

Sample Fact Sheet

(Courtesy of the National Mental Health Association)

*** For use when visiting your legislator, or to include with a letter sent to your legislator***

WHY SPEND MONEY ON MENTAL HEALTH?

Mental healthcare is underfunded:

- ✓ ✓ While the value of general healthcare benefits has declined 7% in the last ten years, the value of behavioral healthcare benefits has declined 54% over the same period of time. The same study suggests that behavioral healthcare benefits, as a proportion of the total healthcare costs, have dropped from 6.1% to 3.1% in the last ten years – a 50% reduction (*Health Care Plan Design and Cost Trends*, HaysGroup 1998)
- ✓ ✓ Increases in national healthcare expenditures have averaged 8.3% annually from 1986 to 1996. However, average spending on mental health, alcohol, drug abuse over the same period of time increased only 7.2% annually. (*National Expenditures for Mental Health, Alcohol, and Other Drug Abuse Treatment, 1996*, Substance Abuse and Mental Health Services Administration)
- ✓ ✓ State mental health agency expenditures have decreased by 6.1% between the fiscal year 1981 to 1993. (*Funding Sources and Expenditures of State Mental Health Agencies*, National association of State Mental Health program Directors, 1995)

Devoting money to treating mental illness makes economic sense:

- ✓ ✓ The cost to the nation of untreated severe depression alone in 1998 was as much as \$44 billion. (National Institute of Mental Health)
- ✓ ✓ Coverage for severe mental disorders that is equal to that provided for other physical ailments can be expected to produce a 10% decrease in the use and cost of medical services for individuals with these conditions. This would offset the cost of providing mental health coverage and would result in an estimated net economic benefit to America of \$2.2 billion annually. (*Health Care Reform for Americans with Severe Mental Illnesses: Report of the National Advisory Mental Health Council, 1993*)
- ✓ ✓ Total annual cost savings of commensurate mental health coverage is estimated to be \$8.7 billion. This is the result of the following reductions in costs: \$.2 billion in mortality costs; \$6.8 billion in morbidity costs; \$.2 billion in criminal justice system costs; \$.2 billion in social welfare costs; \$.1 billion in incarceration costs; and \$1.2 billion in general medical costs. (*Health Care Reform for Americans with Severe Mental Illnesses: Report of the National Advisory Mental Health Council, 1993*)
- ✓ ✓ Lithium therapy for manic-depressive illness is estimated to have saved the United States economy more than \$145 billion since 1970. (National Institute of Mental Health)
- ✓ ✓ Many treatments for mental illnesses are extremely effective, with efficacy rates of 80% for both panic disorder and bipolar disorder. In comparison, the

efficacy rate for angioplasty is approximately 40%. (*Health Care Reform for Americans with Severe Mental Illnesses: Report of the National Advisory Mental Health Council, 1993*).