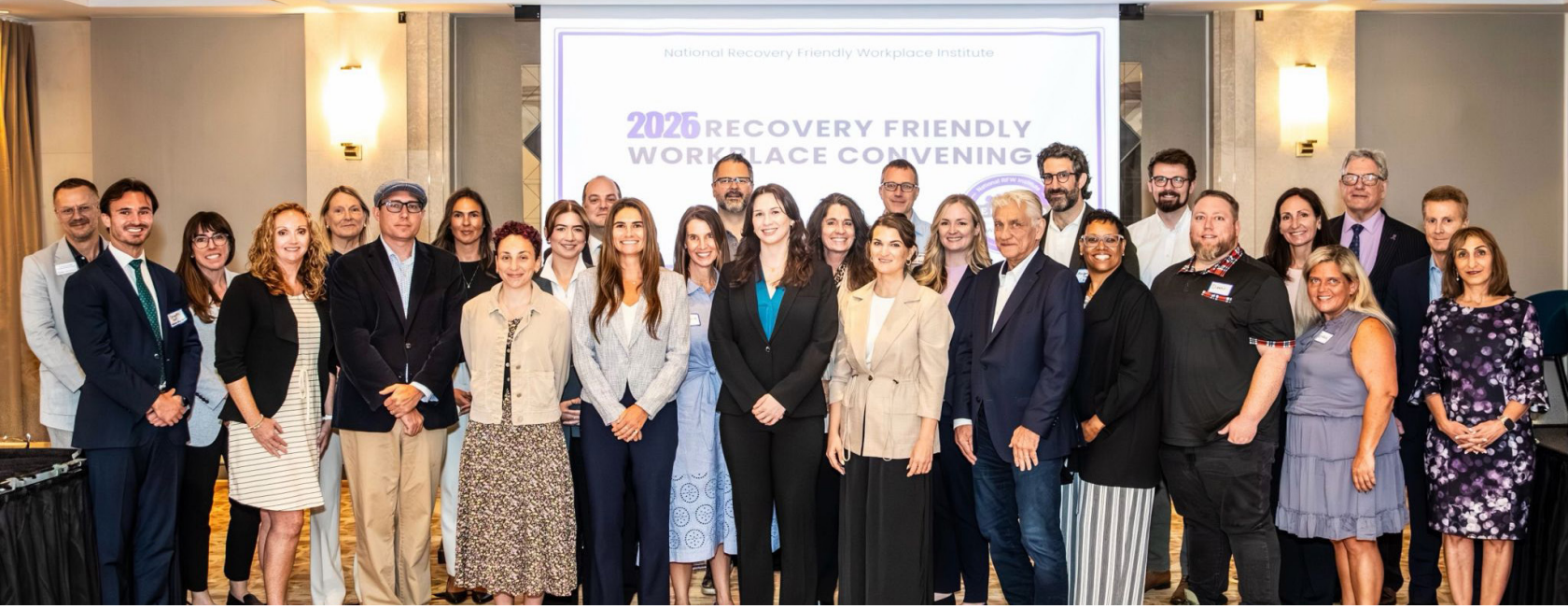
HRCI

Recovery as a Workforce Strategy

How HR can play a leadership role and address substance use disorder in the workplace



Why Recovery Matters to HR

In all probability, substance use is taking a toll on your organization right now. It is lowering productivity and morale. It is raising absenteeism and turnover. And it is almost certainly costing large sums of money, whether or not a single claim is ever filed.

Consider just how many Americans experience substance use disorder (SUD). In 2025, the U.S. Department of Health and Human Services' annual National Survey on Drug Use and Health found that about 15% of Americans aged 12 or older met the clinical criteria for SUD. **That's about 44.6 million people.**

Treatment statistics are low by any standard. The survey showed that, among the millions who needed substance use treatment in 2025, only about 16% (~7.6 million people) actually received it.

Importantly, that struggle with SUD very clearly extends into the workforce. It's a problem many HR professionals see regularly. HRCI's 2026 State of HR survey showed that 20%—one in five—have personally witnessed substance use on the job. Many of them also report a lack of progress when it comes to treatment. In a separate HRCI survey this year, 47% said their organization was about as prepared as they were last year to support employees in recovery, and 13% said they were even less prepared.

While overdose deaths at work are still relatively rare, numbering a few hundred each year across a workforce that tops 170 million, the trend line is alarming. The Census of Fatal Occupational Injuries conducted by the U.S. Bureau of Labor Statistics shows the number is up almost six-fold over the last 13 years, increasing from 73 in 2011 to 410 in 2024.

“We have a care gap in the United States when it comes to substance use, and that extends to our workforce, but the prescription is the same as it would be for any other serious health condition: clear policy, trained managers, real benefits, and a culture in which it is okay to ask for help. Recovery support is a workforce strategy, and this is an area where HR can take the lead.”

– Dr. Amy Dufrane, CEO, HRCI

The business case is clear. A 2023 Centers for Disease Control and Prevention (CDC) analysis found that diagnosed SUD accounted for $35.3 billion in annual spending through employer-sponsored medical insurance. A separate CDC study found that SUD also cost the U.S. economy almost $93 billion in lost productivity in 2023.

Workers struggling with SUD take almost 50% more unscheduled days off than their peers, according to the Department of Labor, and their turnover rate runs 44% higher than the general workforce. By contrast, those in recovery average 10% fewer days of annual unscheduled leave than other workers and turnover is 12% lower than average. Substance use disorder can also increase insurance claims, exacerbate related medical conditions, decrease engagement, and lower productivity—situations that can improve when employees enter recovery.

According to experts, the most successful approach is to create an environment in which substance use (like other physical or mental health issues) is addressed with kindness, empathy, and a desire to help employees recover. A growing number of organizations are pursuing certification from the National Recovery Friendly Workplace Institute, an initiative of Global Recovery Initiatives Foundation, which evaluates organizations across culture, hiring and retention, benefits, education, and awareness. Certified Recovery Friendly Workplaces (RFW) are organizations with policies, practices, and work environments that intentionally support current and prospective employees in recovery. HRCI has proudly held this certification since 2024.

"It's not the employer's responsibility or the manager's responsibility to keep a person sober," said Jordan Foster, director of marketing and communications at HRCI, who is in long-term recovery and recently spoke on the topic at the 2026 National Recovery Month Convening in Washington, D.C. "But it does behoove the employers, the managers, leadership, and the business to make sure we are creating environments in which people can thrive, regardless of whether they're experiencing a substance use issue, whether they are returning from maternity leave, or whether they are undergoing cancer treatment."

Creating a Recovery-Friendly Environment

The foundation of a recovery-friendly culture and effective workplace recovery program is an environment where employees feel comfortable discussing challenges and seeking help, whether related to substance use or other mental or physical health concerns.

One former U.S. government executive noted the importance of understanding the disease.

"As more research about severe substance use became available to us, we learned that a stint in treatment alone is not usually sufficient to address the issue," they said. "Based on that data, we were able to structure parts of our policies and benefits to ensure that affected employees received the necessary care and support, and could return to work without judgment."

Dufrane said organizational culture often starts with active and conspicuous support from top executives, which is not something to be taken for granted. The 2025 Recovery Friendly Workplace report developed by HRCI and Fors Marsh found that just 37% of HR professionals described their organization's leadership as at least somewhat supportive of RFW efforts; 19% called leadership neutral; and another 37% simply didn't know. That means most HR professionals cannot say with confidence that leadership visibly backs employees with SUD.

U.S. Substance Use Disorder By the Numbers

15% Percentage of Americans with SUD

44.6 Million Number of Americans with SUD

16% Percentage of people who received substance use treatment of those who needed it

7.6 Million Number of people who received substance use treatment

Source: National Survey on Drug Use and Health, conducted by the Substance Abuse and Mental Health Services Administration within the U.S. Department of Health and Human Services.

What HR Professionals Experience

20% Percentage who experienced substance use in the workplace

47% Percentage who say they are as prepared as they were last year to support employees in recovery

13% Percentage who are less prepared than last year to support employees in recovery

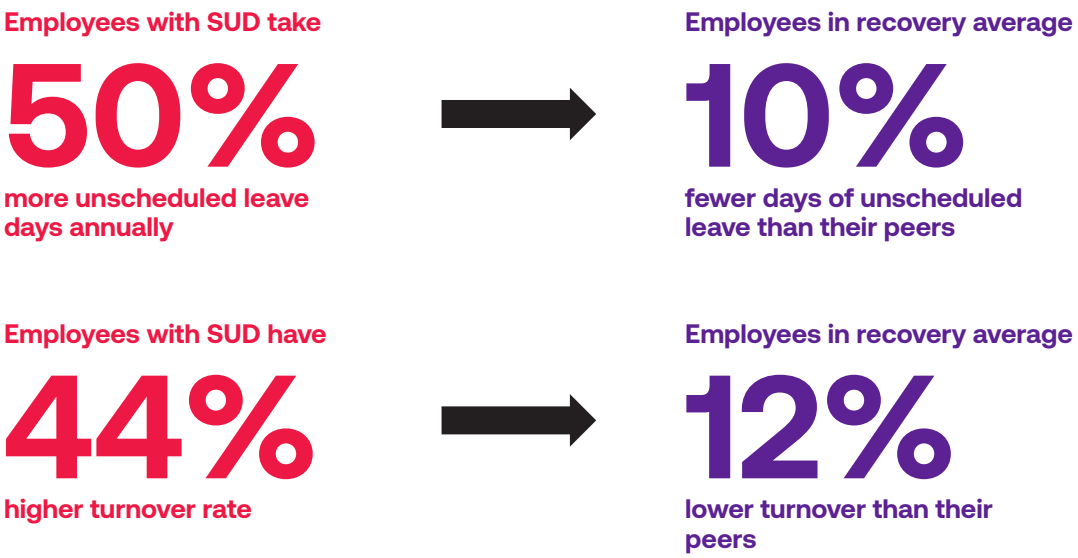
Source: HRCI Surveys

"Attitude reflects leadership," Dufrane said. "Executives set the tone for the entire organization. If leaders show they are committed to changing the culture, the team will follow."

Foster said that building genuine psychological safety can start with simple aspects of organizational culture. For example, does celebration at your company mean popping a bottle of champagne? Do client meetings mean "wining and dining"? Do you hire from a variety of applicant pools? Simple substitutions, such as limiting the time alcohol is available at an event, offering premium non-alcoholic options, a cash bar, and leadership breakfasts instead of happy hours, can allow employees to participate fully without drinking—and without explaining why.

"A question we should be asking is, 'Is opting out of alcohol-related events career-limiting in any way?' And right now, even if we don't mean it to be, the answer may be yes," Foster said. "Don't commit to a mistake just because you spent a long time making it. Policies and event formats can always be changed."

How SUD Costs Companies—and How Recovery Can Help



Source: U.S. Department of Labor

The Toll of SUD on the U.S. Economy

$35.3 billion

Annual spending on diagnosed SUD through employer-sponsored medical insurance

$93 billion

The cost of lost productivity associated with SUD

Source: Centers for Disease Control and Prevention studies

Equipping Managers to Respond

Managers are usually the first point of contact for a struggling employee, yet data shows very few are trained to handle these encounters.

The Recovery Friendly Workplace Survey found that only about 1 in 10 (11%) of HR professionals surveyed had received specialized training on substance use disorder or recovery. Only 13% said their organization even had formal policies related to treatment and recovery. When asked what they need most, the top response by far was training programs for employees and management (48%), followed by training for HR professionals specifically (45%).

In fact, more than half of HR professionals said they'd either never heard of Recovery Friendly Workplaces (33%) or knew little about them (25%)—meaning most respondents hadn't even reached the training stage yet.

"This is a gap we have to close," Dufrane said. "It is vital to employee well-being, but it is also a vital ingredient to successful business. HR leaders are going to have to advocate. They are going to have to build the business case for making recovery—and the training that goes with it—a workforce issue that is worthy of investment."

Beth Ratliff, chief operating officer at Premise Health, who is herself in long-term recovery, said substance use disorder should not be fundamentally different from other aspects of mental or physical health. Managers and HR professionals do not need to diagnose the problem, counsel employees, or become experts in SUD treatment. Rather, they need to respond with compassion, know what resources are available, and help employees connect with appropriate support.

"There is a fear that they need to understand [this disease] or know exactly what treatment to recommend," she said. "I tell them to think about it the same way they would any other serious health condition. When I was diagnosed with colon cancer, I did not expect my HR leader to be an expert in cancer or to tell me which oncology treatment was right for me. I needed empathy, and I needed help connecting to the resources my employer had put in place to support me."

One simple way to address SUD issues is with a basic framework:

Recognize. Train managers to notice behavioral and performance changes, attendance, output, and mood—without diagnosing. Signs and symptoms of SUD are often behavioral and can be mistaken for simple misconduct.

Respond. Address the issue through a private conversation, consistent with policy, that is compassionate, respectful, non-accusatory, and grounded in observed performance rather than assumed clinical expertise.

Refer. Connect the employee to HR, the EAP, or the designated point of contact, rather than attempting to counsel or treat the issue directly.

Reinforce. Maintain confidentiality, protect the employee's privacy, avoid stigmatizing language, and continue providing normal opportunities and assignments.

How to Address an SUD Conversation

Data shows that many managers are not trained to have a conversation about SUD, but recovery experts say equipping managers with basic language and knowledge is an achievable goal.

"If an employee chooses to disclose that they are in recovery... all [a manager] needs to do is say, 'Thank you for trusting me with that. You don't need to share anything you don't want to, and if there's something you need related to work, let me know,'" Foster said. "There's no more scientific response that's needed at that point."

The goal is not to turn managers into clinicians, but to give them a clear, well-defined scope. Here are some key things managers should know:

- → Signs of SUD and mental health crises
- → Policies for addressing or reporting SUD
- → Benchmarks for performance, conduct, and safety
- → Legal protections for the employee (or who to ask about legal protections)
- → How to respond to an employee who discloses SUD or recovery
- → Company benefits that support recovery, such as EAP, treatment, therapy, or peer support
- → The HR point of contact
- → Policies on work location

Experts say that conversations about SUD and recovery can be uncomfortable because many managers feel unqualified.

"So be uncomfortable. Admit what we don't know," Foster said. "Managers can feel like they have to know everything. Even the C-suite can feel that way. That's really not the case. We don't need full expertise to be empathetic and helpful."

Recovery-Friendly Workplace Scorecard

Drawn from Global Recovery Initiatives Foundation's 2026 National & State Recovery Friendly Workplace Report, the below scorecard offers a compact set of questions HR can use to continuously audit culture.

Dimension	Question
Choice	Can I participate without drinking, and without explaining why?
Connection	Can I build important relationships outside alcohol-centered settings?
Predictability	Can I maintain the routines that keep me well?
Privacy	Can I control who knows my recovery story?
Belonging	Will recovery change how people see me?
Opportunity	Can I access leadership, clients, and advancement equally?
Support	If I do need help, is there a clear path?

Benefits and Policies to Support Recovery

In addition to workplace culture, HR professionals should consider the policies and benefits in place to support recovery.

Substance use disorder is increasingly treated as a mental health condition and legally subject to insurance parity requirements. Enacted in 2008, the Mental Health Parity and Addiction Equity Act (MHPAEA) requires group health plans that cover mental health and substance use disorder benefits to treat these conditions similarly to medical and surgical benefits.

In 2024, the Departments of Labor, Health and Human Services, and the Treasury issued regulations that tightened treatment limitation standards. "The United States of America continues to experience a mental health and substance use disorder crisis," the Employee Benefits Security Administration wrote at the time. "Disparities in coverage between mental health and substance use disorder benefits and medical/surgical benefits have persisted and grown."

Following litigation, however, the departments announced plans to propose alternate regulations, potentially as early as this year. In the meantime, MHPAEA's original requirements remain in effect.

David Balinski, founder and CEO of Wire Health, a company focused on mental and behavioral healthcare access, said on an HRCI webinar that parity is a driving concept when it comes to creating recovery-friendly organizations.

"If you need heart medication, you can get that super easy," he said. "But if you need substance use disorder medication, like Antabuse or Suboxone, you have to jump through three hoops and meet with a nurse and a doctor and a therapist and get all this authorization… That's the real gist of this mental health parity enforcement—to make sure stuff like that doesn't happen."

HRCI survey data shows that HR professionals are often less than confident in their policies and benefits. Asked how prepared they would feel if their health plan was audited for parity compliance, 31% said very prepared, 49% said somewhat prepared, and 20% said unprepared. Opinions on how benefits packages address recovery were similarly mixed. Asked how well benefits support employees in recovery, 23% said very well, 46% said adequately, and 8% said poorly. Perhaps surprisingly, 22% said they did not know.

Whatever the case at your organization, benefits experts say auditing your policies and benefits for both parity compliance and efficacy is a good idea, given the prevalence of substance use and its toll on the workforce.

When employers take the time to review plans, it's important to know that coverage doesn't always translate into access. Instead, many plans impose barriers like delays, high costs, and complex approval processes. Employers should specifically review formularies, prior-authorization lists, and appeals data for medications and services used in recovery, and flag repeated denials or complaints.

Experts in workplace recovery say that additional benefits and accommodations worth building into plan design and HR policy include flexible scheduling for counseling, medication-assisted treatment appointments, or 12-step meetings; return-to-work planning that treats reintegration as a process rather than a single re-entry date, including manager preparation; and ADA-consistent accommodation practices, because SUD can be a protected disability in some cases.

HR teams can also designate a point of contact to help employees navigate denials, understand plan documents, and file expedited appeals when urgent SUD treatment is at risk of delay. They can also build confidentiality protections into policy language so employees know disclosure will not be shared beyond those who need it to administer support.

"[Employers] have the duty of loyalty," Balinski said. "You have to be making decisions on behalf of the plan members, not on behalf of the board, or an outside insurance company, or an outside insurance consultant."

As he put it, "Let's use compliance to improve the lives of the members under your care in the health plan."

Recovery-Friendly Hiring

"Fair chance" hiring means evaluating candidates on their qualifications rather than automatically excluding them because of a past criminal record or a disclosed SUD history—a practice with particular relevance in recovery because crime and SUD frequently overlap.

Experts in workplace recovery recommend employers avoid conviction-history questions on initial applications and evaluate records case-by-case rather than using blanket exclusions. For existing employees, and depending on the specific situation and safety risks, they recommend considering continued-employment agreements predicated on treatment as an alternative to termination.

Other steps that recovery-friendly employers can take include peer support programs, including formal peer-recovery specialists or voluntary employee resource groups; structured mentoring, particularly in daytime or non-alcohol-centered formats; alternative access points to interact with leadership (such as breakfasts, coffee, and volunteer activities); and advancement audits, periodically checking whether recovery status or a documented history is quietly suppressing promotion decisions.

How does your organization handle an employee who self-discloses a substance use disorder or requests support?

31% **We have a clear, compassionate, and documented process in place**

43% **We handle it case by case depending on the manager and HR partner involved**

15% **We default to legal and compliance guidance with little focus on support**

12% **We don't have a process and it would likely be handled inconsistently**

Source: HRCI Survey

Sustaining Progress and Measuring Success

There is nothing simple about recovery, but becoming a recovery-friendly workplace involves functions that HR already does well: building systems, training people, and caring for employees.

While it may sometimes be overlooked, many experts say data collection and measurement are what turn simple "support" into an ongoing program.

Employers can examine existing metrics, such as retention, absenteeism, and engagement, through the lens of recovery while also gathering feedback through surveys, employee reviews, suggestion boxes, and other tools. Together, these measures can provide a more complete picture of what is working and where programs or policies may need to evolve.

One certified Recovery Friendly Workplace says they track SUD as a distinct line within behavioral health diagnoses, which revealed hundreds of people representing millions of dollars in claims. This data allows the organization to bring hard numbers, not just anecdotes, into conversations with executives. That data-first approach makes the cost case undeniable and allows HR to track efficacy.

"Recovery support succeeds or fails on the same operational discipline HR applies everywhere else," Dufrane said. "Define the policy, train the people who execute it, measure whether it's working, and adjust. Employers that treat it that way can protect their workforce, reduce a genuinely underestimated cost line, and build a more compassionate culture."