

THE ECONOMIC COST OF MENTAL ILLNESS

• B R O K E N D O W N •

Mental health is a crucial aspect of overall well-being. In Canada, the impact of mental health challenges has significant implications on individuals, families and society as a whole.

ECONOMIC IMPACT of
CA\$50
Billions/year

2.9%
of
Canada's GDP

13% of Canadian
employees
suffer from some aspect of
MENTAL ILLNESS

EMPLOYER IMPACT



The average loss per
each one of these
employees is
CA\$13,400*

* Calculations based on a paper Published in 2004 in the Journal of Occupation and Environmental Medicine by Dr. Ron Z. Goetzel, PhD et al of Cornell University (now at Johns Hopkins University Bloomberg School of Public Health). "Health, Absence, Disability, and Presenteeism; Cost Estimates of Certain Physical and Mental Health Conditions Affecting U.S. Employers" [2]

direct health costs • loss of productivity • loss of quality of life

WHO are these EMPLOYEES?

Their mental illness state falls
into three categories [2]

MILD
50%
of cases

Last less than 6 months and
mostly resolved by
psychotherapy, without
medication.

**6 MONTHS OF LOST
PRODUCTIVITY, NO
ABSENTEEISM**

MODERATE
35%
of cases

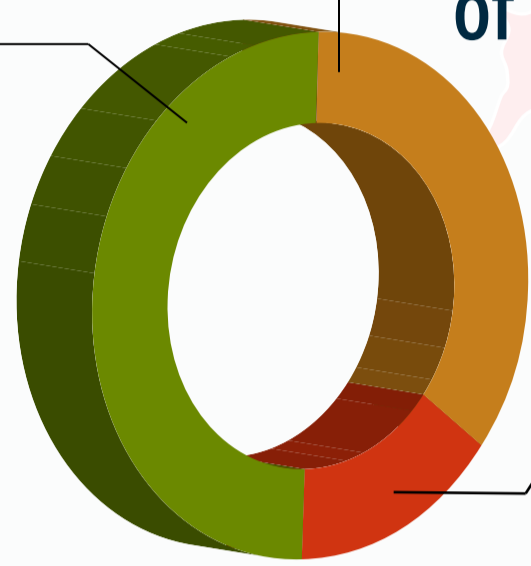
Last between 6-18 months.
They need psychotherapy
and may need medication.
A few will fail one or more
treatments.

**12 MONTHS OF LOST
PRODUCTIVITY, AND
SOME ABSENTEEISM**

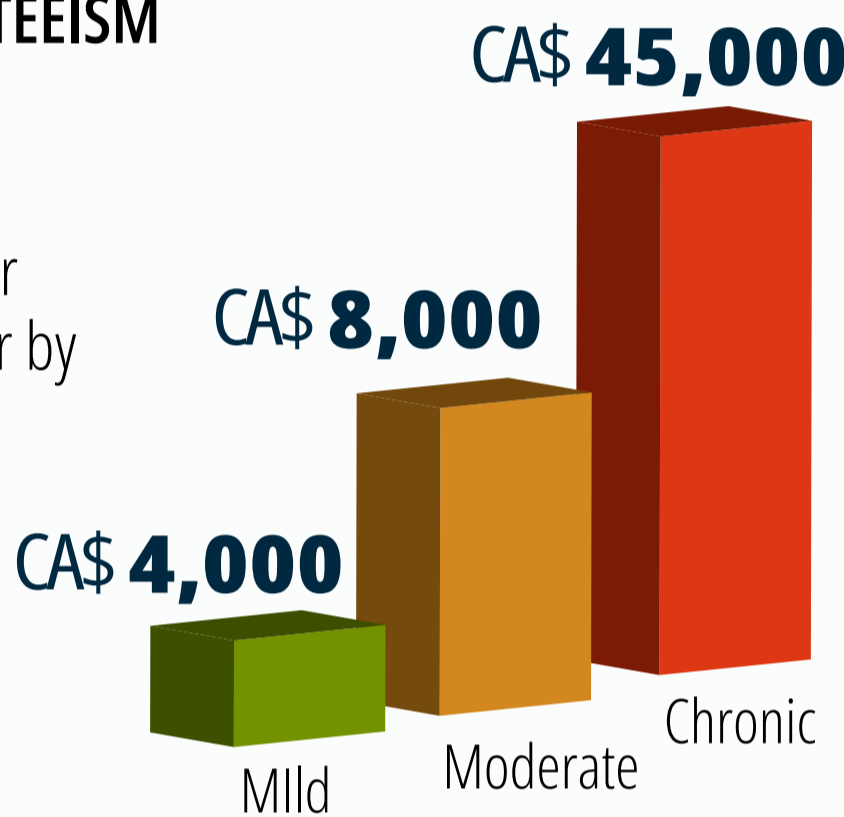
CHRONIC
15%
of cases

Last longer than 18 months. In need of
psychotherapy and medication. They
may fail one or more treatments.

**LOST PRODUCTIVITY,
ABSENTEEISM, AND SHORT AND
LONG TERM DISABILITY**



Calculated cost per
employee per year by
category

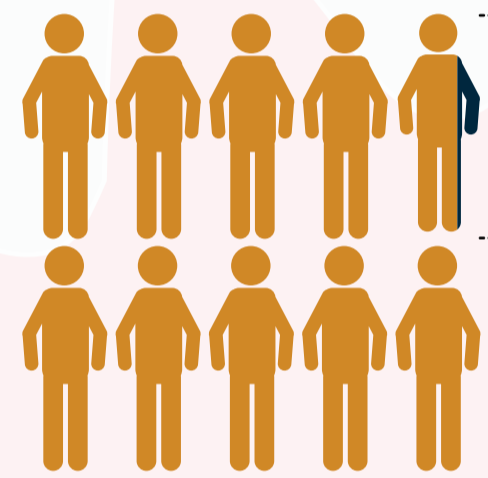


IN FACT
only

2%

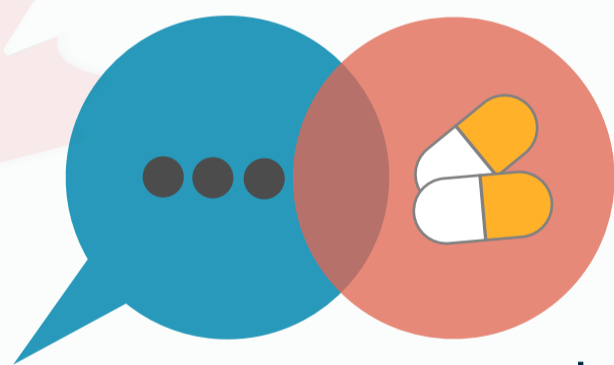
of Canadian
Employees
are responsible for

56%
of losses



Treating MENTAL ILLNESS HAS TWO COMPONENTS

Both are included in most benefits plans,
but constrained to a cap.



CA\$950M

The amount Canadians
pay every year for **private
counselling** and
psychotherapy. [3]
(30% paid out of pocket)

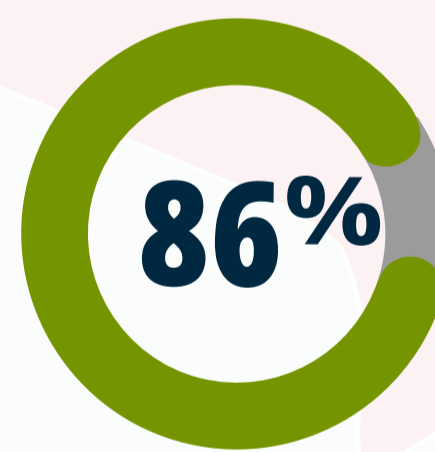
CA\$1.3B

The estimated value
Canadians **spent on
antidepressants** in
2022. [4]

The amount Canadians **spend on antidepressants** **OUTWEIGHTS**
the **investment in psychotherapy**. !

ANTIDEPRESSANT FAILURE exerts a
LARGE COST on the Canadian workplace

Getting on the **right medication** can be a
LENGTHY TRIAL AND ERROR PROCESS.



of Canadians are able to
access prescribed medication
however

58%

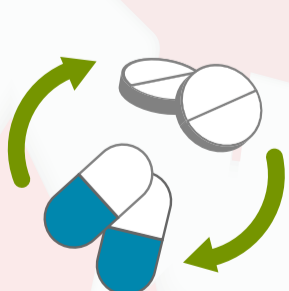
SAY THE
MEDICATION IS **NOT EFFECTIVE**. [5]

IMPROVING RESPONSE TO MEDICATION PRECISION MEDICINE

Or personalized medicine, can help identifying what medication is the most
safe and effective based on personal genetic makeup.

Studies have shown that reduction in depression can improve employee productivity at work by up to
7 hours per week. Improvements in depression scores also is correlated with reduced absenteeism. [6]

53%
of
people



Who accessed a
pharmacogenetic test
changed their mental health
medication.

82%
of
people



That changed the
medication reported an
improvement of
symptoms.

6:1 RETURN of the
INVESTMENT
for the employer

8 points reduction [7]
in **PHQ-9***

Every dollar spent in
MENTAL HEALTH
returns

CA\$4 to \$10 [8]

Improving **ACCESS** to
PROPER TREATMENT
for depression and anxiety
**could boost the
economy** by

CA\$32.3 Billions/year
DEPRESSION

CA\$17.3 Billions/year
ANXIETY

* PHQ-9 is a diagnostic tool to screen adult patients for the presence and severity of depression. Where 0 means no depressive disorder and 27 means severe depression.

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[1] Ontario Chamber of Commerce. <https://occ.ca/mentalhealth/>

[2] Goetzel RZ, Long SR, Ozminkowski RJ, Hawkins K, Wang S, Lynch W. Health, absence, disability, and presenteeism cost estimates of certain physical and mental health conditions affecting U.S. employers. J Occup Environ Med. 2004 Apr;46(4):398-412. doi: 10.1097/01.jom.0000121151.40413.bd. PMID: 15076658.

[3] Moroz N, Moroz I, D'Angelo MS. Mental health services in Canada: Barriers and cost-effective solutions to increase access. Healthcare Management Forum. 2020;33(6):282-287. doi:10.1177/0840470420933911

[4] <https://www.insights10.com/report/canad-anti-depressants-drugs-market-analysis/>

[5] https://mdsc.ca/wp-content/uploads/2022/10/MDSC-2022-Mental-Health-Care-Study-Report_Oct-12.pdf

[6] Beck A, Crain LA, Solberg LI, Unützer J, Maciosek MV, Whitebird RR, Rossom RC. The effect of depression treatment on work productivity. Am J Manag Care. 2014 Aug 1;20(8):e294-301. PMID: 25295792; PMCID: PMC4214368.

[7] <https://www.manulife.ca/business/news/group-benefits-news/personalized-medicine-helps-members-with-mental-health-condition.html>

[8] Federal plan for universal mental health & substance use health, CMHA, ACT for Mental Health. <https://cmha.ca/brochure/federal-plan-for-universal-mental-health-substance-use-health/>