

Projected Cost and Economic Impact of Mental Health Inequities in the United States

Addressing Workforce Challenges Across the Behavioral Health Continuum of Care

Daniel E. Dawes, JD
Founding Dean & Professor
Senior Vice President, Global Health
Meharry School of Global Health



“There is no
health without
mental health”

- Dr. David Satcher
16th U.S. Surgeon General

ERs Are Flooded With Kids in Mental Health Crisis,

U.S. Doctors' Groups Warn

US NEWS & WORLD REPORT, 2024

**Half of World's Population Will
Experience a Mental Health Disorder**

HARVARD,
2024

**Impacts of climate change threaten
children's mental health starting before birth**

APA, 2024

**Surgeon General Issues New Advisory About Effects
Social Media Use Has on Youth Mental Health**

HHS, 2024

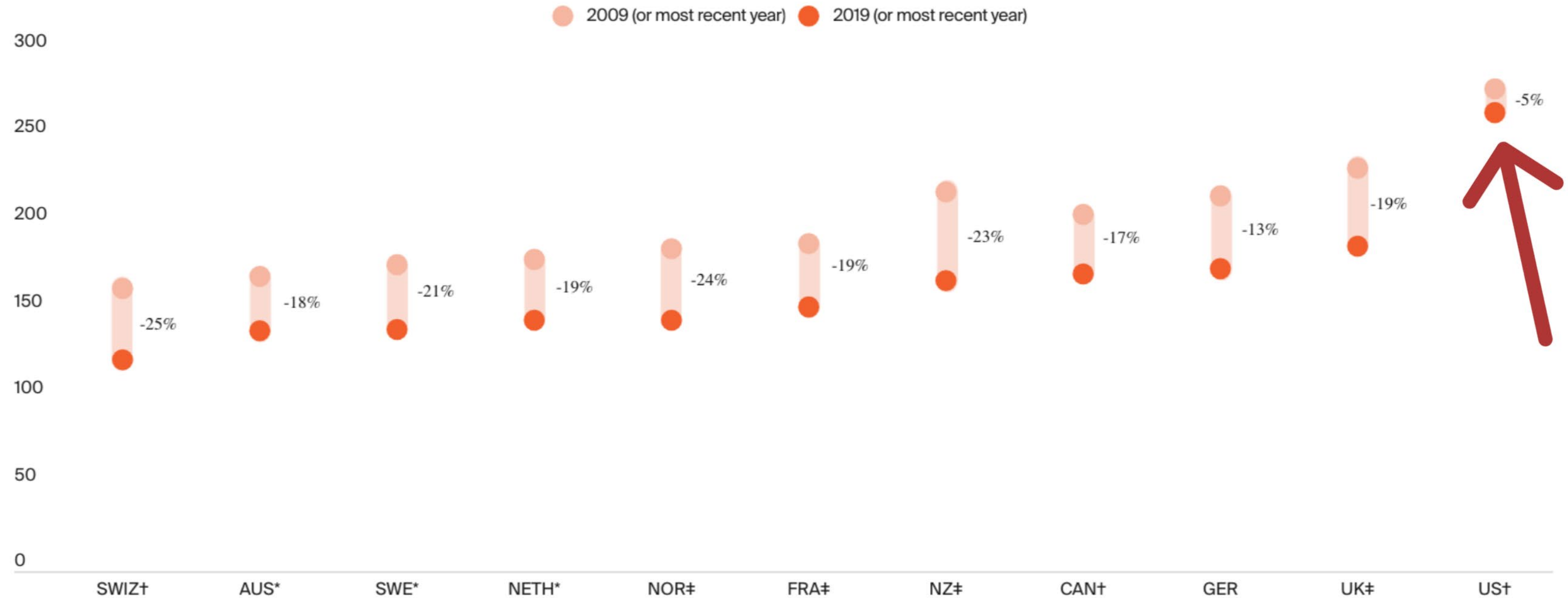
**Mental health seen as a top health threat in Axios-
Ipsos poll**

Axios, 2024

EXHIBIT 8

Avoidable Deaths and 10-Year Reduction in Avoidable Mortality Across Countries

Deaths per 100,000 population



Notes: Health status: avoidable mortality. Data years are: 2009 and 2019 (Germany); * 2008 and 2018 (Australia, the Netherlands, Sweden); † 2007 and 2017 (Canada, Switzerland, US); and ‡ 2006 and 2016 (France, New Zealand, Norway, UK).

Data: Commonwealth Fund analysis of data from OECD Health Statistics, July 2021.

Source: Eric C. Schneider et al., *Mirror, Mirror 2021 — Reflecting Poorly: Health Care in the U.S. Compared to Other High-Income Countries* (Commonwealth Fund, Aug. 2021).

<https://doi.org/10.26099/01DV-H208>

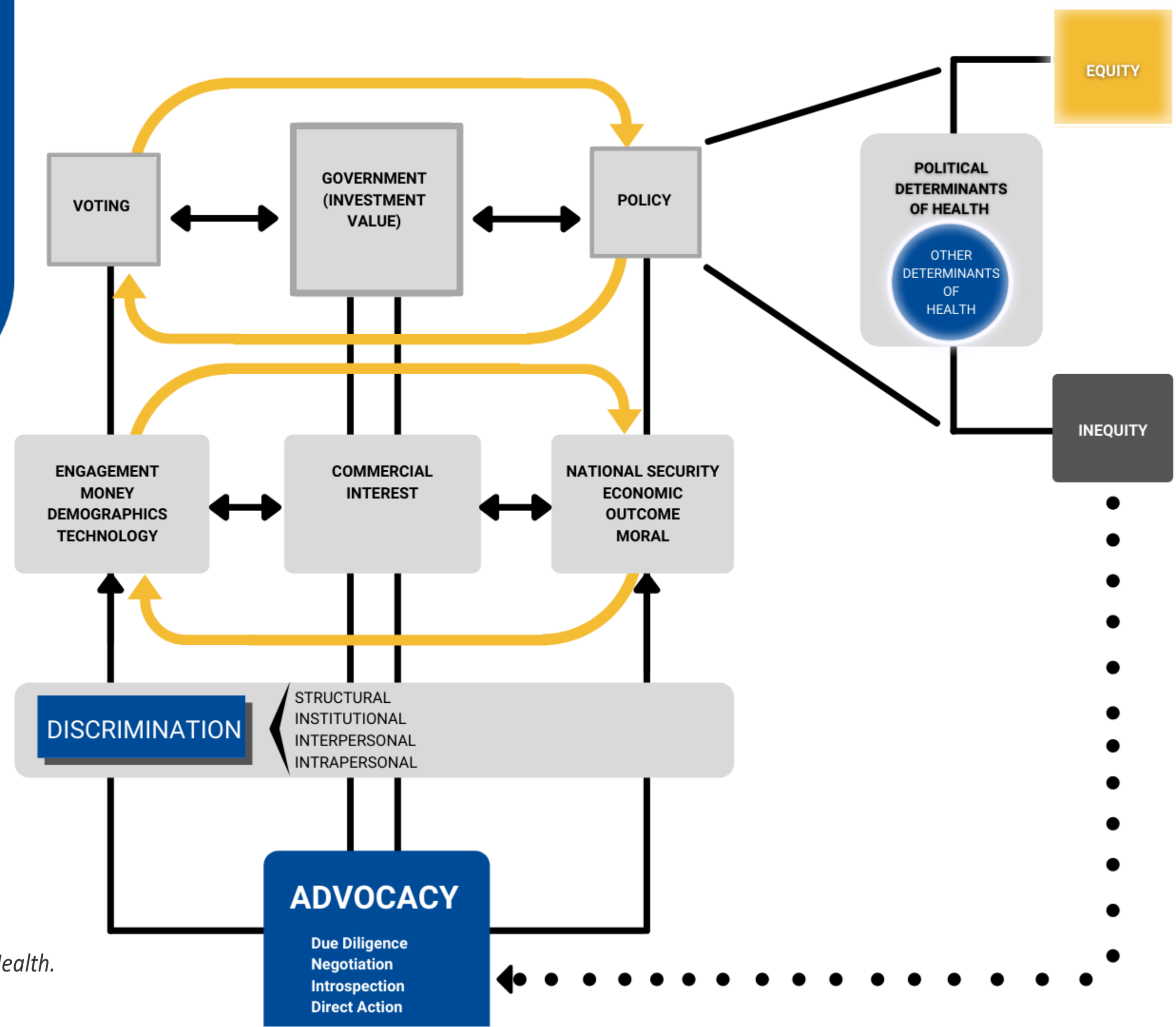
The Interconnectedness of Mental and Physical Health

- 1 Higher rates of chronic illnesses among those with mental health diagnoses**
- 2 Impact on overall well-being and healthcare costs**
- 3 Need for integrated care approaches**

“Adults with serious mental illness are 3.4 times more likely to die of heart disease or diabetes, 3.8 times more likely to die in an accident, 5 times more likely to die of respiratory ailments, and 6.6 times more likely to die of pneumonia or flu.”

-Missouri Insitute of Mental Health

POLITICAL DETERMINANTS OF HEALTH MODEL



Source: Dawes D. *The Political Determinants of Health*.
Johns Hopkins University Press; 2020.

The projected costs and economic impact of mental health inequities in the United States



If left unaddressed, mental health inequities could lead to approximately US\$14 trillion in costs between now and 2040, according to estimates from the School of Global Health at Meharry Medical College and the Deloitte Health Equity Institute.

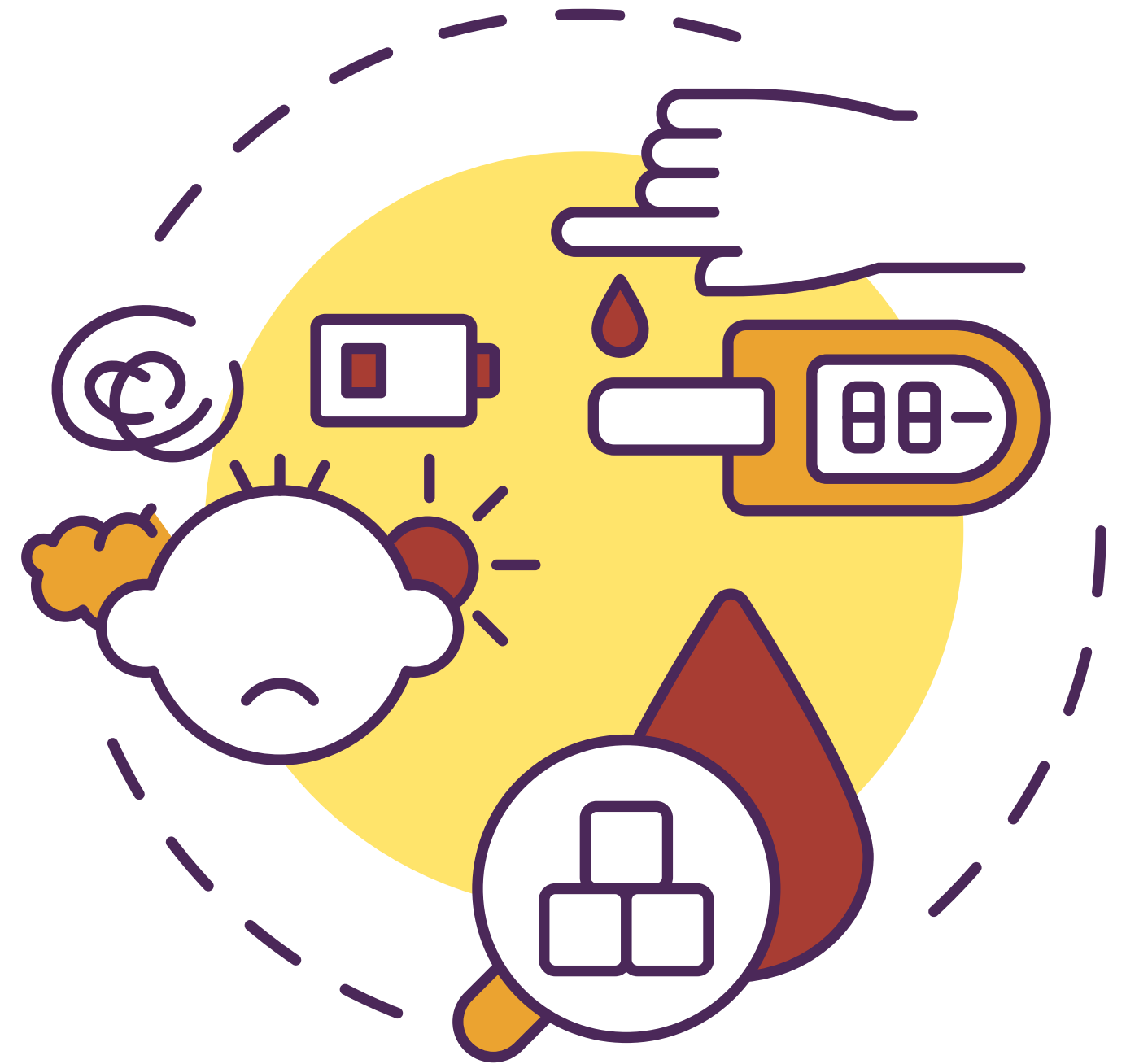


- Connecting mind and body
- Intersection of mental and physical health conditions
- Projected costs
- Giving the world a better picture of the problem

Methodology

We considered the following factors and sources in this report:

- Physical health conditions
- ER utilization
- Productivity loss
- Premature death
- Publicly and privately sourced databases





The United States currently spends an estimated
\$477.5 billion
annually
in avoidable and unnecessary expenses related to mental health inequities.



Under the current conditions, the United States is estimated to spend
\$1.26 trillion per year by 2040 on costs related to mental health inequities.

Between today and 2040, the projected cumulative cost attributable to inequities in mental health care is estimated to amount to
\$14 trillion.



Figure 1

Excess costs arising from mental health inequities

The United States will spend an estimated US\$477.5 billion in avoidable and unnecessary expenses related to mental health inequities in 2024, according to our analysis, and those costs are expected to increase into the future.

	2024	2040
Total expenditures	\$477.5 B	\$1.3 T
Chronic physical health conditions	\$23.9 B	\$76 B
Diabetes	\$11.6 B	\$37.4 B
Stroke	\$2.9 B	\$9.2 B
Hypertension	\$3.9 B	\$12.6 B
Ischemia	\$3.2 B	\$9.1 B
HIV	\$2.4 B	\$7.8 B
Emergency department overutilization	\$5.3 B	\$17.5 B
Productivity loss	\$116 B	\$252.3 B
Absenteeism	\$7.4 B	\$11.4 B
Presenteeism	\$45.4 B	\$69.7 B
Unemployment	\$63.2 B	\$171.2 B
Premature death	\$332.2 B	\$911.9 B

Note: Projections in US dollars.
Source: School of Global Health at Meharry Medical College and Deloitte analysis of Komodo Health, Medical Expenditure Panel Survey, CDC WONDER, and the National Hospital Ambulatory Medical Care Survey data.

Our research revealed:



HIV rates are double, or nearly double, across every insurance type and age group among people with mental health conditions.



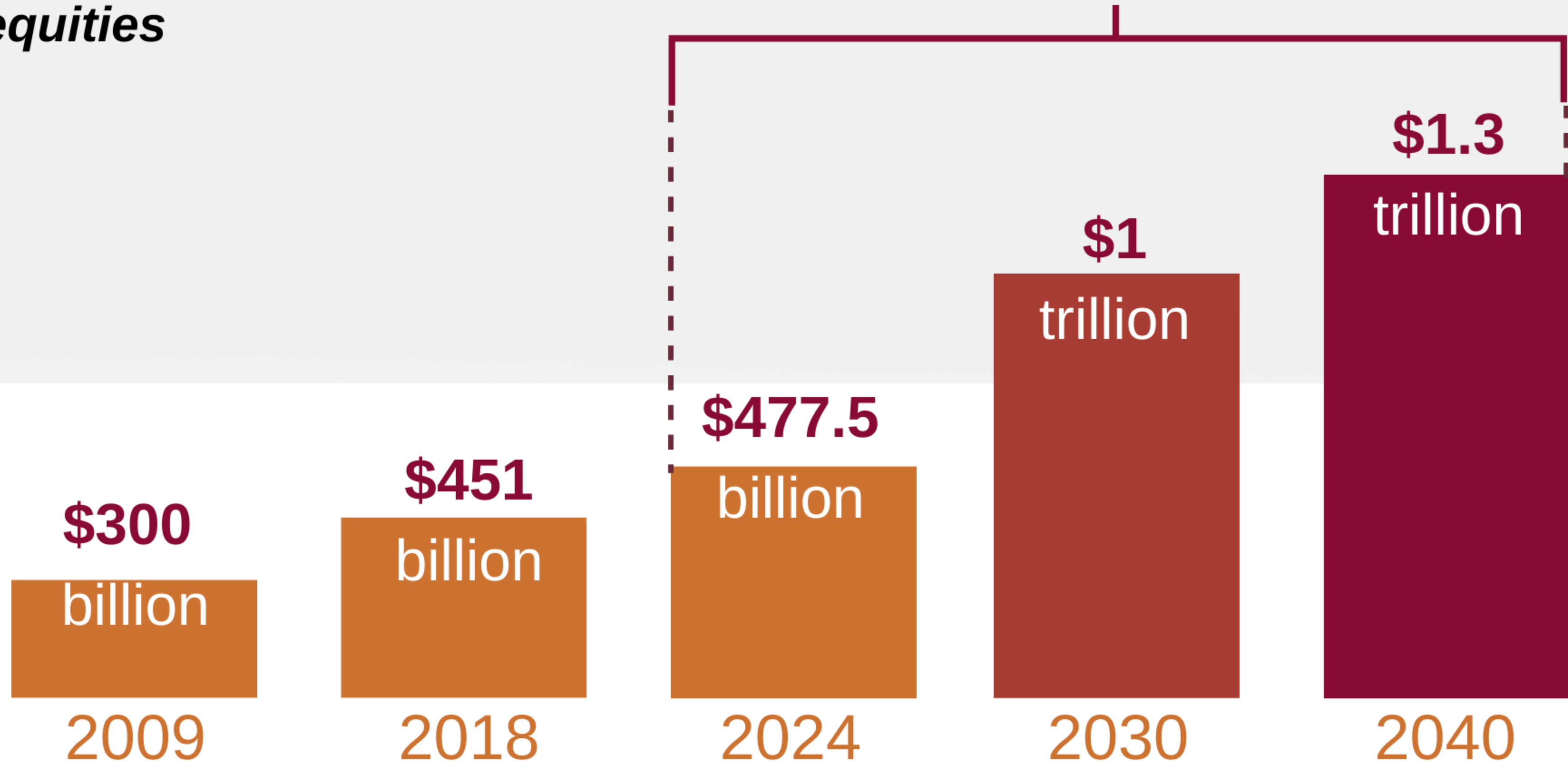
Mental health conditions are more prevalent among people of any race who have diabetes (24.4% vs 16.7% for the general population).



When looking at people with a mental health condition, **stroke is more than twice as likely** than it is for people without a mental health diagnosis (0.5% vs 0.2%) across all insurance types. And among stroke patients, mental health conditions occur in 54.4% of cases.

*The Past, Present, & Future
Economic Burden of Health
Inequities*

\$ 1 4 T r i l l i o n
compounded between 2024 - 2040



Dawes, D, Bhatt, J, Dunlap, N, et al. The Projected Cost and Economic Impact of Mental Health Inequities in the United States. Meharry School of Global Health; 2024

Past and Projected Costs

- **PAST:** **Between 2016 and 2020**, the total excess cost burden from premature mental and behavioral health-related deaths among indigenous populations and racial and ethnic minoritized groups due to mental illness, substance use, and suicide is \$278 billion dollars.
- **PRESENT and FUTURE:** **Between today and 2040**, the projected cumulative cost attributable to inequities in mental health care is estimated to amount to \$14 trillion dollars.



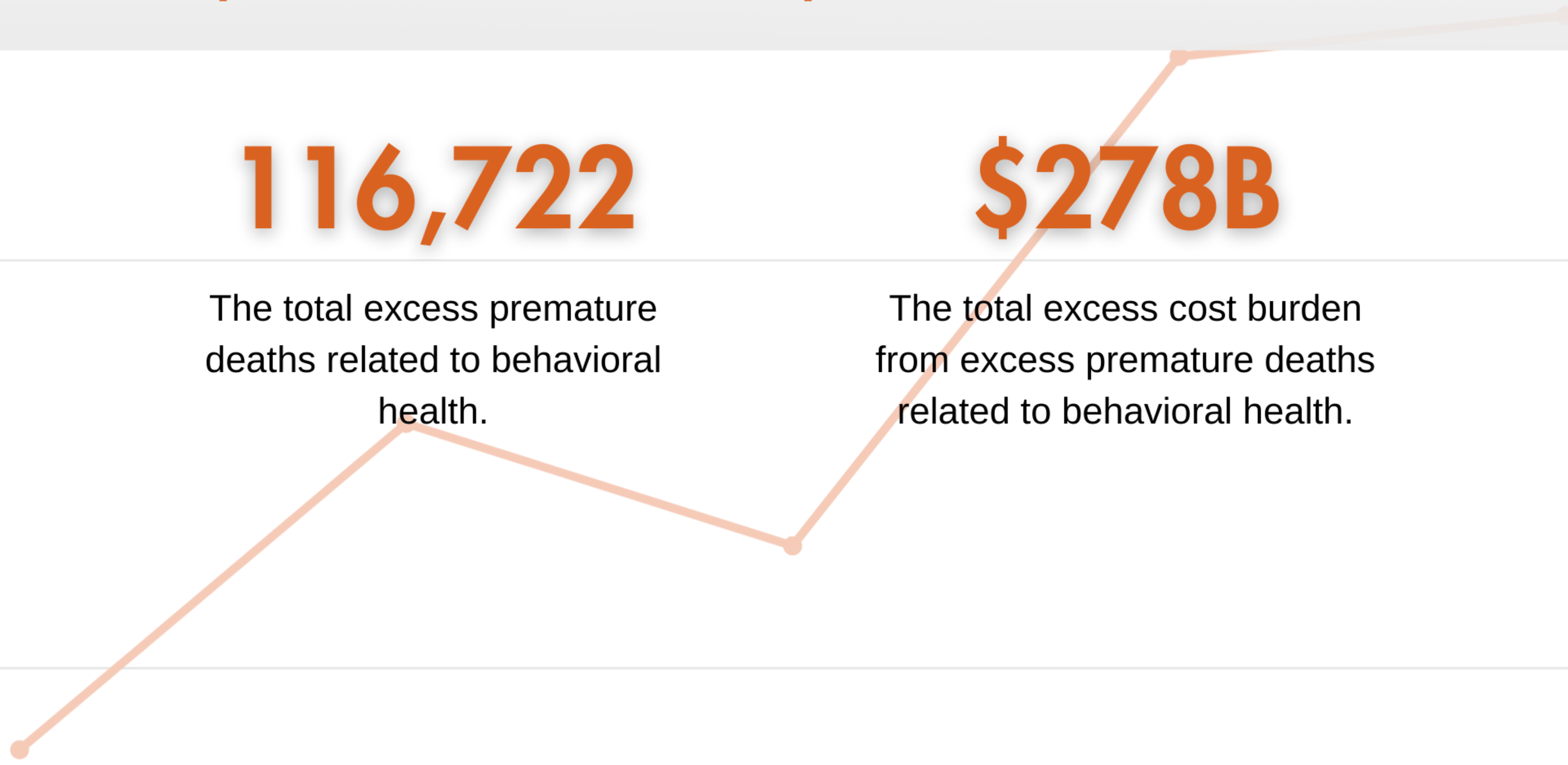
The Impact of Mental Health Inequities

116,722

The total excess premature deaths related to behavioral health.

\$278B

The total excess cost burden from excess premature deaths related to behavioral health.



Who Is Missing from this?

The study revealed that an estimated 5.8 million Americans (i.e. the incarcerated, nursing home residents, residents of assisted living facilities, the unhoused, active military, and those who are institutionalized in psychiatric facilities)

Assumptions and Limitations

- Data were not always disaggregated by gender, race or ethnicity, and other ways of identifying specific populations.
- Inconsistency in how indigenous, racial and ethnic groups are coded and classified.
- Generalized findings for unique communities and individuals due to overly aggressive aggregation.
- Behavioral health being excluded in many measures of overall burden of disease.
- Lack of data available for youth and particularly youth under the age of 12.
- Restricted behavioral health data based on state preference due to interpretation of parity laws.
- These inequities are including but not limited to selfreporting, exclusive terminology, and forced racial identification due to institutional policies, and are all representative of the types of systemic inequities that these reports exists to highlight and address.

Conclusion

- Mental health inequities cause significant economic impacts, including medical expenditures and productivity loss.
- Integrated care approaches are necessary to address the interconnectedness of mental and physical health.
- Workforce Strategies are needed to ensure a collaborative, community centric approach to these challenges.
- Collective efforts across sectors can mitigate the economic burden and promote a healthier society.

Health Equity for All!

*Download the
report here:*



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Daniel E. Dawes, JD
Founding Dean, School of Global Health,
SVP, Global Health
Meharry Medical College