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Mental Health: the Economic Dimension

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Presentation structure

- **Adults of working age** – costs impacts and solutions
- **Children and young people** – economic impacts and solutions
- C. Older people**– economic impacts and solutions
- D. Efficiency, opportunity, equity**



A

**Adults of
working
age**

Adults of working age

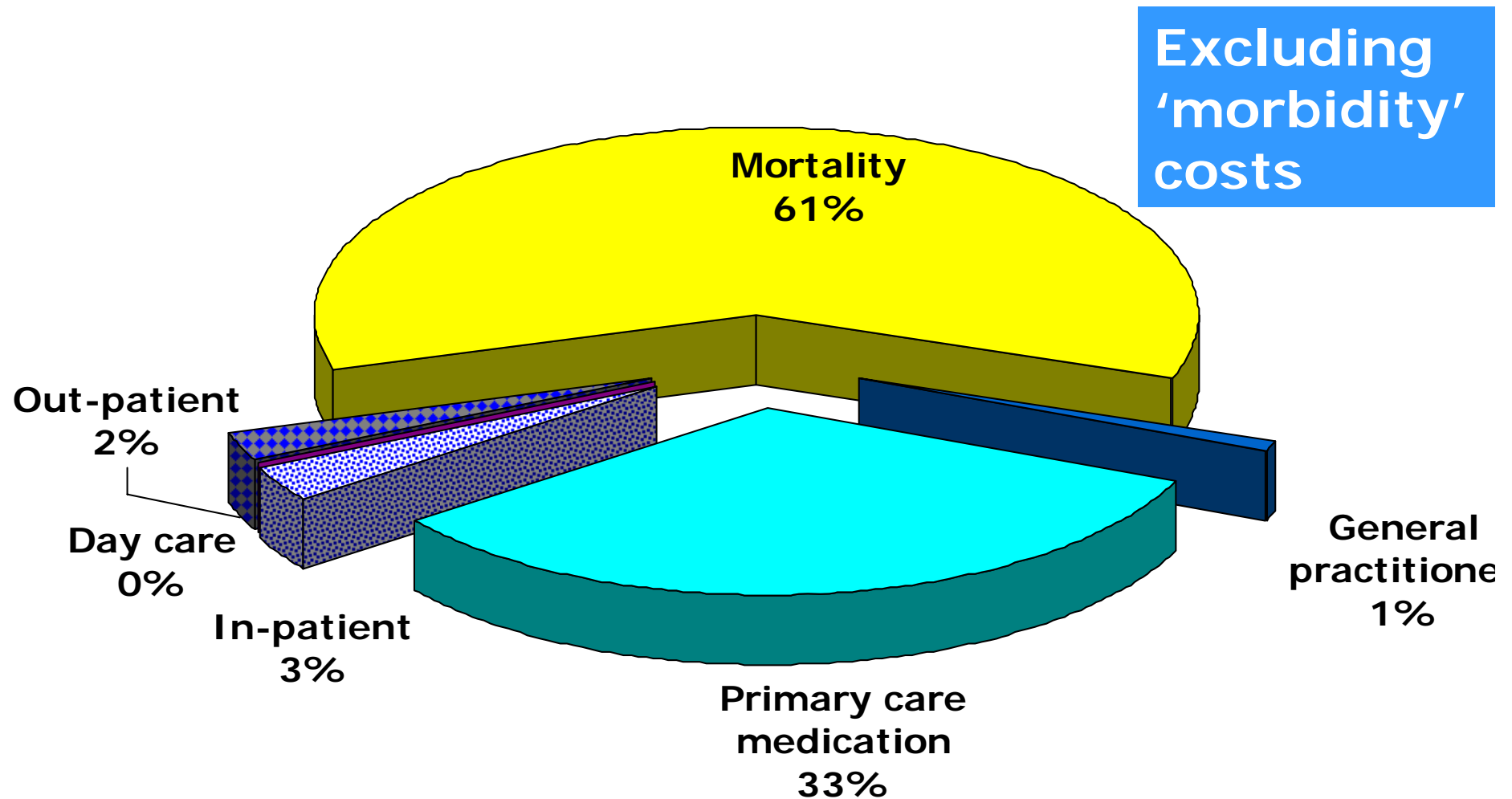
How many people are affected?

- 20 million people in EU-25 in 2004 had **affective disorders**; 40 million had **anxiety disorders**
- Many other **family members** are affected

With what consequences?

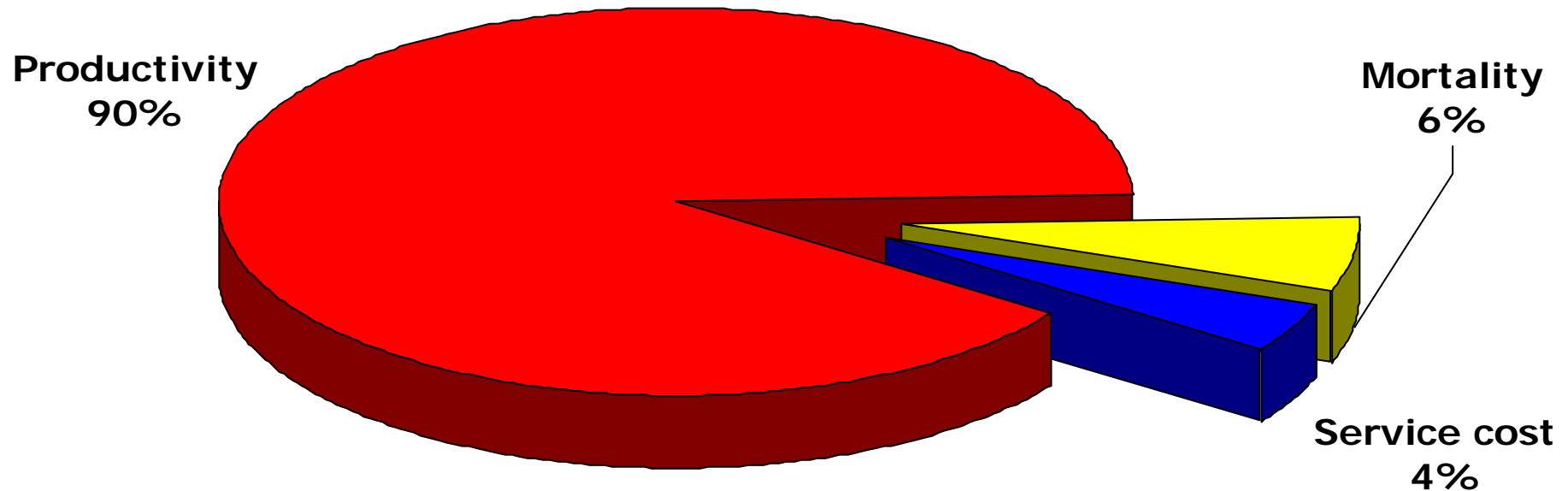
- Impoverished **quality of life**
- Damaged **family relations**
- Destroyed **careers**
- **High costs** to businesses, State, wider economy

Costs of depression (adults) in England, 2000



Costs of depression (adults) in England, 2000

Total cost = £9 billion



The business costs of mental ill-health

Absenteeism (UK)

- The average employee has 7 'sick days' off per year ... and 40% are for mental health problems
- Cost to business = **£8.4 billion**

'Presenteeism' (UK)

- Mental health problems can make people less productive in the workplace
- Cost to business = **£15.1 billion**

Staff turnover (UK)

- Replacing staff who leave because of mental ill-health
- Cost to business = **£2.4 billion**

Adults of working age

How many people are affected?

- 20 million people in EU-25 in 2005 had affective disorders; 40 million had anxiety disorders
- Many family are also affected

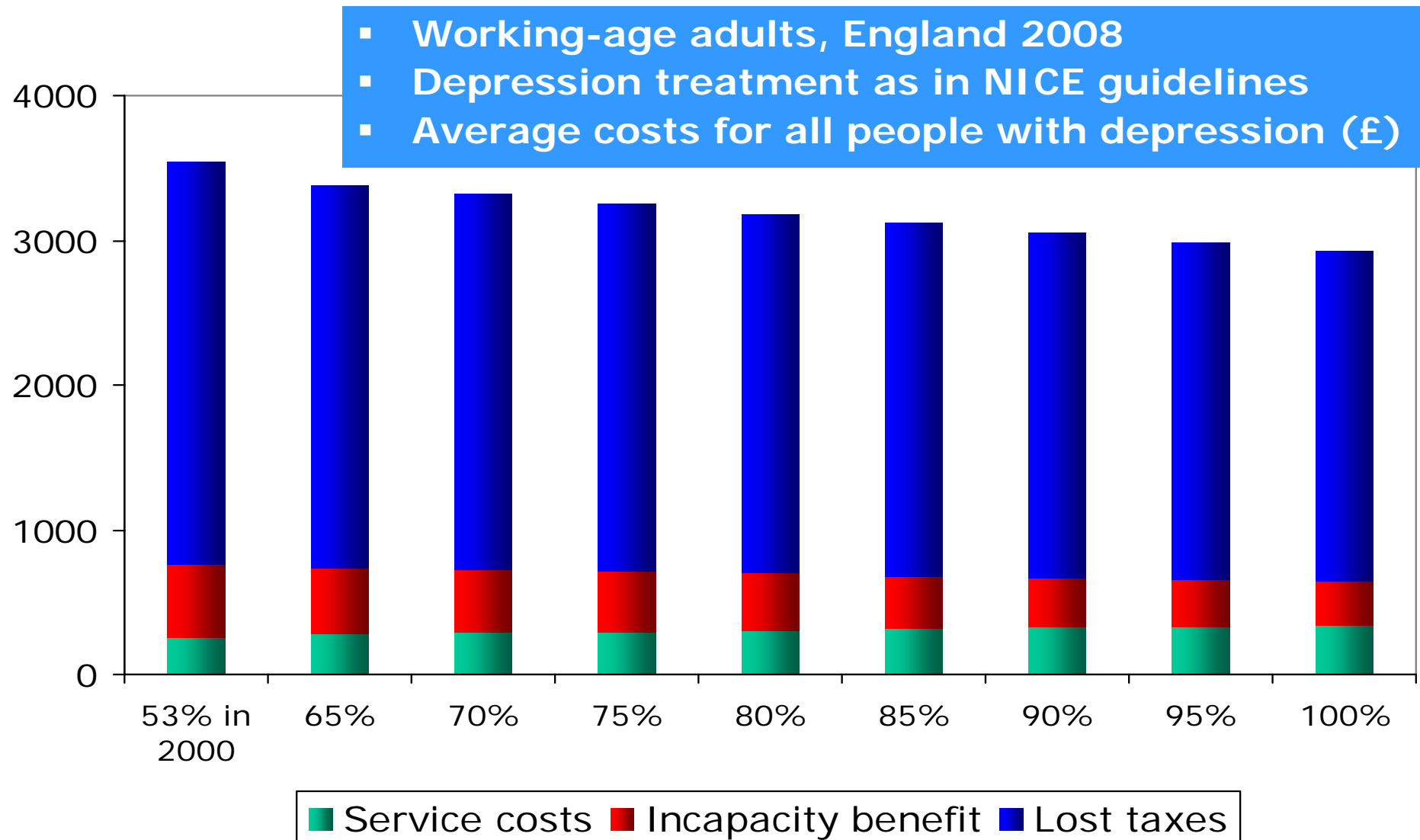
With what consequences?

- Impoverishment of life
- Damaged relationships
- Destroyed lives
- Costs to businesses, State, wider economy

What can we do about it?

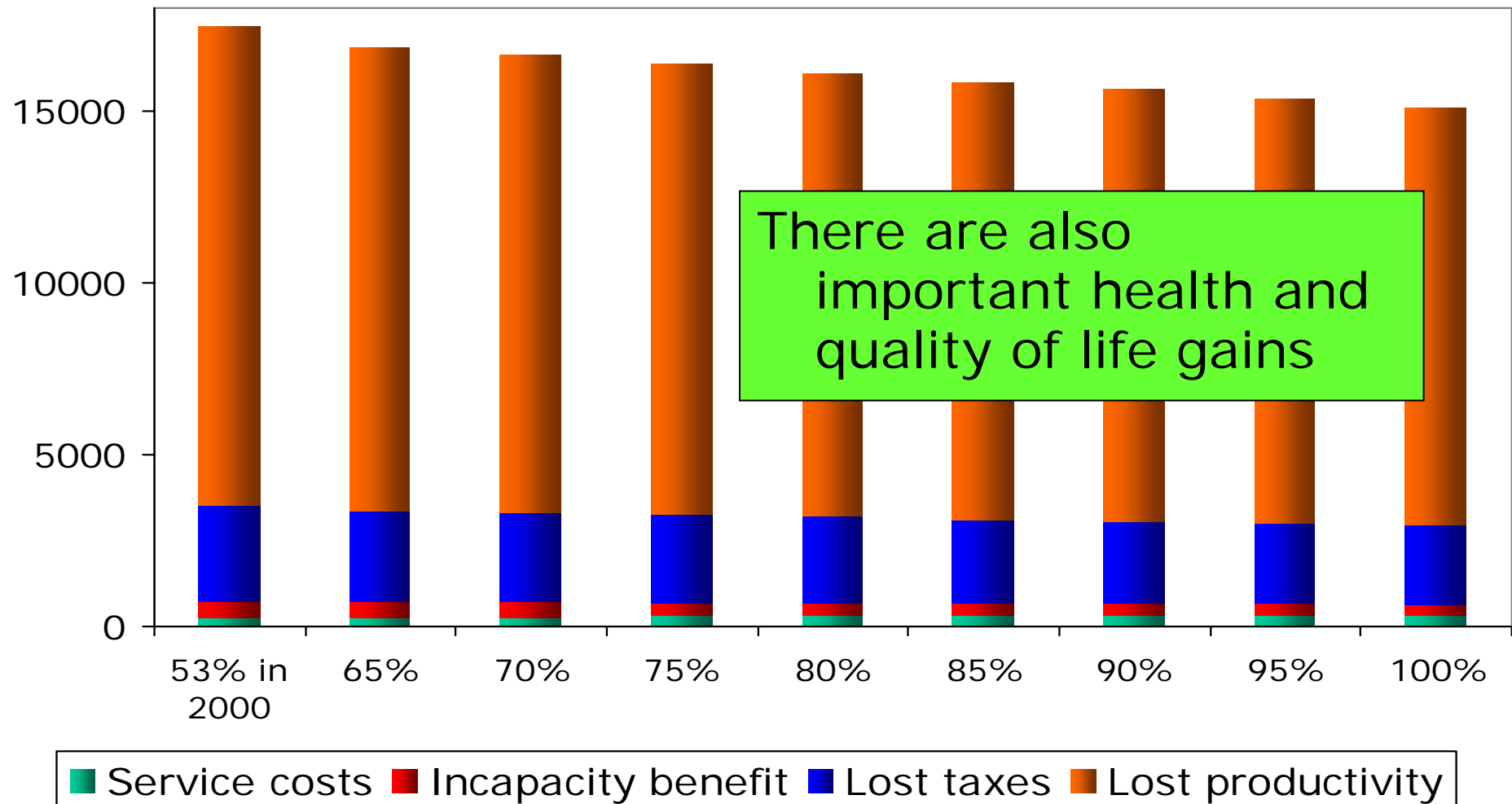
- Better access to **evidence-based treatments**
- Break **links with economic hardship**: debt, poverty
- Targeted **employment support**

Better access to recommended treatments: costs and benefits

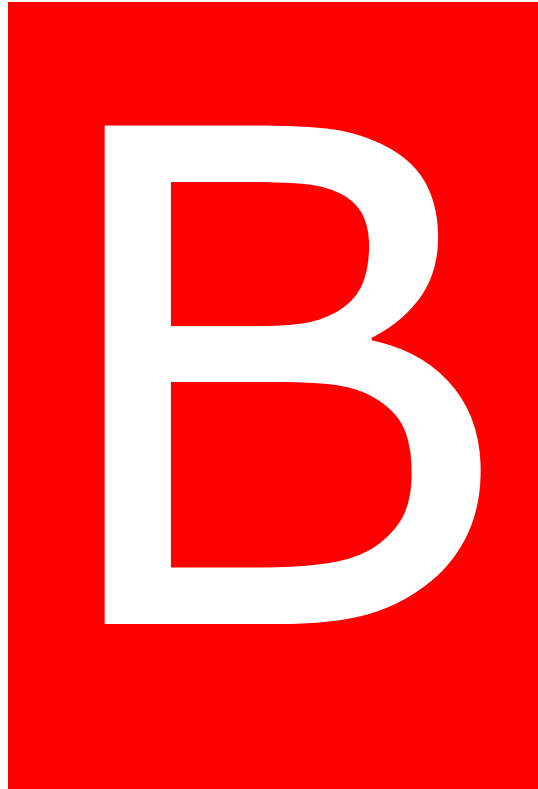


Knapp, McCrone, Capdevielle, unpublished, 2008

Better access to recommended treatments: costs and benefits – adding the productivity benefits



Knapp, McCrone, Capdevielle, unpublished, 2008



**Children
and young
people**

Children and young people

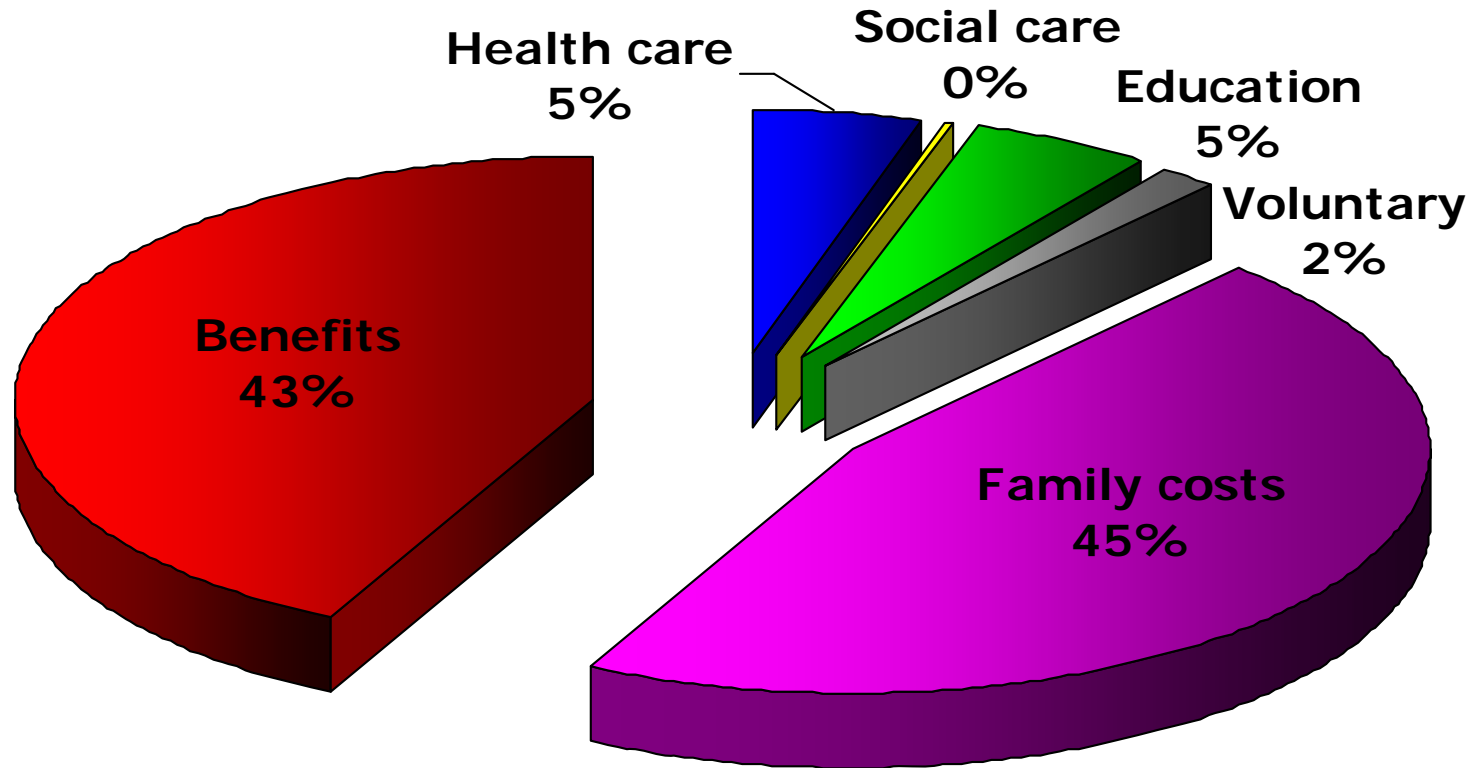
How many people are affected?

- 10-20% of European children and adolescents suffer from **mental health problems**
- **Suicide** is one of the 3 most common causes of death
- Other **family** members are affected

With what consequences?

- Poor **quality of life**; damaged **family relations**
- Disrupted **education**; failure to fulfil **potential**
- Enduring problems into **adulthood**
- **High costs** to individuals, families, State & economy

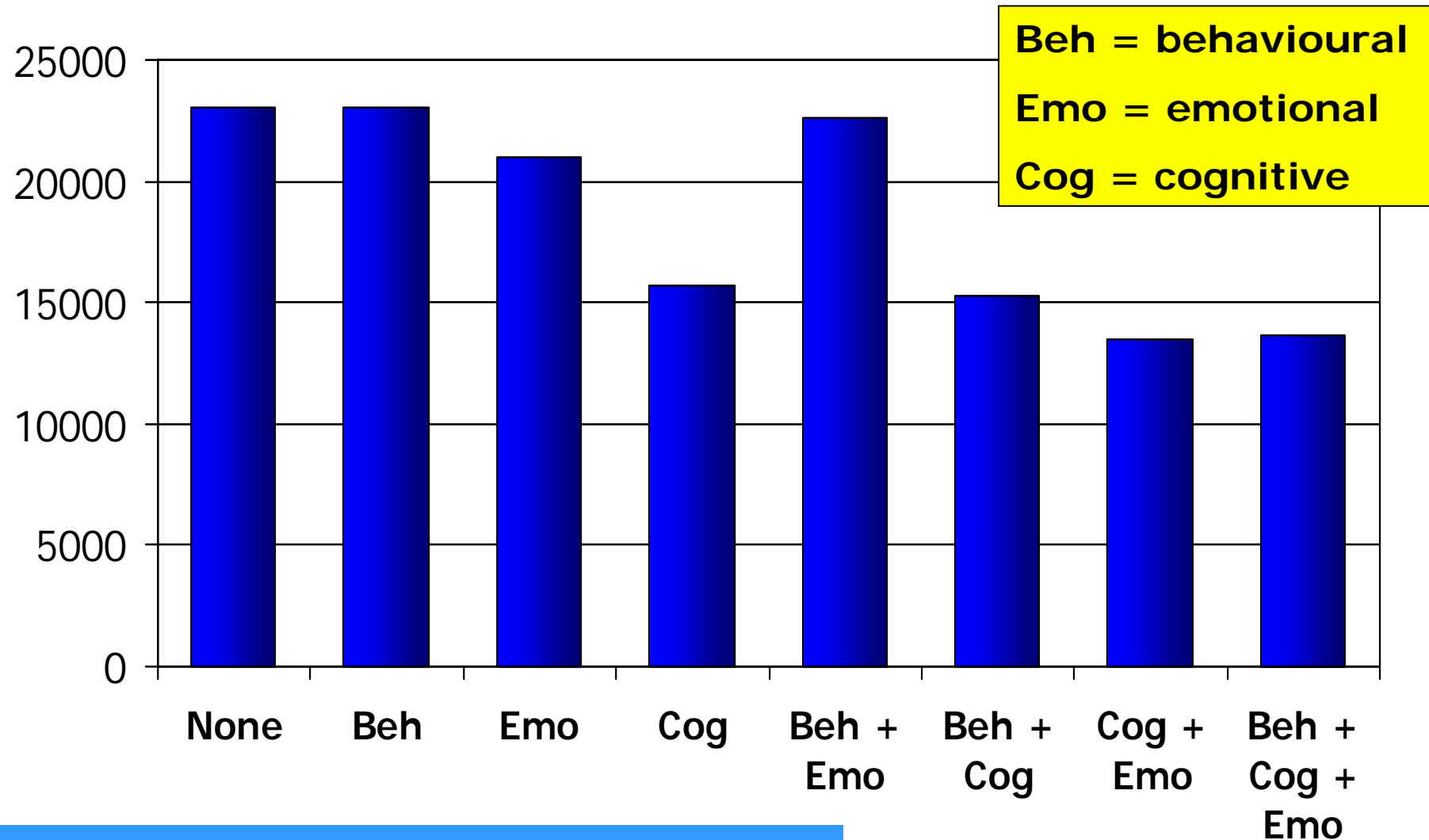
Children with persistent antisocial behaviour: costs in childhood



Total cost excluding benefits averaged £5960 per child per year, at 2000/01 prices (benefits = £4307)

Long-term consequences

Earnings (£) at age 30 by childhood 'problem' at age 10



Knapp, King, Yeh, work in progress, 2008

Children and young people

How many people are affected?

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- Suicide is one of the 3 main causes of death
- Other family members affected

With what consequences?

- Poor quality managed family relations
- Disrupted education; failure to fulfil potential
- Enduring problems into adulthood
- High costs to individuals, families, State & economy

What can we do about it?

- Parenting support
- Prevent bullying & violence
- Support in schools
- Work with communities
- Tackle poverty
- Better treatment access



**Older
people**

Older people

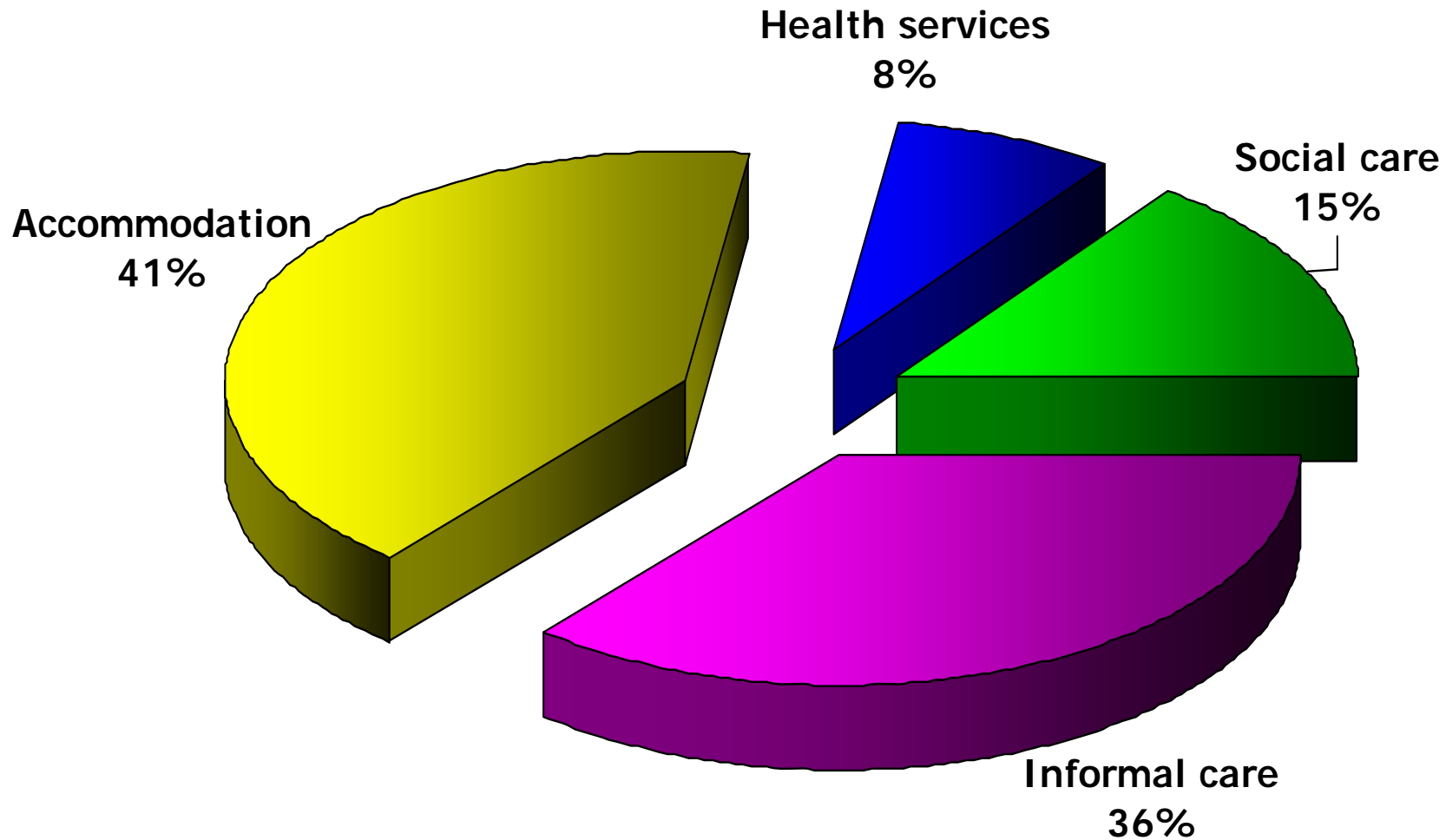
How many people are affected?

- 5 million or more older Europeans have **dementia**
- 10-15% of people aged 65+ have **depression**
- **Suicide rate** is highest for older people

With what consequences?

- Again – devastating impacts on **quality of life**
- Heavy burdens falling to **family carers**
- But often these consequences remain **hidden**
- **High costs** to individuals, families, State & economy

Costs of dementia in the UK



Care-giving reduces employment rates

Spieß & Schneider:

- Starting or increasing care-giving reduces women's (paid) working hours in northern European countries; less effect in southern Europe

Henz:

- About 1/3 carers in Britain reported effects on their work routines – most commonly they stopped work

Heitmueller & Michaud:

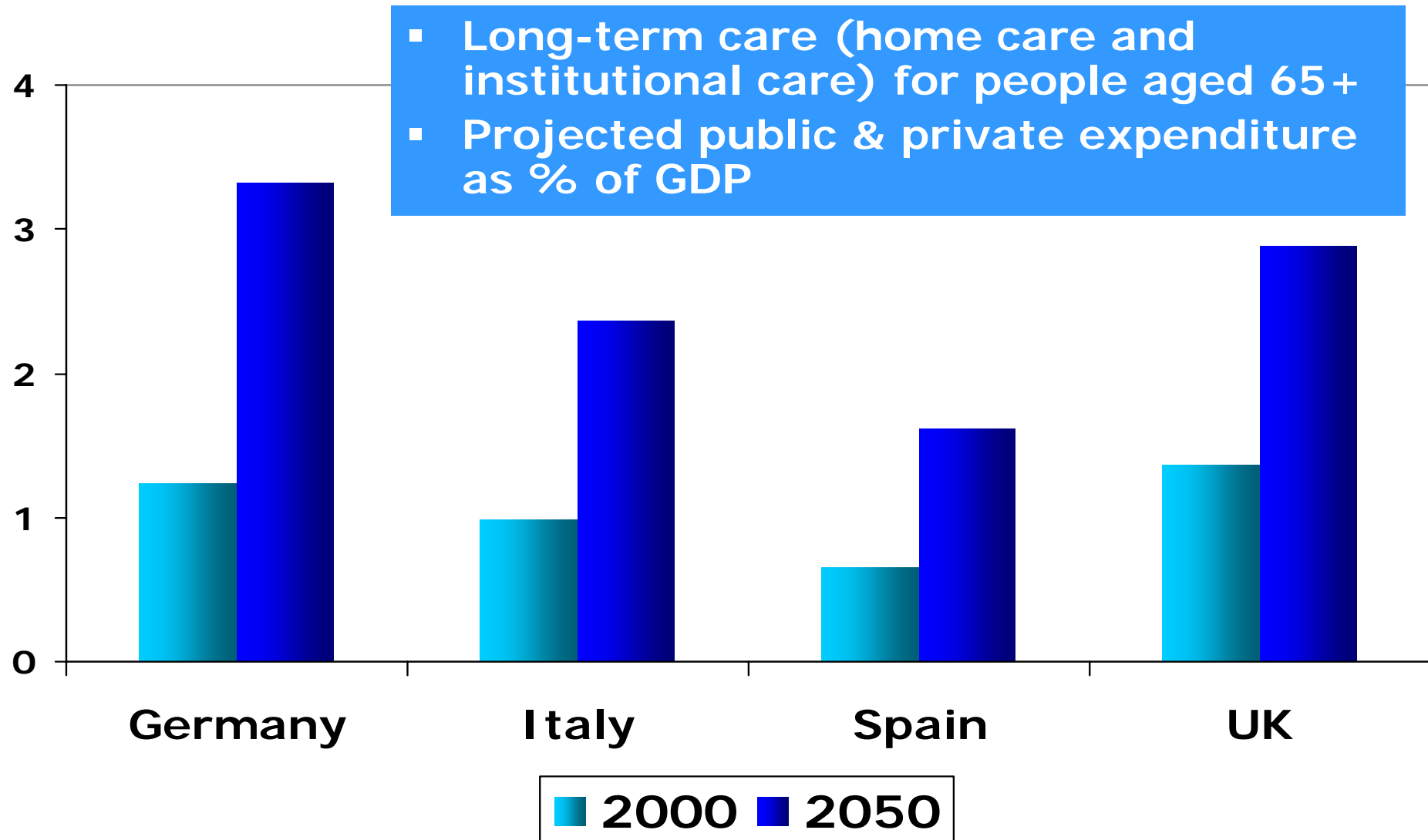
- Employment rates for co-resident carers in England reduced by up to 6 percentage points

Spieß & Schneider, *Ageing & Society*, 2003

Henz, *Ageing & Society*, 2004

Heitmueller & Michaud, *IZA Discussion Paper*, 2006

Expenditure on long-term care for older people, 2000-2050 (% of GDP)



Older people

How many people are affected?

- 5 million or more older Europeans with dementia
- 10-15% of people aged 65+ experience depression
- Suicide rate is highest among older people

With what consequences?

- Again – depression impacts on quality of life
- Heavy burden on family carers
- But often consequences remain hidden
- High costs to individuals, families, State & economy

What can we do about it?

- Better **treatment access**
- Better **preventative** efforts
- Support for **carers**
- **Biomarkers?**
- Social **integration**
- **Choice** and control



**Efficiency,
opportunity,
equity**

Mental health problems are often ...

- **devastating** - for individuals
- **burdensome** - for families
- **challenging** - for communities
- **very expensive** - for economies

But – with personal, national and European action – we can do something about it ... in pursuit of EU objectives.

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