Mental disorders are not only devastating for individuals and burdensome for families but also costly for economies, in terms of both service costs and lost productivity. Nevertheless, effective measures have been shown to reduce the burden and costs in both the short and long term. Efforts at local, national and European levels that are (rightly) focused on improving health and quality of life can also significantly reduce costs or improve cost-effectiveness. This is the starting point for PSSRU’s work on mental health policy and practice.

Mental health is high on the policy agenda at both national and European levels. There has always been policy emphasis on promoting general mental wellbeing in the population and addressing the needs of people with identified mental health problems, but the amount of attention has certainly increased in recent years. The European Commission’s Pact on Mental Health and Wellbeing and the Department of Health’s recently launched New Horizons strategy both build in part on previous PSSRU findings, and offer an agenda for future work.

The Mental Health Economics and Policy (MHEP) programme at LSE seeks to generate knowledge of what works, for whom, in what context and with what resource implications. Recent UK-based work includes research on links between debt, mental health and costs; the economic advantages of early intervention for psychosis; the cost-effectiveness of anti-stigma campaigns; promotion and prevention and how an economic case can be made for action; housing services; evaluations of interventions for dementia; age discrimination in mental health services; assessment of the long-term economic consequences of behavioural and emotional problems arising in childhood; the costs of autism; and collaborative work on the development of a dementia-specific QALY (Quality Adjusted Life Year) tool.

At the international level the MHEP programme includes numerous EC-supported projects, including: DATPREV, which is grading the quality of the evidence base for mental health promotion and prevention in Europe; OSPI, looking at the effectiveness and economic impact of area-based suicide prevention programmes in Europe; EuroCoDe, looking at methodological developments and estimates of informal care costs for people with dementia; HELPS, exploring the physical health of residents of psychiatric and social care institutions; and e-DESDE, developing electronic standard coding and mapping of long-term care services. MHEP team members are also involved in ongoing work to promote mental health in the workplace to support implementation of the EC Mental Health Pact, and collaborating with international partners, led by the Mental Health Commission of Canada, to look at the impacts of recession on mental health.

The PSSRU team works to strengthen the links between research and policy, ensuring that our research is relevant and our findings widely accessible.

**Selected Publications**


**Promotion and Prevention**

Martin Knapp and David McDaid

The scarcity of resources relative to needs and demands leads inevitably to some difficult choices which economic analysis aims to support. Techniques such as cost-effectiveness analysis are concerned with the link between human and other resources expended and subsequent problems averted and outcomes achieved. A long-term theme of the Mental Health Economics and Policy programme at PSSRU has been the exploration of the cost-effectiveness of treatments, service arrangements and policy approaches. An increasing amount of our work is focusing on promotion and prevention. Three examples are given.

**Review:** As part of the work of MHEEN (Mental Health Economics European Network), a systematic review identified evidence on the cost-effectiveness of mental health promotion/mental disorder prevention interventions across the life course. It was complemented by a bespoke questionnaire on the use of economic evaluation in this area, completed for many European countries (Zechmeister et al., 2008). While it remains the case that comparatively few economic evaluations have been conducted, what is available suggests that there is potential for some highly cost-effective interventions, particularly for children and adolescents and in the workplace.

**Suicide prevention:** As well as recently starting a major European project on the effectiveness and cost effectiveness of area-wide suicide prevention programmes (the OSPI project, led by the University of Leipzig), an economic evaluation was completed of the Scottish national suicide prevention strategy ‘Choose Life’. The economic evaluation took the form of a threshold analysis, seeking to identify the minimum level of effectiveness, in terms of suicides averted, needed for the intervention to be considered cost-effective. The model found that if just five suicides were avoided (there were more than 800 suicides and deaths of undetermined cause in Scotland in 2004), then not only would the strategy be highly cost-effective but actually cost-saving, as the averted losses of employment-related productivity would be greater than the costs of investing in the programme. If a highly conservative reduction of just 1% in suicides was achieved per annum, then costs of up to almost £11 million might be avoided. This compared with annual costs of less than £6 million to run the strategy.

**Early intervention:** The onset of psychosis in adolescence or early adulthood is associated with disruption of education, low rates of post-school training, poor educational outcomes, impoverishment of social life, poor social functioning, lower-than-average employment and marriage rates, and higher-than-average rates of receipt of disability pensions. One response across many countries has been the development of early intervention (EI) services; this has been a policy emphasis in England. But are they worth the investment? We modelled the cost associated with EI compared to usual care. A considerable cost difference in favour of EI services (perhaps as much as 35%) was found over one year, largely due to lower hospital readmission rates (McCrone et al., 2009). There was a smaller cost advantage over three years.

**References**