

Mental Health Economics and Policy

Martin Knapp, David McDaid, Jennifer Beecham, Derek King, Roshni Mangalore and Helena Medeiros

One in four of us can expect to encounter mental health problems during our lifetime, so the impacts of poor mental health are – not surprisingly – enormous. What makes mental health unusual compared to physical ill-health problems are the many impacts outside the health system:

- stigma and discrimination are still pronounced;
- employment problems are widespread (in most European countries poor mental health is the leading or second most common cause of work cutback and premature retirement);
- many individuals find themselves homeless or in the criminal justice system.

The PSSRU's Mental Health Economics and Policy programme is working to inform a better understanding of these social and economic impacts, and to generate knowledge of what solutions work, for whom, in what context or system structure and at what cost. Team members also aim to improve links between research and policy by providing expert advice to government and other bodies including the World Health Organization, European Commission, House of Lords and Scottish Parliament.

Mental health in the United Kingdom

Estimating the costs of schizophrenia One study recently estimated the total costs of schizophrenia in England in 2004/05 to be £6.7 billion (Mangalore and Knapp, 2007). Of this, direct costs of treatment and care were about £2 billion. Despite the shift of care away from hospital, health care costs of treating and supporting people with schizophrenia remain high. At the same time, the study again confirms that economic impacts extend well beyond the health system: nearly 80% of people with schizophrenia remain unemployed, incurring substantial productivity costs.

Exploring equity and mental health While there is a general recognition of the disadvantaged position of people with mental health problems, the extent of inequality, particularly its association with socio-economic characteristics, has not been widely studied. Using the Psychiatric Morbidity Survey 2000 for Great Britain, Roshni Mangalore and Martin Knapp, working with Rachel Jenkins (Institute of Psychiatry), examined income-related inequality in mental health. Results indicate a marked inequality unfavourable to lower income groups (Mangalore et al., 2007). The extent of this inequality increases with severity of problem; the greatest inequality is for psychosis. Much of the observed inequality is probably due to factors associated with income, many of which are potentially 'avoidable'.

Impact of medication adherence Derek King and Martin Knapp have been looking at how changes in service use and cost patterns are associated with the degree to which people with mental health problems (schizophrenia and depression) take the medications that they are prescribed. Links have been found between non-adherence to antipsychotic medication and higher costs; further research is ongoing to determine the impact of non-adherence over time. Another objective is to consider the impact of changes in schizophrenia treatment patterns on patient satisfaction. Derek and Martin, in partnership with Paul McCrone and Anita Patel (Institute of Psychiatry), presented a paper on the economic impact of non-adherence to medications using data from the multi-centre European QUATRO study at the recent International Health Economics Association conference in Copenhagen.

Understanding links between social exclusion and mental health

A systematic review, supported by the Gatsby Foundation, mapped the relationship between mental health and social exclusion, and factors that mediate impacts. Undertaking this review was complex, as described in a paper outlining the innovative process used, as well as challenges and opportunities for social scientists or multidisciplinary research teams carrying out similar reviews (Curran et al., 2007). Undertaken by Martin Knapp, David McDaid and Claire Curran, alongside Tania Burchardt and Bingqin Li from the LSE's Centre for Analysis of Social Exclusion, work is ongoing to explore specific aspects of social exclusion and their relationship with mental health problems, funded by Mr and Mrs Brodersen, LSE alumni.

International mental health

Comparative analysis of mental health systems The PSSRU is involved in many cross-national mental health projects. The 32-country *Mental Health Economics European Network* (MHEEN), supported by the European Commission (EC), and coordinated by Martin Knapp, David McDaid and Helena Medeiros, has collated data on organisation and funding of services, the economic case for promotion of well-being and prevention of illness, impacts on employment and economic influences on service provision. The second phase of analysis will be completed by the end of 2007. Recently the *Journal of Mental Health* published six papers linked to phase 1 work covering 17 countries (Knapp and McDaid, 2007). Other recent MHEEN outputs include a review of economic evaluations in prevention and promotion (Zechmeister et al., 2008). A comparison of differences in economic incentive structures to promote workplace mental health in Europe and North America has also been recently published (Dewa et al., 2007).

Balancing institutional and community-based care The EC have also funded a study looking at the balance of institutional, as compared to community services for people with disabilities (broadly defined), and the evidence to support a shift away from such heavy reliance on institutional services in many European countries. Martin Knapp and Jeni Beecham (LSE) are working with Jim Mansell, Julie Beadle-Brown and Robert Hayward (University of Kent), as well as colleagues across Europe, in providing the first comprehensive statistical charting of institutional care (for people with physical or intellectual disabilities, sensory impairments, mental health needs). The report to the EC will be submitted towards the end of 2007.

Evaluating supported employment interventions Individual Placement and Support (IPS), where people with mental health problems are placed in open employment, has proved successful in the US in helping individuals sustain employment. The extent to which this approach might work in the very different European labour markets has been evaluated by a team from St George's Medical School, London, with funding from the EC, through a six-country randomised controlled trial (EQOLISE). Martin Knapp, Adelina Comas-Herrera and Claire Curran (LSE), together with Anita Patel (Institute of Psychiatry) carried out a cost-effectiveness evaluation of IPS compared to standard vocational services and also looked into economic and policy contexts that might shape findings. Publications are due later this year.

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