Untreated and under-treated mental health problems—
How are they hurting your business?

More common than cancer, diabetes or heart disease, mental health problems affect adults and children from every cultural, social, economic, gender and age group. Employers are learning that the untreated mental health problems in their workplaces lead to decreased productivity—due to increased absenteeism, employee turnover, accidents, grievances, impaired teamwork and leadership.

The prevalence of mental health problems

- In a given year, 28 to 30% of the U.S. population have a diagnosable mental *or* addictive disorder: 19% of the adult population have a mental disorder alone; 3% have both mental and addictive disorders; and 6% have addictive disorders alone.[1]
- Mood disorders include major depressive disorder, dysthymic disorder or bipolar disorder. In a given year, approximately 18.8 million American adults, or about 9.5 percent of the U.S. population age 18 and older suffer from a mood disorder. [2]
- Anxiety disorders include panic disorder, obsessive-compulsive disorder, post-traumatic stress disorder, generalized anxiety disorder, and phobias (social phobia, agoraphobia, and specific phobia). Approximately 19.1 million American adults ages 18 to 54, or about 13.3% of adults in this age group suffer from an anxiety disorder.[3]
- Major depression, bipolar disorder, schizophrenia, and obsessive-compulsive disorder are 4 of the 10 leading causes of disability in the United States.[4]

Only one out of every two people who need mental health treatment receive it

- Over half of individuals *with* private insurance said that the number one reason they do not seek mental health treatment is because they are worried about the cost.
- Without comprehensive mental health coverage, co-payments and deductibles are prohibitively expensive, annual and lifetime caps and limits on covered inpatient days are drastically less than those for other illnesses, and mental health care providers are reimbursed at such a low rate that employees seeking treatment often have difficulty even finding a doctor in-network.

The consequences of untreated mental health problems in the workplace

- The total cost of mental health problems in the U.S. was $148 billion in 1990. The direct cost of mental health services (treatment and rehabilitation costs) totaled $69 billion, and the indirect costs (lost productivity due to disability or death) were estimated at $79 billion.[5]

Costs associated with lost productivity

- The cost of depression to employers is nearly $44 billion annually, with an estimated 200 million days of missed work. Treatment costs ($12.5 billion) are significantly less than costs associated with absenteeism and decreased productivity ($23.8 billion) and costs associated with suicide ($7.5 billion).[6]
- Employees spend more days in bed and experience more physical pain because of depression than they do because of hypertension, diabetes, and gastrointestinal problems.[7]

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- Research shows that employees exhibiting symptoms of mental disorders have higher absence rates from work.[8] The annual cost to employers for absenteeism ranged from $10,000 for small organizations to over $3 million for large organizations.[9]
- "Presenteeism" or the invisible loss: The top five employee health conditions—headache/pain, cold/flu, depression/fatigue, digestive problems and arthritis—cost employers more than $180 billion annually in lost productivity when workers are at work but unable to function to their potential due to health conditions. [10]

High rate of psychiatric disability claims

- Employers whose health plans have prohibitive financial barriers to mental health services may think that they are saving money, but in fact these companies often have higher rates of psychiatric disability claims.[11]
- When compared with *all* other diseases (including cancer and heart disease), mental illness ranks *first* in terms of causing disability in the United States. A groundbreaking study found that mental illness (including depression, bipolar disorder, and schizophrenia) accounts for 25% of all disability across major industrialized countries.[12]
- Depression often has the longest average disability period and the highest probability of a subsequent disability leave within one year when compared to other common conditions, including diabetes, back pain and heart disease. [13] One national bank reports that depressed workers miss more days for short-term disability than workers with other diagnoses.[14]
- Two recent national surveys found an association between short-term work disability episodes—one to 30 work days—and major depression that lasted at least 30 days. In these studies, 17-21% of the total samples had taken short-term disability leave; however, the disability rates among workers with depression jumped to 37-48%.[15]

Overuse/misuse of primary and acute health care services

- Often individuals mistakenly rely on primary care physicians to treat the somatic symptoms associated with depression and other mental illnesses. A two-year study reported that general medical benefit costs actually decreased for individuals utilizing mental health benefits.[16]
- A 30% cost reduction in mental health services at a large Connecticut corporation triggered a 37% increase in medical care use and sick leave by employees using mental health services, thus costing the corporation more money rather than less. [17]

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