

# CULTIVATING A HEALTHY WORKFORCE GROWS A THRIVING ECONOMY

## **BACKGROUND**

The demand for mental health and substance use services is unrelenting, as nearly 1-in-4 U.S. adults report experiencing a mental health condition each year. Unfortunately, the availability of treatment has not kept up, leaving many without access to the care they need to thrive. In the last year, only half of adults in need of mental health services accessed them, and youth experiencing mental health challenges, fared even worse – with only 43.9% receiving treatment in the past year. Further, over three-quarters (76.9%) of adults in need of support for a substance use disorder did not receive any treatment.[i],[ii]

**This lack of access to care hurts individuals, communities, and places a heavy burden on the economy.**

Each year, the U.S. forfeits nearly \$300 billion from its GDP from costs associated with untreated mental health and substance use disorders.[iii] These staggering deficits result not only from direct costs like medical expenses, but also from lost productivity, lost wages, reduced labor supply, and decreased tax revenues. Investing resources to improve access to behavioral health care, however, mitigates these losses and yields significant economic benefits and long-term savings. Such investments not only meet the immediate needs of individuals living with mental health or substance use disorders, but also positions states, like Ohio, for future economic growth. In developing strategies to ensure Ohio remains one of the most competitive states for businesses, policymakers should prioritize investments that promote a healthy workforce and strong system for community-based mental health and substance use services. Access to these services and recovery supports are critically needed to foster economic resilience and build a thriving economy.

## **ENHANCING ECONOMIC HEALTH THROUGH WORKFORCE PRODUCTIVITY**

The economic toll of untreated mental health and substance use disorders is staggering, with wide-ranging effects on labor market outcomes, productivity, and overall economic growth. As an example, an Ohio State University (OSU) study found that the opioid epidemic costs Ohio between \$6.6 to \$8.8 billion a year—about the same amount the state spends annually on K-12 education.[i] Untreated mental health issues lead to higher rates of absenteeism, decreased productivity, reduced participation in the workforce, and unemployment. Workers with mild untreated mental illness miss an average of 9.3 hours of work per week, while those with serious mental illness miss 12.5 hours,[ii] and family caregivers of those living with disabling mental illness spend an average of 32.5 hours of unpaid caregiving each week.[iii] In addition to these individual impacts, 53% of working parents miss at least one day of work per month to address their child's mental health needs, significantly impacting economic outputs.[iv]

Globally, depression and anxiety alone cost the economy more than \$1 trillion each year in lost productivity and economic losses.[v] In the United States, those costs are not just encumbered by state and local governments, they are also often passed down to employers, significantly stifling economic growth. Annually, mentally distressed workers cost employers in the U.S. over \$2,800 more in healthcare expenses, an additional \$4,700 in missed workdays, and approximately \$5,700 per year due to employee turnover.[vi]

Optimistically, investing in mental health and substance use treatment yields significant economic returns. Recovery from mental illness increases employment and workforce participation by up to 42%.[vii] Investments in these programs promote business through enhanced productivity and reduced costs associated with mental health and substance use challenges. A healthy workforce yields benefits for employers, employees, and local communities, and supports greater economic growth which in turn, stimulates consumer spending – generating considerable tax revenue that benefits local, state, and federal governments.

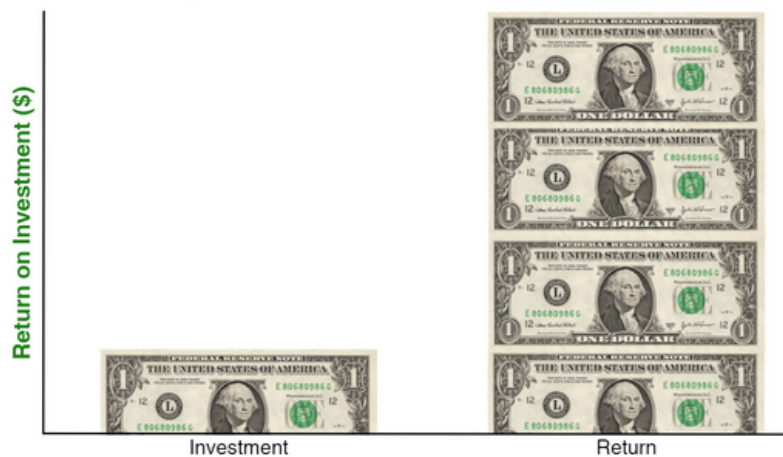
# THE ECONOMIC IMPACT OF INVESTMENTS

The cost to the U.S. economy of untreated mental health challenges is nearly \$300 billion, largely due to 1) lost productivity and 2) higher healthcare expenditures.

[i] While this economic burden of untreated mental health issues is significant, the return on investment in behavioral health care is equally substantial. For every \$1 spent on mental health treatment, there is an average return of \$4 in improved health and productivity.[ii] The increased workplace productivity that would result from improved access to mental health supports alone would add an additional \$53 billion in economic output annually by simply reducing workplace absenteeism and lost productivity from working while sick.[iii] This boost in revenue and earnings creates a positive feedback loop that benefits both individuals and the economy by both – fueling economic growth and reducing the reliance on public assistance programs.

The societal impact of untreated mental health and substance use conditions extends beyond economic losses. Left unaddressed, these issues contribute to higher rates of homelessness, substance misuse, crime, and incarceration, all of which strain public resources and increase state and federal spending.[iv], [v] Investing in human services, particularly in effective behavioral health care, produces broader societal benefits and leads to healthier communities.[vi] These outcomes, in turn, promote sustained economic growth and stability, reinforcing the case for increased and ongoing funding in this vital area.

## Economic Impact and Return on Investment in Mental Health Care



## THE PATH FORWARD:

Investing in mental health and substance use care is sound public policy and wise economic strategy. Addressing mental health and substance use disorders increases workforce participation and stimulates economic growth by improving productivity, reducing health care costs, and increasing tax revenues, while also improving individual well-being. As states like Ohio seek to remain competitive and build thriving economies – prioritizing investment in comprehensive mental health and substance use services is essential to cultivating a healthy workforce and fostering long-term economic stability and prosperity.

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