subsidies to drug consultation institutions. Certain services can be paid by various bodies, however, there are clear regulations of priority. Thus social welfare financed by the communities pays the treatment costs only when there is no social insurance coverage.

1.4 Expenditures in various fields

1.4.1 Prevention

Prevention is realized in many different forms at very different levels (see 9) and is financed by numerous budgets. Frequently no special sum for drug-related activities can be shown as nowadays handling with illegal and legal substances is normally looked at jointly which enables in most cases no separation is possible due to reasons of specification.

Prevention in the framework of education at school is covered by the Laender budgets for culture and education. Offers of outpatient institutions in this field are regularly paid by means of the communities or the Laender which are available for the whole institution. An estimation of the expenses concerning these special activities is seldom available. This is not

the case regarding measures of the BZgA (within the responsibility of the Federal Ministry of Health) which are concentrated at Federal level. It is clearly recognizable which individual campaign is paid out of which Federal budget.

The police is involved in the prevention of drugs and addiction, too. Dölling (1996) outlines the various fields of work, a collection of projects in 1999 of the Federal Criminal Investigation Office (2000) is also available. Aspects of professional content, law and organisation are discussed in detail, but there is no data concerning expenses. Individual persons out of the whole staff are made available and are ordered to work on these special tasks – frequently on a temporary basis.

1.4.2 Harm reduction

The major part of these offers (see 10) is financed by the communities and Laender. A national summary of these budgets is not available. Social consequential damages of drug use, for example, loss of work, deficits in educational and professional training, etc., are also restricted by efforts of the labour administration and social services. However, in Germany there is no differentiated proof which means are really spent for the mentioned group of people.

1.4.3 General health supply

Drug users appear not only in specialised institutions, but also within the general health supply system. In Germany an increased high prevalence of alcohol addicts among the patients of hospitals and general practitioners was notified. The reason for treatment is very often not addiction itself but direct or indirect consequences, for instance injuries caused by an accident during intoxication. This might also apply to consumers of drugs. An estimation of the herewith resulting costs is not possible at the moment.

1.4.4 Specialized treatment

Organisation

Specialized treatment with the objective of abandoning drugs is divided into four phases for which different bodies and thus also different financing systems are responsible (further details see 11: (1) phase of contact and motivation, (2) phase of withdrawal, (3) phase of rehabilitation and (4) phase of integration and after-care.

The treatment is structured according to a phase model. The phase of detoxification and withdrawal can take two to six weeks depending on each single case. In Germany it is mainly done in inpatient treatment centres. During the phase of rehabilitation the abstinence which was reached by detoxification should be stabilized and addiction should be overcome in the long term. Rehabilitation can be out-patient, partial inpatient or inpatient. For drug addicts an average rehabilitation of six months is planned. During the phase of further treatment and after care professionals of the work administration and pension scheme provider support the clients which make efforts to integrate themselves in society.

The treatment developed within the structures of the social insurance in Germany various forms of organisation. Contact, motivation and outpatient treatment are offered in outpatient consultation offices. Detoxification and withdrawal are carried out in general hospital, but also in few special institutions. During the phase of further treatment and after care there is a variety of offers, for example, professional help, housing projects and programmes of living in communities.

Assignment of the expenses

The phases of establishing contact and motivation are mainly financed by public means. About a third of the expenses in the outpatient institutions is contributed by themselves. With the exception of therapeutic treatment outpatient addiction help is mainly financed by the Laender and the communities. This support cannot be claimed for legal.

The phase of detoxification and withdrawal is under the control of the legal health insurances. The legal pension insurances are responsible for the phase of rehabilitation. The treatment is part of their medical rehabilitation concerning the restoring of the fitness for work and is financed within their services. Besides some exceptions the phase of integration and after care is not based on legal financing. The institutions are dependent on individual financing models.

For the calculations, which are based – following EMCDDA guidelines – on the following basic figures, which were taken from the Länderkurzbericht 1999 (Bundesministerium für Gesundheit 2000) and the report of the public pension insurances 1999 (VDR 2001):

- There are 295 specialised drug counselling centres and additionally 656 centres funded by the Land, who also treat drug users. 1,644 treatment slots are available for drug addicts in detoxification and 4,894 for withdrawal treatment (Ministerium für Gesundheit 2000)
- In 1999 altogether 7,164 inpatient withdrawal treatments for drug addicts and 2,332 treatments for multiple drug addicts were approved by the pension insurances. (VDR 2001).

More recent data and details can be found in chapters 11 under the respective headings.

1.4.5 Prosecution

The Laender are primarily in charge of prosecution (police and legal authorities), thus the budgets of the Laender are to be taken into consideration. National institutions, for example, the Federal Criminal Investigation Office (BKA) are in charge of service functions for the Laender's institutions and serve for coordination and communication. Every year the Federal Criminal Investigation Office compiles a national "Narcotic Report" based on data of the Laender.

Whereas detailed statistics about criminal acts and offenders are available there is no detailed information about the expenses of prosecution for certain fields.

1.5 Conclusions

The following figures, which were used in similar sources, however, without being defined clearly, were used for calculating the expenditures.

- imprisonment: 180 € per day, 65,700 € per year (Hartwig and Pies 1995).
- Costs per outpatient treatment centre: 253,000 € (494,795 DM; Türk and Welsch 2000a).
- Facilities' expenses per full-time employee: 48,900 € per year (in 1999 EBIS showed the following average figures: 5.17 employees, budget 494.795 DM; Türk and Welsch 2000b).
- Daily rate for in-patient addiction treatment: 90 € (Welsch 2001b).
- Daily rate for hospitals with psychiatric beds: 202 € (Statistisches Bundesamt 2002a).
- In low threshold units the calculation of costs is based on a ratio of 1 staff member per 12 treatment slots. This number has been used within similar institutions in one of the Federal Laender.

The expenditures were calculated on the basis of daily rates or the number of (full-time) employees. It has been assumed, that the share of personnel costs is likely to be similar in institutions of drug health care – out-patient consultation offices have 80% on average. Moreover, the payment of consultants is relatively similar in the entire country since it is regulated by an extensively uniform system of payments (BAT, AVR). With the mentioned parameters an adequate estimate of the unknown real expenditures can be made in those cases, where no specialised budgets are available.

For 1999 some statistics are only available for the total of all addictions. A gross estimate of the specific costs for drug addiction is based on data from the pension insurance about the distribution of withdrawal treatment. From 37,200 finished intramural treatments 9,496 took place because of a drug or multiple addiction, which equals 25,5%. This percentage is used in the following text to estimate the costs of inpatient treatment from the total costs.

In outpatient institutions a percentage of 23,9% clients with problems mainly in the field of illegal drugs is used as a basis (German Drug Help Statistic 2000). For primary prevention and research to total funds are included.

Table 44 outlines which expenses were taken into consideration and which data sources – budgets or estimations of expenses – were used. In some fields it was not possible to apply any of the two approaches for estimating expenses. The costs for out-patient rehabilitation which are covered by the pension insurances are already included in the costs for specialized out-patient treatment facilities and were therefore not taken into consideration here.

Table 1: Working fields, budgets and expenditure

Prevention		Budgets	Expenditure	Note
	Information	x		
	mass-media activities	x		
	prevention activities of police			n.a.
Harm damage				
	emergency aid			n.a.
	emergency accommodation		x	
Specialized treatment				
	Substitution		x	
	Psychosocial accompanying in substitution		x	
	„grey substitution“		x	
	out-patient counselling		x	
	Withdrawal		x	
	In-patient rehabilitation	x		
	Integration into work		x	
	Cared housing		x	
General health care				
	Out-patient treatment by general practitioners and therapists			n.a.
	Hospital treatment		x	
Prosecution				
	Police work			n.a.
	Jurisdiction			n.a.
	Costs of penal execution		x	
	Costs of regulation execution		x	
Miscellaneous expenditure				
	Land budgets	x		

Table 45 contains the information which could be found out in various work fields. Some means are only used for special institutions and in other cases a mixing financing is carried out. The evaluation of the Laender short reports (Federal Ministry for Health 2000) take 951 out-patient counselling facilities for addicted into consideration. This number includes all facilities receiving Laender means. Other sources (DHS 2000) have a wider range of inclusion categories and thus include 1390 facilities. Since information about equipment, etc. is only available for the first group the calculations refer to this group. The share of costs for the drug addicts was estimated on the basis of the percentage of the clients within the out-patient clientele.

The sum of 434 Mio € was stated for expenditures for the rehabilitation of addicted by the legal pension insurances. If one take again as a basic the proportion of 25,5,% related to inpatient measures one gets an amount of 100,7 Mio €

Altogether 1,880,673 days of treatment in psychiatric clinics and respective expert facilities for the field addiction (Statistisches Bundesamt 2001a) were included in the calculations in 1999. 479,572 days of treatment is the result for the mentioned share of illegal drugs among the entire number of addiction. Using the average daily rate for psychiatric facilities, namely 202.19 € (Statistisches Bundesamt 2002a) the entire costs amount to 97 Mio €

A share of 23,9% of the entire Federal Laender's budget for addiction (127.1 Mio €) is considered – analogous to the client's share of illegal drug users in out-patient counselling facilities. The result is a sum of 30.4 Mio €

This procedure results in a total of 602.5 Mio € is spent in the mentioned work fields. The costs for the execution of sentences are with a sum of 239.1 Mio € on top of the list as single budget, although trafficking offences are due to the selection of the respective paragraphs (general offences) are not taken into consideration. Altogether means of approximately 168.6 Mio € less are spent for special out-patient counselling and special in-patient rehabilitation. Including the costs for harm reduction and general health care a altogether 276.6 Mio € were spent for the treatment of drug-related disorders. (table 45).

Table 2 Estimated costs for different work fields

Work field		Origin of means	Budget	Expenditure		
			Sum (Mio €)	Basis of calc.	costs per em/ fac/pl	Sum (Mio €)
Prevention	Information	BMGS/BZgA				
	Mass medial activities	BMGS	6.6			
	Prevention work of police					
Harm reduction	Emergency aid					
	Emergency accommodation			61 em	48.900 €/em	3.0
Specialized treatment	Research, monitoring, training	BMGS	1.1			
	Substitution treatment			32.447 pl	?	--
	Psychosocial accompanying			272 em	48.900 / em	13.3
	„Grey substitution“			20.000 pl	?	
	951 out-patient counselling facilities; 23,9% of the clients have the main diagnosis illegal drugs (including out-patient treatment)			228.7 fac	253.000€/ fac	57.9
	Withdrawal treatment			1644 pl	?	--
	In-patient rehabilitation, 25.5% of total of 434 Mio €	VDR	110.7			99,7
	Integration in work			1049 pl = 87 em	48.900 €/ em	4,3
Cared housing			1961 pl =163 em	48,900 €/em	8.0	
Facilities of general health care	Out-patient treatment carried out by general practitioners and therapists					
	Treatment in hospitals, 25.5% of 1,880,673 treatment days (psychiatric department, illnesses related to addiction)			479,572 days	202.19 € /day	97,0
Prosecution	Police work					
Jurisdiction	Jurisdiction					
	Execution of sentence (§29,1)			3,640 pl	65,700€/ pl.	239.1
	Forensic addiction care			473 pl	65,700€/ pl	31.1
Miscellaneous expenditure	Laender „addiction budget“ 127.1 Mio €, drug share 23.9%	Laender	30.4			
Sum			148,8			563,9
Total			602,5			

em=employess, pl=counselling places, fac=facilities, days= treatment days

1.6 Methodical information

In this first carried out calculation of the direct costs for all activities concerning demand reduction of drugs a number of important aspects couldn't be taken into consideration due to missing data:

- prevention work of police,
- emergency aid,
- out-patient treatment in the framework of the general health care,
- police work,
- jurisdiction.

A clear assignment of preventive activities and budgets concerning the topic "reduction demand of drugs" is rare. On the one hand different activities are connected inseparably, thus it is virtually not possible to break down the activities and budgets in parts. In the cases in which data is available it is also often not possible to draw the line to unspecific expenditures. This can be noticed in the "addiction budget" of the city Hamburg which contains due to administrative peculiarities of the city state also means of social welfare. The result is a yearly budget which is four times bigger than the yearly budget of Berlin – without making a statement about the differences within the specific offers of both cities.

Some of the mentioned figures are also overlapping. Thus a part of the measures in the field of harm reduction and specialized treatment, which are listed up in table 45, is financed by the Laender addiction budgets. That's why the means are slightly overestimated.

On the other hand the cost estimations show great gaps which are primarily due to missing data in the field of substitution treatment. Furthermore expenditures in out-patient facilities which are promoted by means of the Laender are not taken into consideration. The DHS calculates with 1390 facilities whereas this report takes 951 out-patient facilities into consideration (Federal Ministry for Health2000). That's why it can be assumed that altogether the entire costs are considerably underestimated.

Not all institutions taking part can present figures of their budgets in the field of addiction, and only few of them can differentiate specifically the figures for illegal drugs. The shortcomings in assigning special budgets are underpinned by the fact that the legal health insurances couldn't state, when they were asked, which share of their prevention means is used for drugs. However, in spite of the mentioned difficulties in many fields concrete figures can be calculated or at least estimated. In the near future the drawing up of the costs is to be discussed with various experts, so that possible errors or inaccuracies can be avoided in the next annual report by improved methods of calculating.