Neglecting mental health services is bankrupting our healthcare system

By Kenneth E. Thorpe

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President Trump and Republican congressional leaders justifiably want to curb the alarming growth in government healthcare spending. Their proposed solution? Cut $880 billion in federal funds from Medicaid over the next ten years.

Their plan wouldn't necessarily reduce government spending. At best, it would just shift the burden from federal taxpayers to state taxpayers. In fact, such cuts could increase overall government spending. That's because Medicaid is the most important financing source of mental health services. Expanding access to mental health services would yield billions in savings — and produce a healthier population.

Roughly one in five American adults will suffer from a mental health condition this year. Half of Americans struggle with mental health conditions such as depression, anxiety, bipolar disorder or schizophrenia at some point in their lifetimes.

Mental health conditions are the most expensive medical condition in the country. In 2013, the United States spent more than $200 billion treating mental health disorders. That total is about $50 billion higher than what was spent combating heart conditions.

Patients are all too familiar with this financial burden. Healthcare costs for the average Medicaid adult who doesn't have any chronic conditions total $4,600 each year, according to the Partnership to Fight Chronic Disease, the non-profit I lead. But for Medicaid adults suffering from a mental health condition, annual healthcare spending more than doubles, reaching a whopping $11,200.

The cost is even higher for Medicaid adults living with mental health conditions and another chronic condition, such as heart disease or cancer. Such patients rack up medical expenses of anywhere between $18,000 and $60,000 per year, depending on their conditions.

It's no surprise, then, that mental health conditions are also a serious drain on state healthcare systems. States can expect to spend nearly $70 billion on mental health conditions over the next 15 years.

In addition to increasing medical costs, mental health conditions also drain money from the economy.

Consider the workplace. Due to decreased performance, absenteeism, and other factors associated with mental health conditions, mental illnesses cost employers billions each year.

Or consider the prison system. Each year, more than two million people suffering from a mental illness find themselves behind bars. Unfortunately, more than eight of every ten inmates don't have access to metal health services and support. Without proper treatment, inmates are put at a severe disadvantage when they're released. Many succumb to homelessness. Others relapse into criminal behavior and wind up back in prison.

Lost productivity, additional jail time, and other societal costs associated with mental illness will drain an additional $3 billion from state budgets by 2030.

But that doesn't have to be the case. Depression, anxiety, schizophrenia and other mental health disorders are treatable diseases. With sensible policy solutions that prioritize access to mental health services, states could realize enormous savings — and cultivate healthier populations.

For example, by boosting inmate access to effective mental health services and innovative treatments, states could drastically reduce the number of mentally ill inmates who received extended or recurring jail sentences. That adds up to nearly $9 million dollars per year in savings.

The same is true for the workplace. Increasing access to necessary services and detecting mental health issues early on would slash cases of absenteeism and help employees become more productive. Businesses could save millions of dollars each year.

Adopting these new policies could save states upwards of $475 million each year. That's $7.1 billion in savings by 2030.

The solution to rising healthcare costs is simple: Our government saves money when we have a happier and healthier population. Any lawmaker — or businessman president — would be foolish to cut mental health services that yield tremendous savings.

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