

## **What Drives Prescription Opioid Abuse? Evidence from Migration**

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### **Key Findings and Policy Implications**

This paper investigates the roles of person-specific and place-based factors in the opioid epidemic. Person-specific factors include age, smoking, childhood adversity, mental health status, prior substance abuse, income, and employment. Place-based factors include the propensity of local physicians to prescribe opioids for what they believe to be legitimate reasons, the availability of unscrupulous providers and “pill mill” pain clinics, and the presence of policies to limit abuse. The study uses medical claims data for SSDI enrollees, drawing from a 20 percent sample of Medicare beneficiaries between 2006 and 2015. The paper finds that:

- Both person-specific and place-based factors influence opioid use, and the place-based factors operate through distinct channels: an addiction channel which affects the rate at which people first become addicted to opioids, and an availability channel which affects the ease with which existing addicts can abuse opioids.
- Individuals moving to higher-opioid abuse areas immediately begin abusing opioids at higher rates, and those moving to lower-abuse areas immediately begin abusing at lower rates. These impacts increase in the subsequent years post-move.
- Moving from a state at the 20th percentile of opioid abuse to a state at the 80th percentile of opioid abuse (about a 3-percentage point increase) causes an immediate jump in opioid abuse of 1 percentage point followed by a continued increase of about 0.20 percentage points per subsequent year. Equalizing place-based factors would reduce the geographic variation in opioid abuse by about 50 percent over the 10-year study period.

Roughly half of SSDI recipients receive an opioid prescription each year, a rate considerably higher than the rest of the population. The study results suggest that supply-side policies that restrict opioid availability among existing users could have an immediate impact on rates of prescription opioid abuse. However, policies that reduce the propensity of physicians to give first-time prescriptions to patients suffering from pain appear to be quantitatively more important in reducing opioid abuse over a longer horizon.

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