

### **Fact Sheet**

March 2007

### Mental Illnesses: Treatment Saves Money & Makes Sense

# Mental illnesses are common and lack of healthcare causes disability and premature death for adults and children with serious mental illnesses.

- An estimated 1 in 4 adults have a diagnosable mental disorder in a given year<sup>1</sup>; 5-7 percent have a serious mental illness, such as schizophrenia, major depression or bipolar disorder, and about 5-9 percent of children have a serious mental disorder.<sup>2</sup>
- Mental disorders are the leading cause of disability in the US for ages 15-44.<sup>3</sup> Suicide is the eleventh leading cause of death in the US, but is the third leading cause of death for people 10 to 24 years old. More than 90 percent of people who die by suicide have a history of mental illness.<sup>4</sup>
- Adults with serious mental illness die 25 years younger than other Americans. A man with serious mental illness is likely to die by age 53, compared with the average life expectancy of 78 years.<sup>5</sup>
- People with mental illness are five times more likely to have a co-occurring medical condition than the general population.<sup>6</sup>

#### Intreated mental illnesses increase costs on the public and private sectors.

- Less than one-third of adults with a diagnosable mental disorder, and an even smaller proportion of children, receive any mental health services in a given year. Racial and ethnic minorities have even less access to mental health services and often receive a poorer quality of care.
- People with mental illness report a delay of nearly a decade from the onset of symptoms until the first contact with the treatment system, and that delay increases the likelihood of disability and negative social outcomes. Untreated mental illnesses also lead to greater frequency of symptoms and episodes. 10
- Approximately 50 percent of students with a mental disorder age 14 and older drop out of high school; this is the highest dropout rate of any disability group.<sup>11</sup>
- Twenty-four percent of state prison and 21 percent of local jail inmates have a recent history of a mental health disorder. An alarming 65 percent of boys and 75 percent of girls in juvenile detention have at least one mental disorder. 13
- Between 2000 and 2003, emergency department (ED) visits with a primary diagnosis of mental illness increased at four times the rate of other ED visits.<sup>14</sup>

• The annual economic, indirect cost of mental illnesses is estimated to be \$79 billion. Most of that amount—approximately \$63 billion—reflects the loss of productivity as a result of illnesses. 15

## Investments in effective treatments and services for mental illnesses save lives and money.

- Treatment outcomes for people with even the most serious mental illnesses are comparable to outcomes for well-established general medical or surgical treatments for other chronic diseases. The early treatment success rates for mental illnesses are 60-80 percent, well above the approximately 40 to 60 percent success rates for common surgical treatments for heart disease. <sup>16</sup>
- Research demonstrates that mental health is key to overall physical health and that early detection and treatment can result in a substantially shorter and less disabling course of illness.<sup>17</sup>
- The right treatments make a difference:

Assertive Community Treatment (ACT) reduces costly hospitalizations and is no more expensive than traditional care. <sup>18</sup> Just one year after its implementation, the number of inpatient hospital days decreased by 63 percent and the total number of jail days decreased by 70 percent for ACT team clients in Oklahoma. <sup>19</sup> In Georgia, ACT generated a savings of \$1.114 million dollars to the criminal justice, psychiatric hospital and shelter systems in just one year. <sup>20</sup>

Illness management programs reduce symptom relapses and hospitalizations.<sup>21</sup>

Crisis residential programs are about half the cost of hospitalization for adults in need of acute care, but provide similar results.<sup>22</sup>

Comprehensive psychiatric rehabilitation models produce better results for consumers while showing an average reduction of more than 50 percent in costs of care due to reduced hospitalizations.<sup>23</sup>

Supportive housing for homeless people with serious mental illnesses relieves the burden on publicly funded systems, resulting in a marked reduction in shelter use, hospitalizations (regardless of type), and involvement with the criminal justice system. These reductions offset virtually all (95 percent) of the costs of supportive housing, including operating, service, and debt service costs.<sup>24</sup>

For children, multi-systemic therapy (MST) reduces out-of-home placements, contact with the juvenile justice system, and substance abuse. Research shows it may be more cost-effective than traditional services provided to at-risk youth.<sup>25</sup>

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