

The State of Drug Diversion Report

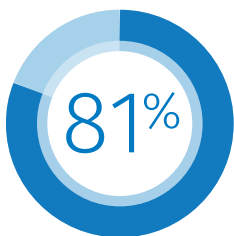


A comprehensive look at drug diversion prevention and detection from the view of healthcare leaders, pharmacists, and drug diversion specialists.



Executive Summary

The 2025 State of Drug Diversion Report underscores the critical need for innovation and collaboration in combating drug diversion in healthcare. Despite increased investments in personnel and training, 81% of healthcare leaders believe drug diversion continues to occur frequently, with many incidents remaining unreported. The findings reveal a landscape where technology, culture, and resource allocation play pivotal roles in prevention and detection efforts. Integrating advanced AI/ML tools and fostering interdisciplinary collaboration are key to bridging the existing gaps in program effectiveness.



of healthcare leaders believe drug diversion continues to occur frequently

KEY INSIGHTS



Technology Integration:

Only **37.5%** of respondents report using AI tools for drug diversion detection. However, **76%** of respondents express a desire for increased adoption of these technologies in the future.

Larger hospitals are leading in AI adoption (**48%**) compared to smaller hospitals (**32%**), highlighting disparities tied to resources and infrastructure.



Resource Allocation:

Diversion teams have grown, with most large hospitals now employing three or more full-time staff for these programs. However, smaller hospitals still struggle with minimal staffing.



Executive Buy-In and Departmental Involvement:

Executive boards play a significant role, with **61%** owning the program budget.

Departments like anesthesiology and HR remain underrepresented despite being identified as critical stakeholders in effective diversion prevention.

The report illustrates the pressing need for healthcare institutions to address barriers to technology adoption, expand interdisciplinary collaboration, and refine training and education initiatives to enhance their diversion detection and prevention capabilities.

Background

[The American Society of Health System Pharmacists \(ASHP\)](#) defines “drug diversion” as the transfer of any legally prescribed drug from the individual for whom it was prescribed to another person for any illicit use, including any deviation that removes a prescription drug from its intended path from the manufacturer to the intended patient. Unfortunately, due to their close proximity to medications, healthcare workers are particularly susceptible to diversion. According to the [International Health Facility Diversion Association](#), an estimated 37,000 diversion incidents occur in U.S. facilities each year, and this number is likely underreported. **In the fifth iteration of the State of Drug Diversion survey, we seek to understand the industry’s perspectives on areas of risk and opportunity in diversion monitoring and prevention.**

37,000 diversion incidents occur in U.S. facilities each year

When healthcare workers obtain prescription drugs illegally for their own use or to sell, they pose a serious threat to patient safety. Drug diversion has led to hepatitis C infection outbreaks, unnecessarily painful surgical procedures, and even death. [In one recent case in Oregon](#), a nurse allegedly infected almost 50 people by replacing their liquid fentanyl pain medication with tap water so that she could take their medication.

Further, diversion violations can cost healthcare systems millions in fines. For example, in 2022, Pikeville Medical Center had to pay [over four million dollars in settlements](#) due to noncompliance with DEA regulations.

Quickly identifying and preventing drug diversion is essential for patient safety and ensures clinical staff can access the appropriate treatment and resources as soon as possible. Over the past 20 years, professional organizations like ASHP as well as federal and state governing bodies have introduced several regulations to prevent drug diversion. As such, many hospitals, physician offices, and other healthcare providers have adopted drug diversion prevention and detection programs that monitor prescribing and dispensing within their facilities – especially for high-risk controlled substances.

Successfully integrating drug diversion prevention and detection methods and tools into healthcare facilities hinges on gaining the commitment of the departments most involved and at risk for drug diversion. However, exacerbating the issue is the pervasive use of rotating staff and limited resources within provider settings.

In order to optimize efforts, the right policies and personnel should be augmented by an investment in advanced analytics and robust machine learning (ML) and artificial intelligence (AI) tools.

In early 2025, Wolters Kluwer partnered with Regina Corso to conduct a survey of those who work in hospitals and/or large health systems to better understand their drug diversion policies and where there may be gaps within these systems.



The People Behind Diversion Prevention

A critical piece of understanding the state of drug diversion prevention and detection programs is taking a closer look at who is championing these efforts within healthcare institutions.

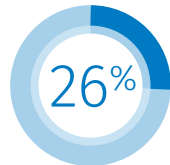
Just as healthcare systems come in many shapes and sizes, so too do their diversion programs. Despite the shared goal, the structure and departmental involvement can vary greatly, according to the survey results.

The good news is that more attention and resources are being put towards this issue, with programs growing. In 2023, the majority of respondents said they had one or less Full Time Employee (FTE) utilized for diversion-specific programming whereas today, the majority of respondents say they have three or more FTEs. Unsurprisingly, smaller hospitals (categorized as 99 beds or fewer) are still more likely (57%) to report that they utilize one employee for diversion programs and investigations, whereas 36% of respondents at large hospitals (1,000 or more beds) said they had four employees dedicated to these programs.

Institution size also influences factors like investigative standards. Those with three or more FTEs are more likely than those with two or less to say their organization has a consistent standard for investigating and/or interviewing for drug diversion issues. **Among multi-location health systems, 39% of respondents use an enterprise-wide, centralized management approach.** Meanwhile, 26% employ a decentralized model with enterprise oversight. Further, 27% manage their programs at the single-site level, suggesting there may be opportunities to improve visibility across programs and sites.



Programs are enterprise-wide and centrally managed



Programs are decentralized with enterprise oversight

For a successful diversion program, it is critical to engage a variety of departments, especially those that are most at risk for diversion. However, the department(s) with a seat at the table can vary across institutions, as can the ideal state of which departments actually should be involved.

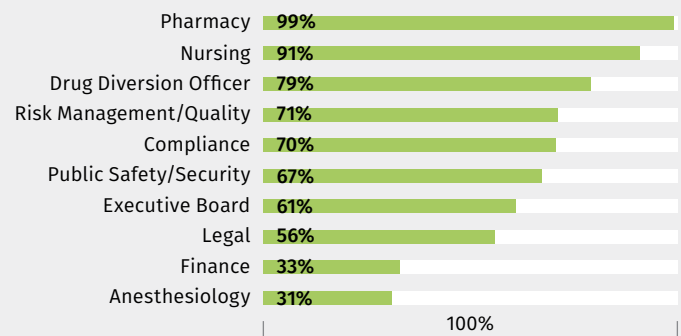
Some department involvement seems to be consistent – almost all respondents say pharmacy is part of their drug diversion program, followed closely by nursing. However,

there is a clear desire for more involvement from other departments such as anesthesiology and human resources. **According to the survey, only about a third of respondents say anesthesiology is represented in their drug diversion programs, despite it being a major risk area. More than 40% feel that the department should be involved.**

Similarly, only 20% of respondents report human resources involvement in drug diversion programs, despite its critical role in prevention training, employee case management, and rehabilitation support. Notably, 38% of believe the department should be included. Larger organizations (1,000+ beds) typically involve more stakeholders in their diversion detection programs, such as finance and public safety/security. However, they also express a need for greater engagement from supply chain leaders, reflecting the complexities of managing medications in large institutions.

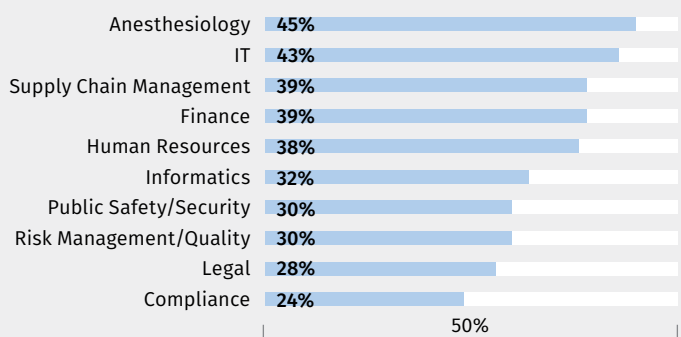
Almost all say pharmacy is part of their drug diversion program while nine in ten say nursing is and four in five say a drug diversion officer is part of it.

Are part of the program



Two in five hospital employees think anesthesiology, IT, supply chain, and finance should be in the drug diversion program.

Should be part of the program



While pharmacy and nursing departments often play a central role in diversion programs, securing executive buy-in is equally critical. According to respondents, 61% report that their executive board is part of their diversion program, and 41% state that executives own the program budget—a higher percentage than any other group involved in budget ownership.

This raises an important question: what priorities drive executives as they oversee budgets for these programs? When it comes to the perceived

motivations of the executive team, 28% say they feel keeping patients safe from impaired clinicians and

tampered products is most important to the executive board, 25% say complying with state and federal regulatory requirements for proper medication management and control is most important and 20% say keeping staff safe from drug-related harms is their top concern. Other motivations include preventing financial loss from diverted drugs and preventing reputational damage and/or bad publicity from a diversion incident.

“The largest unspoken challenge is employees’ complete vigilance in observing and reporting of possible incidences of drug diversion. While proper training and monitoring is given to employees, there is still room for improvement along with improved monitoring of employee complete compliance.”

KEY TAKEAWAYS 2025

Despite a universal effort to create programs that respondents perceive as robust and complete, the issue of diversion continues to be pervasive. **Consistent with the prior years’ studies, four out of five survey participants (81%) believe that drug diversion occurs in hospitals across the U.S. and that most incidents go unreported.**



Culture’s Influence:

According to the survey, most respondents agree that there is aligned intent to mitigate this issue, with over nine in ten respondents saying their organization’s culture and policies foster accountability and/or vigilance in preventing drug diversion. That said, those in large institutions are more likely than those in small and medium ones to say they strongly agree that their organization’s culture and policies foster said accountability.

Additionally, cultures of silence were noted as an element that enables drug diversion to persist and escalate, putting patients at increased risk.

“There can be a strong reluctance to report suspected drug diversion due to fear of retaliation, concerns about damaging a colleague’s career, or a belief that ‘it’s not my problem.’ ”

Degrees of Confidence in Program Effectiveness:

Despite efforts and widespread program growth, **only one-third (32%) of survey respondents report being very confident in their program effectiveness** vs. somewhat

or not confident. Respondents acknowledge an adequate level of training, agreeing that staff are prepared to tackle this issue. Nearly nine in ten respondents report their staff is adequately trained to recognize drug diversions (88%) and that physicians are appropriately engaged in their drug diversion programs (87%).

So where does the gap in full program confidence come from? When asked about unspoken challenges, one respondent

“Automated dispensing systems and electronic tracking can create a false sense of security, but shrewd diverters often find ways to bypass, especially in high-volume environments. Without proactive audits and real-time detection, these weaknesses continue.”

mentioned a lack of complete vigilance in observing and reporting possible incidents. Another acknowledged that automated dispensing systems and electronic tracking can

create a false sense of security, but shrewd healthcare workers participating in drug diversion often find a workaround.

While almost all respondents (98%) felt confident in their preparedness for DEA investigations, most were once again only somewhat well prepared (60%) rather than very prepared (38%). Pointing back to the importance of education and training, those who are very confident are more likely than those who are somewhat confident to say their institution currently provides education to help staff identify suspected diversion (77% vs. 52%).

The State of Detection Methods

Technology remains a critical factor in augmenting diversion efforts and optimizing programs. Currently, audits of inventory and automated dispensing machine reports are the top methods suspected diversion incidents are discovered. However, audits can be both labor- and time-intensive, leaving room for diversion to go undetected for longer periods

of time, putting patients and care providers at risk. Likely for reasons such as these, **almost two-thirds of respondents (64%) expressed interest in leveraging technology for better oversight of medications, indicating a strong directive toward smart tech in drug diversion prevention programs.**

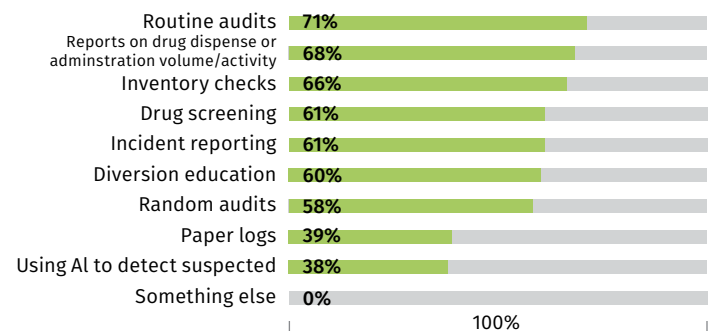
This sentiment around technology especially applies to those who have been in their roles longer. Specifically, those in their role for more than ten years were more likely than others to say they would like to see organizations leveraging more technology to allow for better oversight of medications (74% vs. 58%).

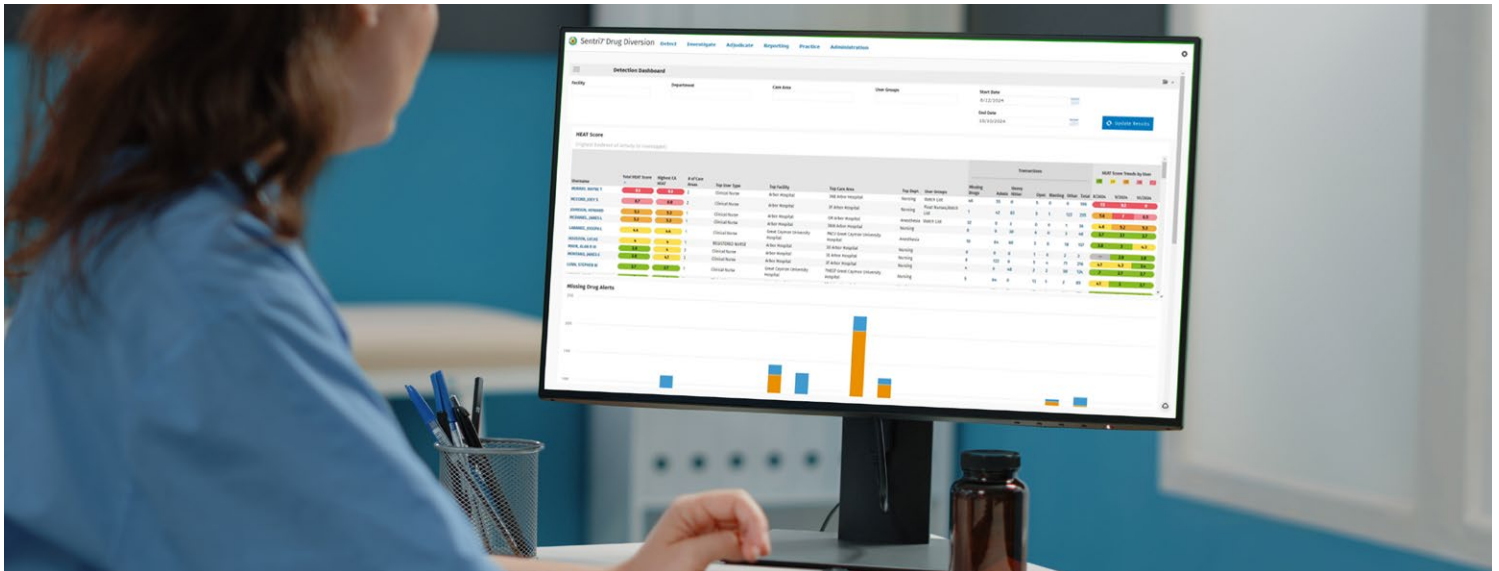
Diversion Tools Currently in Use

When it comes to detecting drug diversion, respondents report detecting cases through routine audits (71%), reports on drug dispensing or administration volume/activity (68%) and inventory checks (65%).

However, size once again plays a significant role. Those in small and medium institutions are more likely than those in large ones to say they do inventory checks to detect drug diversions (78% and 69% vs. 52%). This may, in part, be due to available technology mitigating the need for more manual audits, with **those in large hospitals (1000+ beds) being more likely to use AI to detect drug diversion than mid-size or small hospitals (48% vs. 32% and 35%).**

When it comes to detecting drug diversion, seven in ten say their institution does routine audits while over two-thirds say they have reports on drug dispensing or administration volume/activity.





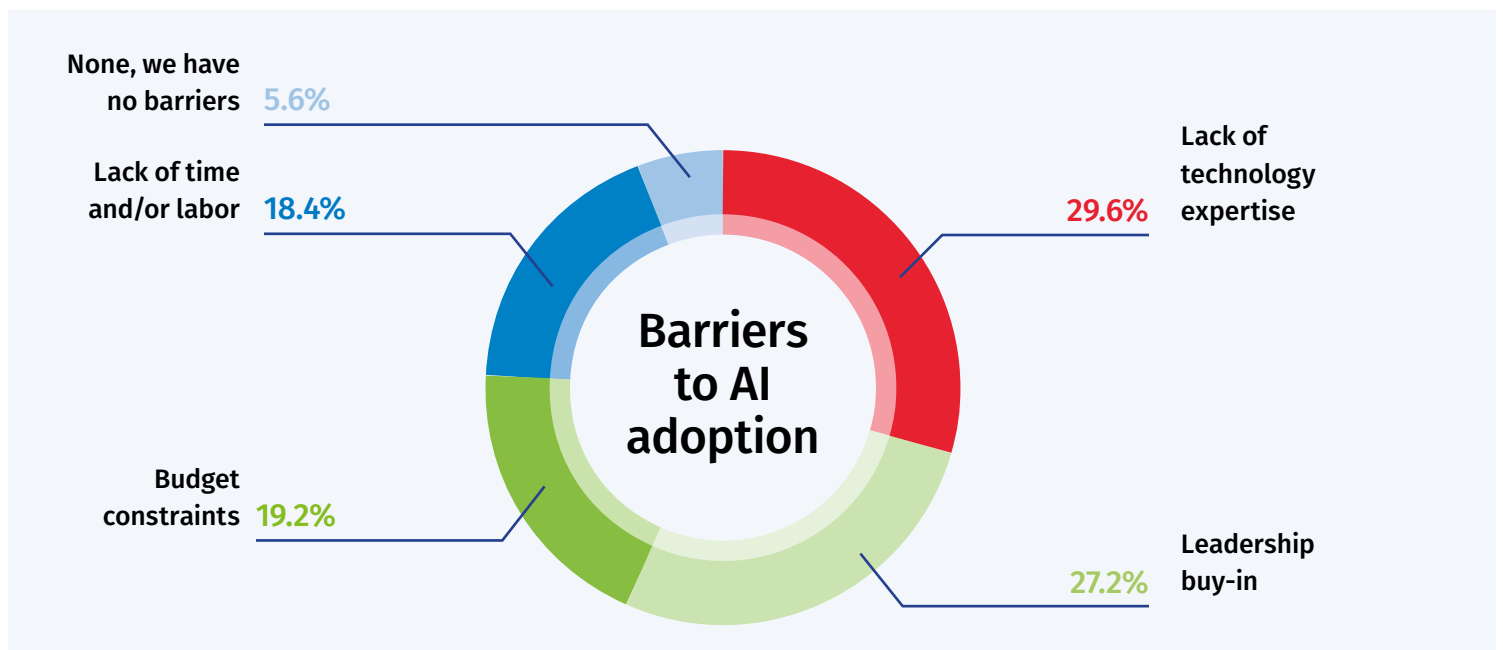
The Road to AI/ML Augmentation:

Effectively preventing and identifying drug diversion remains challenging without the assistance of advanced technology. Traditional methods are often insufficient to detect sophisticated schemes, and tasks that take humans hours or even days to complete can be done in a fraction of the time with the latest technologies. There is great promise in AI/ML technology to detect patterns in data, such as increases in specific behavioral actions or inconsistencies in pain management scores.

According to a recent study from the University of Minnesota School of Public Health, [approximately 65% of U.S. hospitals reported using AI-assisted predictive models in some capacity](#). Drug diversion prevention and detection may lag

behind other areas of healthcare in the adoption of AI, as our survey revealed that less than two in five (37.5%) are currently using AI tools to detect diversion.

Specifically, those at small or mid-size hospitals were less likely to respond that they are using AI for drug diversion efforts than those at large hospitals. Further, small hospitals (those with 99 beds or less) are more likely than mid-size or large hospitals to cite budget constraints or lack of time as reasons that they are not using AI. There is a clear desire to better leverage these platforms, however, with **76% of those who are not currently using AI solutions as part of their diversion efforts reporting they would like to see the use of these tools looking ahead.**





Compliance in 2025

Remaining compliant with the latest regulations is a clear priority for healthcare institutions in 2025 when thinking about the makeup of their diversion prevention efforts. Half of respondents ranked complying with state and federal regulatory requirements as either most or second most important to their executive team when it comes to drug diversion at their institution.

Almost all respondents say their drug diversion policies have been maintained to keep up with changing diversion prevention and detection requirements, but while they might check the box, **it's clear there are gaps based on the previously stated belief that most diversion goes undetected.**

Taking Action

As healthcare institutions continue to allocate time and resources to the issue of drug diversion prevention and detection, the report findings point to five actionable steps that organizations can take now to improve their prevention and detection efforts.

- 1 Enhance engagement** across underrepresented yet critical departments like anesthesiology and human resources, which are crucial for identifying high-risk areas and managing personnel issues.
- 2 Ensure executive buy-in** by framing drug diversion prevention as a patient safety priority, regulatory requirement, and financial safeguard, aligning it with institutional goals.
- 3 Prioritize investments** in advanced analytics and AI/ML-driven tools for real-time detection and pattern recognition, which have significant potential to augment existing programs and reduce manual labor bottlenecks.
- 4 Establish a culture of accountability** by addressing the “culture of silence” that undermines reporting—educate staff on the importance of vigilance and create systems that protect whistleblowers from retaliation.
- 5 Equip your team** with targeted training in both diversion detection and proper utilization of technology to enhance their effectiveness.

Survey Methodology

This survey is among 200 respondents who are US adults, 18 and older and work in a hospital and/or large healthcare system, are at least a director and work in risk, drug diversion, pharmacy or are a CNO or nurse manager and have at least some influence on the drug diversion programs at their organization. The State of Drug Diversion 2025 survey report is the fifth of its kind.