

COSTS OF UNTREATED MENTAL ILLNESS IN THE WORKPLACE

When mental illnesses go untreated, costs begin to escalate.

Recent research indicates that mental health treatment can more than pay for itself. Mental health treatment, seen in this light, is actually an investment opportunity for employers, one that can pay dividends through sustaining a healthy workforce – enhancing what can be viewed as “human capital.”

Dr. Peter Kramer on “The Infinite Mind”

Businesses suffer enormous direct and indirect costs from untreated mental illness.

Contributing factors include:

- lost productivity
- increased sick leave
- increased early mortality
- increased use of health benefits, leading to higher health insurance premiums
- increased physical illnesses (research has shown direct causal relationships between mental and physical illnesses)
- increased substance abuse (mental illness and chemical dependency frequently co-exist)
- mental illness in the family of an employee can cause significant workplace disruption

Facts and Figures about the costs of untreated mental illness in the workplace:

- \$70 billion/year - direct business costs from untreated mental illness, mainly from lost productivity and increased sick leave. (1999 Surgeon General’s Report)
- \$500 annually - investment per employee in mental health which more than pays for itself by an increase in worker productivity. (Rand Corporation study)
- \$800 to \$1,000 per patient – potential annual savings of integrating psychiatric care with primary care for people with anxiety disorders, as this leads to an increase in likelihood that they will follow through with treatment for the anxiety disorder. (Dr. Wayne Katon, Prof. of Psychiatry, U of Wash., Seattle)
- According to the National Institute of Mental Health:
 - An analysis conducted for the Senate Appropriations Committee projected that appropriate and timely treatment of severe mental disorders would produce a 10% decrease in the use and cost of medical services by people with these illnesses, yielding savings greater than the cost of providing these treatment services.
 - A clinical and educational program designed to boost the skills and coping resources of individuals who provide care for an immediate family member with Alzheimer’s disease produced savings of over \$17,000 in hospitalization costs per patient and reduced the isolation and fatigue experienced by the caretaker. As families assume an increasingly large role in providing care and assistance to relatives with a mental illness, research is underway to develop similar programs for persons and families struggling with other mental illnesses.

IT PAYS TO DEAL WITH MENTAL HEALTH IN THE WORKPLACE!