

DRUG TESTING

Pre-Employment Drug Screening Correlated to Lower Post-Accident Drug Screening Positivity

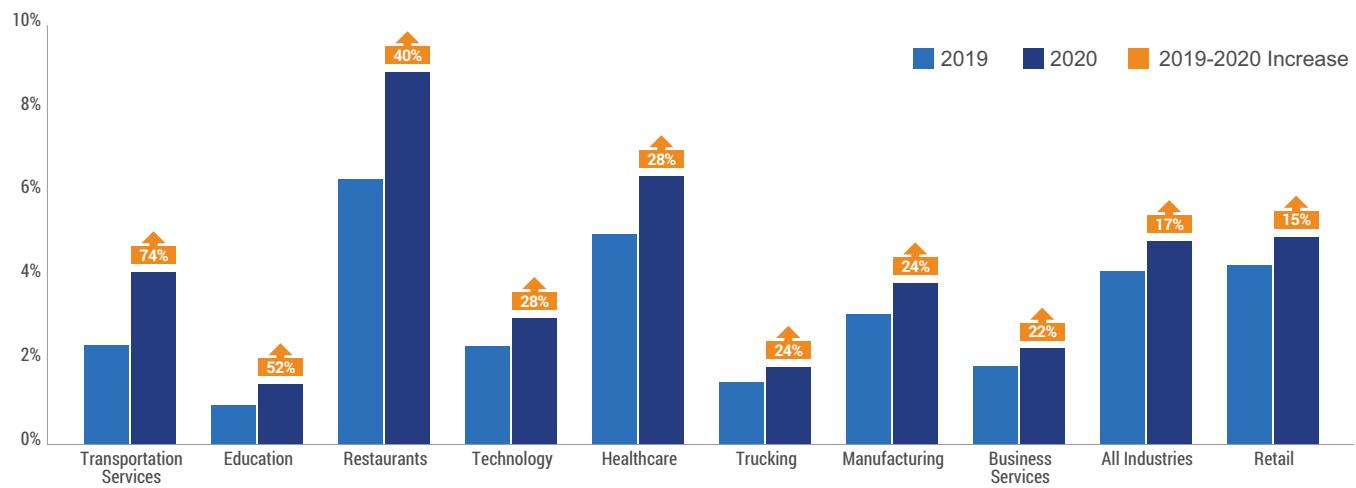
Leveraging aggregate customer data*, the First Advantage Strategic Consulting Team identified several interesting drug screening trends resulting from the COVID-19 pandemic. The first is that some customers facing open front-line positions and staffing shortages opted to pause their pre-employment drug screening programs to get candidates onboarded faster. The second is that during this same period, nearly all industries saw an increase in positive results from post-accident drug testing.

For example, the Transportation industry post-accident positivity rate changed from 2.3% in 2019 to 4.1% in 2020—a 74% change. Other industries that already had relative high rates of post-accident drug positivity rates in 2019, such as Restaurants, Healthcare and Retail, all saw double digit increases in positivity rates in 2020. (Notable exceptions to this trend are the Construction and Real Estate industries, which saw declines of 33% and 57% respectively, from 2019 to 2020.)

Based on this data, the team hypothesized that while increased drug use in the past year may have played a role in the increased drug positivity rates, pre-employment drug screens—or the lack thereof—may also play a role in employee post-accident drug test positivity. Could pre-employment drug screening serve as a deterrent for drug use and set expectations that employees should be able to pass a drug test if needed? The data appeared to support this.

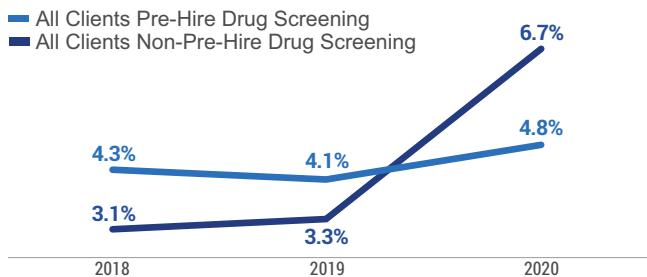


Industries Driving the Increase in Post Accident Rates





Post Accident Trends – Pre-Hire Drug Screening vs. Non-Pre-Hire Drug Screening Clients



The rate of change for post-accident drug positivity is more pronounced when we compare clients that perform pre-hire drug screening to clients that do not perform pre-hire drug screening.

Clients that perform pre-hire drug screening experienced a 17% increase in post-accident positivity rates from 2019 to 2020. Clients that do not perform pre-hire drug screening saw their post-accident positivity rates more than double from 2019 to 2020.

When post-accident drug positivity for clients who do pre-employment drug screening is compared to that of clients who do not, the rate of change is pronounced. Clients that performed pre-employment drug screening experienced a 17% increase in post-accident positivity rates from 2019 to 2020; meanwhile, clients that did not perform pre-employment drug screening saw their post-accident rates more than double from 2019 to 2020.

As we emerge from many of the pandemic's challenges and reassess existing processes, some clients may be tempted to forego pre-employment drug screening to cut costs. **However, despite estimates that substance use costs the U.S. more than \$400 billion annually**, individual companies may not see how substance use "impacts their bottom lines through lost productivity and absenteeism, turnover, health care expenses, disability, and workers' compensation, and increased taxes to pay for law enforcement, criminal justice, and publicly supported medical treatment."

According to the National Safety Commission, workers with untreated substance use disorders cost employers an average \$8,255 per worker each year, reaching \$14,374 for executives, administrators, managers and financial workers. Workers with substance use disorders [miss two additional weeks](#)



[per year than typical workers](#), and studies place the base cost to employers of recruiting and training replacement workers at [one-third of a worker's annual salary](#), with additional costs to the employer [rounding out at over 50% of the worker's annual salary](#).

Further, [the total cost of work injuries in 2019 was \\$171.0 billion](#), including wage and productivity losses of \$53.9 billion, medical expenses of \$35.5 billion, and administrative expenses of \$59.7 billion. As the U.S. Department of Labor reports that drug and alcohol abuse in the workplace [causes 65 percent of on-the-job accidents](#) and that 38 percent to 50 percent of all workers'

compensation claims are related to the abuse of alcohol or drugs in workplace, these costs should concern employers.

To better understand these costs, the National Safety Council collaborated with an independent research institution, NORC at the University of Chicago, to update "The Real Cost of Substance Use to Employers" tool, originally developed in 2017 with national nonprofit Shatterproof. [Click here](#) to calculate the cost of substance use for your organization. When compared to the cost of pre-employment drug screening, it's likely that the initial costs outweigh the risks.

[Click here](#) to learn more about how First Advantage can support your drug screening needs.

*The reviewed data includes Department of Transportation pre-employment testing, which is required for regulated employers in Transportation. The analysis is focused on drug testing only and does not include alcohol tests.