Mental Health Economics
European Network: A Brief Overview

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MHEEN website: www.mentalhealth-econ.org
Mental Health Economics European Network

- 18 month project commenced Nov 2002
- Led by Mental Health Europe & London School of Economics and Political Science
- Partners in all EU countries, Norway and Iceland
Objectives of the network

- To prepare a framework for data collection on relevant economic dimensions;

- To collect some data to allow cross-country comparisons to be made; and

- To learn about mental health economic issues and how they are being addressed in each country.
Seven major themes explored

- Mental Health Care Financing
- Expenditure and Unit Costs
- Provision: service and professionals
- Employment and mental health
- Use of economic evaluation
- Epidemiological data with economic potential
- Resource Allocation
Financing Key Issues (1)

- Mental health financed in the same way as general health care
- Almost universal coverage –
- Resource Allocation Issues; Also DRGs
- Heavy reliance on social care systems in some countries – shift over time
- Entitlements and funding of services less clear
- Role of Private Insurance in MH very limited; although role of employment insurance developing; some examples elsewhere of PHI role
Financing Key Issues (2)

- Varied provision of services under social care provision
- Out of pocket contributions to these services vary
- Data collection systems for data on financing and resources not great
% of health care expenditure on mental health in EU + 2

Source: WHO Atlas 2001
Employment & Mental Health

- Sensitivity to employers/ees of mental health issues
- Fragmented budgeting and poor coordination
- Stigma & ignorance
- Poor enforcement of anti discriminatory measures
- Limited workplace data and evaluation
- Mental health a low priority
- Perception that replacements available in labour force
Total health care costs (annual, £): common mental health problems

Data from Psychiatric Morbidity Surveys, UK, 1993-4, households sample (1997/98 prices)

Patel et al, 2002a,b,c
Common mental health problems: aggregate costs, UK (annual, £) 1997/98 prices

- Social phobia
- OCD
- Depression
- No psychiatric morbidity

Patel et al, 2002a,b,c
Absenteism and mental illness

Changes in days of absenteeism in percentages 1993-2002 (1993=100%)
Absenteeism in AOK Sickness Fund Germany

Percentage of absenteeism due to mental illness on total days of absenteeism from 1994 to 2002 for members of the Allgemeine Ortskrankenkasse (AOK) which is the biggest sickness fund in Germany.

Source: Killian & Becker 2003
Preliminary Findings

- Poor mental health is a major contributor to both short term absenteeism & long term sick leave
- Individuals at risk of being discharged – particularly if retirement options available; or if not perceived as key to workforce
- Consequences of lost employment profound for individual
- Absenteeism and sick leave costs for employers (or insurers) can be very high
- Effective, low cost interventions/approaches available for both promotion of good mental health & to help with retention
Outputs

- Final short report 2004
- Background technical papers and country reports also prepared
- Identifying key socio-economic issues
  - structures for health promotion
  - socio-economic costs of poor mental health
  - mapping organisational structure of health, social care and employment services
  - impact of mental health on employment issues
  - equity issues, discrimination & stigma
Future

- Links with EC agenda on economics and health generally
- Future projects looking at issues in new Member States and Candidate Countries
- Deeper analysis of issues for current members
- Exchange and collaboration across countries