

WHITE PAPER

Drug Testing In The Healthcare Industry: Why Random Testing Makes Sense for Employers



White Paper

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866.213.9563

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Introduction

As unemployment rates continue dropping in the U.S., some employers question the continued value of drug testing. Drug testing remains an essential part of workplace safety, providing numerous benefits to employers, regardless of industry. A robust drug-free workplace program includes a variety of testing occasions and methods, allowing an employer to take workplace safety beyond pre-employment and post-accident testing in order to regularly deter employee drug use.

Random drug testing provides continual peace of mind for employers, especially employers that have employees in safety-sensitive and/or client facing positions. Healthcare professionals in particular can benefit from a random testing program to ensure patient safety.

Pre-Employment Drug Testing

Employers sometimes question the continued use of drug testing in times when the unemployment rate is low and qualified candidates are not as plentiful. Drug testing remains a vital part of any workplace, particularly those in the healthcare industry. Generally speaking, drug abusing applicants are less likely to apply at workplaces that have pre-existing drug-free workplace policies that include drug testing.



When drawing from a smaller applicant pool, as in times with low unemployment rates, it stands to reason that an employer would want to protect their bottom line by ensuring that potential employees are drug-free. Employers in the healthcare industry typically test for drug presence with at least a 9-panel, and often use an expanded panel that includes other drugs, as healthcare employees have more access to controlled substances in the administration of their jobs. Given the current opioid epidemic and rising use of fentanyl, it is prudent for employers to incorporate semi-synthetic opioids and other highly abused drugs as part of the medical professional (med-pro) drug panel, in addition to other common drugs of abuse.

Drug testing continues to play an essential role in workplace safety, particularly in the healthcare industry. Pre-employment testing, however, is only the beginning. A robust testing program should include a variety of occasions to test in order to provide the most deterrent possible for potential drug-abusing employees.

Random Testing: A Return on Investment (ROI)

No matter the industry, drug abuse can have a large impact on an employer's bottom line. A manufacturing company with heavy equipment operators or forklift drivers won't experience exactly the same issues as an employer with a workforce that is primarily administrative and professional services, nor will it experience the same issues as those that face the healthcare industry, however, no industry is immune to the impacts of substance abuse. Every industry experiences both tangible and intangible monetary losses from drug abusers in their organization(s).

The costs of substance abuse in the workplace add up quickly. The National Council on Alcoholism and Drug Dependence (NCADD) reports that drug abuse costs American employers nearly \$81 billion annually¹. Although each industry has specific and unique costs, there are costs that span all industries.

¹ <https://www.ncadd.org/>



Studies have shown that drug users can cost workplace employers between \$11,000 and \$13,000 per year in lost productivity, absenteeism, healthcare costs, turnover, injuries, and damage to equipment, regardless of industry². Additionally, employers are subject to other costs attributed to substance abusers in the workplace - increased incidences of workplace accidents, errors in judgement and/or mistakes, carelessness, added workers' compensation claims, negligence suits, and more. Although the exact numbers associated with these consequences of substance abuse are unavailable, these costs add to the already known \$11,000 to \$13,000 per year that employers are forced to pay.

Research has shown that 8% of workplace employees use drugs while at work³. For a company with 1,000 employees, as many as 80 (8%) use drugs. Multiply 80 drug users by a minimum of \$11,000 in costs to the employer each year and suddenly the employer is out almost \$900,000 per year (*see Drug Testing in the Healthcare Industry infographic for more detail*).

Although many of the costs associated with substance abuse are difficult to measure, costs add up quickly for employers who know where to look. At first glance, the cost of implementing a random testing program may seem high – however, the ROI far outweighs any perceived costs.

How does the cost of drug use in the workplace compare to the costs of implementing a drug testing program? It is important to remember that pre-employment screening, when properly implemented, eliminates many potential drug using employees. In fact, simply posting drug screening as a condition of employment often deters drug users from even applying.

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² U.S. Coast Guard, Department of Labor

³ Quest Diagnostics

Let's return to the same company that was referenced earlier – an employer with 1000 employees, with the assumption that 80 of those employees are current drug abusers (8%).

Does a random testing program benefit such an employer?

RANDOM TESTING PROGRAM COSTS 1,000 employees	VS	EMPLOYER COSTS 1,000 employees
50% of employees randomly tested annually — 500 employees		20.6% ⁴ annual turnover/new hires — 206 turnover/new hire employees (replacement costs estimated at \$1,000 per employee) ⁵
\$100 per employee — Cost of drug test (including but not limited to collection costs, laboratory analysis, MRO review, supervisor training, and policy development and enforcement)		\$900,000 — General costs of drug abuse in the workplace (lost productivity, absenteeism, etc.)
\$50,000* — TOTAL ANNUAL COST		\$1,106,000 — TOTAL ANNUAL COST

THE MATH IS SIMPLE.

In this example, **pre-employment testing** coupled with a robust **random testing program**

costs less than 20%

of what workplace drug use could cost an employer.

⁴ A study by Compdata Surveys of 11,000 healthcare employers with more than 11 million employees found the average turnover in healthcare jobs in 2017 was 20.6%.

⁵ "There are Significant Business Costs to Replacing Employees." Center for American Progress, 16 November 2012. <https://www.americanprogress.org/wp-content/uploads/2012/11/CostofTurnover.pdf>.

*see Drug Testing in the Healthcare Industry infographic for more detail.

An employer's ROI can increase up to tenfold if reasonable suspicion drug testing is added to a drug-free workplace policy. In addition to other benefits, reasonable suspicion drug testing can reduce workers' compensation claims, accident/incident rates, and more.

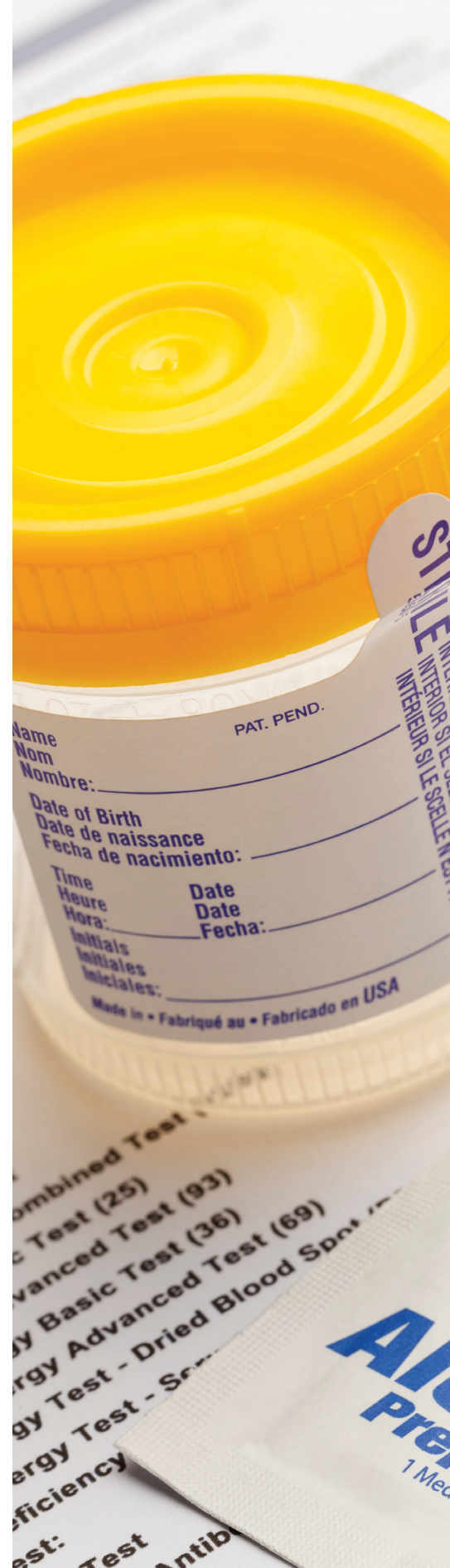
Drug Intervention and Random Testing

Common in safety-sensitive and/or healthcare industries are drug intervention and/or enforcement (probation) programs as part of a drug-free workplace program. Under such a program, should an employee fail a random drug test, the employer could then choose to send the employee to the intervention or enforcement program, allowing the employee a second chance should they successfully complete the program.

Drug intervention and/or enforcement programs often include random testing in an effort to maintain a drug-free environment. As such, random testing occurs throughout the duration of the program and can continue up to years after the completion of the program if the employee in question re-enters the workforce. The California Board of Registered Nursing disciplinary process, for example, mandates random drug testing immediately upon acceptance into either the intervention or enforcement programs⁶.

Nurses that are part of an intervention program may be required to submit urine, blood, and/or hair follicle specimens for testing and can expect 1 to 8 random tests per month, including weekend and holiday testing. Nurses that participate in the program can expect mandated drug testing while on vacation and while out of the state.

⁶ "Disciplinary Actions and Reinstatements." The California Board of Registered Nursing, date unknown. <https://www.rn.ca.gov/enforcement/dispatchion.shtml>



Lawsuits and Drug Testing: A Study in Cost

In addition to the many benefits to drug testing that have already been enumerated, one of the largest benefits in pre and post-hire (including random) testing is the potential legal protection that is offered by a robust drug and alcohol testing program. Not only are drug and alcohol testing deterrents to drug-abusing employees, they can also provide legal protection if implemented correctly and according to all applicable state laws and federal regulations. Consider the following scenario.

One of your nurses was injured recently in an off-duty accident. As a result of the accident, the nurse sustained injuries to his/her back and currently has a prescription for hydrocodone while the back injuries heal. The nurse is involved at an incident where s/he accidentally uses the wrong medication in an IV. The patient who received the wrong medication suffers serious negative consequences as a result of the administration of the incorrect drug.

The next month, you (the employer) receive notification from the decedent's attorney that the family intends to file a negligence suit. There will be mountains of discovery documents introduced into evidence, including any and all drug and/or alcohol test results that were performed on the nurse that contributed to the accident.

Additionally, there are many questions that will follow, including but not limited to:

1. Does the company policy require notification by the employee when prescribed an opioid that could hinder performance?
2. Was the employee in the safety-sensitive (nursing) position aware of the company policy and did the company retain written acknowledgement of the policy on file?
3. When was the last drug test performed on the employee?



4. If the safety-sensitive employee had recently undergone a drug test, was the result reported as negative but with a safety concern? If so, was the safety concern appropriately addressed by the employer?

5. Did the prescribing physician sign off that the individual who caused the accident could “safely” perform their safety-sensitive duties?

Regardless of the answers to all these questions, the potential for payout on this type of lawsuit could be millions of dollars. Studies have shown that employers with fewer than 500 employees tend to pay out approximately \$160,000 per lawsuit filed against them by an employee and/or an employee’s family⁷. 76% of such cases include no payment from insurance companies, meaning the employer is liable for the entire cost.

Numbers on what a wrongful death lawsuit against an employer could cost are hard to come by – such settlements are generally sealed and therefore inaccessible to the public. What we do know is that if an employer is found negligent, the costs can be astronomical.

No matter the cost of such an incident – from \$160,000 to millions of dollars, having a drug and alcohol testing policy makes sense when it comes to potential protection from lawsuits. A drug-free workplace program that meets all state laws and federal requirements might cost an average of \$100 per employee overall, including but not limited to collection costs, policy creation and enforcement, laboratory costs, and MRO review. The cost of a such a program would far outweigh the price of one lawsuit in such a situation.

“ 76% of such cases include no payment from insurance companies, meaning the employer is liable for the entire cost.”

⁷ “The 2017 Hiscox Guide to Employee Lawsuits.” Hiscox, 2017.
<https://www.hiscox.com/documents/2017-Hiscox-Guide-to-Employee-Lawsuits.pdf>.



Healthcare Specific Cases

The latest drug use data specific to healthcare administration workers from the U.S. Substance Abuse and Mental Health Services Administration (SAMHSA), indicated that approximately 103,000 doctors, nurses, medical technicians, and health care aides each year were abusing or dependent on illicit drugs⁸. Various studies suggest the number could be far higher; an estimated **1 in 10 practitioners will fall into drug or alcohol abuse at some point in their lives**⁹. Stories of healthcare professionals that have become addicted to drugs are not difficult to find and should serve as a reminder to employers that a robust drug and alcohol testing program is essential.

1. A doctor of internal medicine in Tennessee became addicted to pain medications after using them to relieve stress during his residency. He was taking up to 100 pills per day, but no one reported him even though there were warning signs and behavioral changes. After treatment, he has returned to practice successfully and remains drug free¹⁰.
2. A head and neck surgeon in Pennsylvania started using narcotics in the 1990's for an injury and eventually began getting prescriptions from multiple doctors. A pharmacist became suspicious and reported him to a mutual friend and he was able to receive treatment. He is now a drug policy consultant in New Mexico¹¹.



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⁸"The National Survey on Drug Use and Health." Substance Abuse and Mental Health Services Administration, 2007. <https://www.datafiles.samhsa.gov/study/national-survey-drug-use-and-health-nsduh-2007-nid13532>.

⁹"Doctors, Medical Staff on Drugs put Patients at Risk." USA Today, 15 April 2014. <https://www.usatoday.com/story/news/nation/2014/04/15/doctors-addicted-drugs-health-care-diversion/7588401/>.

¹⁰"Doctors, Medical Staff on Drugs put Patients at Risk." USA Today, 15 April 2014. <https://www.usatoday.com/story/news/nation/2014/04/15/doctors-addicted-drugs-health-care-diversion/7588401/>.

¹¹"Doctors, Medical Staff on Drugs put Patients at Risk." USA Today, 15 April 2014. <https://www.usatoday.com/story/news/nation/2014/04/15/doctors-addicted-drugs-health-care-diversion/7588401/>.

3. A nurse evaded detection even as addiction consumed her. She had two car accidents after leaving work and shooting up. She was found passed out in a hospital break room. But she kept working until a doctor happened to see her passed out in her car in a hospital lot, an empty syringe on the seat, the port in her ankle in plain sight¹².

Approximately 10-12% of all active physicians in the U.S. have a current substance abuse disorder¹³. Not only are physicians likely to use drugs that they have easy access to due to their positions, but physicians are also likely to use other illegal drugs of abuse. A recent study of 500 practicing physicians found that:

- 59% of surveyed physicians had used psychoactive drugs
- Physicians used marijuana and/or cocaine as recreational drugs
- Physicians used tranquilizers and/or opiates for self-medicating purposes
- 10% of surveyed physicians used drugs one or more times a month
- 3% of surveyed physicians had a history of drug dependency¹⁴

Relying on health care workers to self-refer for treatment is risky and could potentially put lives at risk. Many drug abusers won't seek help voluntarily and will go to extreme lengths to hide their addiction. The medical industry in particular lacks the safeguards used in other high-risk industries to identify substance abusers. The high rates of substance abuse in the healthcare industry makes it essential for employers to drug test, sometimes going beyond the standard 5-panel found in many industries.

¹² "Doctors, Medical Staff on Drugs put Patients at Risk." USA Today, 15 April 2014. <https://www.usatoday.com/story/news/nation/2014/04/15/doctors-addicted-drugs-health-care-diversion/7588401/>.

¹³ "Physician Drug and Alcohol Addictions." Seaside Palm Beach, 2018. <https://www.seasidepalmbeach.com/recovery-blog/scientific-american-calls-for-mandatory-drug-testing-for-physicians/>.

¹⁴ "Physician Drug and Alcohol Addictions." Seaside Palm Beach, 2018. <https://www.seasidepalmbeach.com/recovery-blog/scientific-american-calls-for-mandatory-drug-testing-for-physicians/>.



Healthcare employers should strongly consider utilizing the med-pro panel offered by many testing companies in order to provide the best drug deterrent possible in the workplace. Testing should be performed post-offer (along with all pre-screening tools), randomly, post-accident, and in all reasonable suspicion cases. Although there is no way to ensure 100% drug-free medical providers, drug testing will most certainly remain a deterrent factor for health care workers in addition to ensuring patient safety.

Employers that wish to implement a drug and alcohol testing program should create a written policy, using language that defines the testing program as “job related consistent with a business necessity” in order to best meet federal regulations. Additionally, employers should consult all applicable state laws in order to ensure that they implement a compliant policy. In many instances, state law conflicts with federal regulations, such as the Equal Employment Opportunity Commission (EEOC). Be sure to check with your company attorney or state law professional before implementing a drug-free workplace policy, regardless of your industry.

Best Practice Tip

- Employers should use the med-pro panel.
- Testing should be performed post-offer, randomly, post-accident, and in all reasonable suspicion cases.
- Create a written policy, using language that defines the testing program.



Drug Testing in the Healthcare Industry: Does it Work?

Studies support the idea that drug testing healthcare workers is a valuable use of employer resources. A large medical center reported up to 10% of their drug tests returning positive results¹⁵. The same large medical center saw positive test results fall from 10.8% to 5.8% after a pre-employment testing program was implemented. Drug testing programs tend to serve not only as a deterrent, but also as an aid for employees that desire help - employees that know that a drug test is a possibility may seek treatment for their substance abuse before returning a positive drug test¹⁶.

Conclusion

Over 100,000 doctors, nurses, medical technicians, and health care aides are current abusers and/or dependents of prescription drugs¹⁷. 71.3% of professionals reported that random drug screening would be helpful in treating and/or monitoring for drug use and abuse¹⁸. Workplace drug testing, particularly in the healthcare industry, makes sense. Employers protect themselves from potential costly court cases, provide protections for other employees and patients, provide cost savings, and boost morale.

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¹⁵Smith DA, Hanbury R. Preemployment drug screening in a large metropolitan medical center: a one-month trial. J Gen Intern Med. 1991;6(6):558-560. <https://www.ncbi.nlm.nih.gov/pubmed/1765873>.

¹⁶Pham JC, Pronovost PJ, Skipper GE. Prevalence of Drug Testing Among Family Medicine Residents and Students: Much Needed Data. Journal of Graduate Medical Education. 2015;7(1):128-130. doi:10.4300/JGME-D-14-00754.1.

¹⁷"Doctors, Medical Staff on Drugs put Patients at Risk." USA Today, 15 April 2014. <https://www.usatoday.com/story/news/nation/2014/04/15/doctors-addicted-drugs-health-care-diversion/7588401/>.

¹⁸Teitelbaum, Scott, FAAP, DFASAM. What We Have Learned from Professional Monitoring Programs. Date unknown. <http://www.alternativeprograms.org/resources/conf2016/material/teitelbaum.pdf>.



About the Author

Nina M. French is the Managing Partner for the Current Consulting Group with over 25 years in employee screening. Nina has experience in managing drug-free workplace operations including product development, vendor management, medical review, client services, account management, marketing, and sales strategy.

Her consulting emphasis is on helping screening companies streamline operations, define product portfolios, align core business goals, launch new products, increase revenue, and improve client retention. Nina's experience within the screening industry provides her with the expertise to consult with employers on program design, vendor selection, and best practices. Nina is widely published and speaks at over 40 events each year including client hosted educational trainings, webinars, SAPAA, DATIA, NAPBS, iHeart Radio, and SHRM.



**NINA M.
FRENCH**



About PreCheck

PreCheck, Inc. was founded in 1983 as a background investigation services firm. Responding to the healthcare industry's need for background investigation services, the company started focusing on the specialized requirements of hospitals, clinics and other healthcare providers in 1993. Our client-focused business approach has allowed the company to develop products to meet the growing and evolving needs of the healthcare industry.

PreCheck is now the largest provider of background and credentialing services to the healthcare industry and has expanded its services to assist hospital executives, healthcare human resources and compliance professionals, medical staffing managers, and clinical program directors with other essential functions. Our suite of products includes outsourcing solutions for license management, health and drug screening, exclusion and sanction screening, immunization tracking, and online I-9 and E-Verify processing.

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