

Managing mental health: Why we need to redress the balance between healthcare spending and social spending

Daniel S. Park*

Park DS. Managing mental health: Why we need to redress the balance between healthcare spending and social spending. *J Health Pol Manag.* 2020;3(2):1.

Managing Mental Health undertakes a statistical analysis of OECD countries between 1995 and 2016 to investigate the relationship between spending on healthcare, social spending and population-level mental health outcomes. This paper conducts country-level multivariate modelling using publicly available cross-section and time-series panel data, finding that greater social

spending relative to spending on direct healthcare provision is associated with better population health outcomes as measured by deaths recorded due to mental disorders. The implications of this are that OECD countries may be able to significantly improve population mental health by allocating more funding to social services rather than healthcare provision.

Keywords: *Mental health, Mental disorders, Population health, OECD, Healthcare expenditure, Social expenditure, Social determinants of health.*

DESCRIPTION

There is no denying that mental health is a growing concern for all those interested in promoting effective healthcare. Mental disorders affect around a billion people across the world [1,2] and the WHO projects that mental health problems will be the leading cause of global mortality by 2030 [3]. Statistics from the OECD show the rate of growth of deaths due to mental disorders, which more than tripled between 1980 and 2015, increasing in 28 of the 36 OECD member states [4].

The context of mental health as a rapidly growing cause of mortality underlines the importance of taking a more effective approach to spending on healthcare. Recent scholarship in this field includes Case and Deaton's Deaths of Despair, which shows that since 1999 there has been an increase in the mortality rates of white Americans aged 45-54 without college education [5]. This alarming trend of declining life expectancy is largely driven by the growth of deaths as a result of poisoning, suicide and alcohol-related causes. These deaths that are symptomatic of mental disorders, and indicate that population mental health is deteriorating faster than physical health is improving. The authors suggest that these deaths are caused by individuals having low levels of social capital, few job opportunities and being materially poorer than their parents. Hence, increased social spending would be expected to be more effective than direct healthcare as it will prevent mental health issues, rather than cure them once they have manifested.

Managing Mental Health provides statistical evidence to support this hypothesis by modelling per capita healthcare spending, per capita social spending (referring to all transfers from government to the population) and mental health outcomes, measured by deaths per capita due to the International Classification of Diseases "Index for Mental and Behavioural Disorders" [6] which include substance abuse and alcoholism, of OECD countries between 1995 and 2016. 6 models were run for the statistical analysis, using different combinations of healthcare expenditure, social expenditure, and the ratio of healthcare to social expenditure in order to mitigate the problem of collinearity. The results showed a statistically insignificant relationship between healthcare spending and mental health mortality but strong negative associations between social spending and mental health mortality, and a higher ratio of social spending to healthcare spending and mental health mortality.

These results point to the importance of the 'social determinants of health'; the ways in which an individual's environment affects their health. This can be broken down into five elements: economic stability, education, social and community context – e.g. social capital and experiences of discrimination, access to healthcare, and neighbourhood and built environment – e.g. quality of housing and prevalence of crime [7]. This indicates an avenue for future research on both a global and local level to determine which of the social determinants are most important for improving mental health, and therefore how to allocate resources most effectively.

Funding the direct provision of healthcare is still important, but the analysis suggests that there is diminishing marginal returns and that economically developed countries have reached the point at which further investment may not yield any significant benefits. This is of no surprise as it has already been shown for physical health [8]. Hence, it appears that developed countries should place greater emphasis on preventative, rather than curative, health policy. Improving mental health outcomes by increasing social expenditure also has the benefit of being a policy that can achieve multiple objectives, such as lower crime rates or better educational outcomes.

CONCLUSION

However, as noted above, the study in question only considers data from economically developed countries, raising the question of how widely applicable the findings are. Whilst this is an interesting question, it may be premature as the positive effects on life expectancy that result from improved physical health should be the first concern. When viewed at the global level, there is still a strong positive correlation between healthcare expenditure per capita and life expectancy, both within countries over time and across different countries. Identifying the point at which the spending focus should shift from direct healthcare provision to social services is an area for future investigation.

REFERENCES

1. Global Burden of Disease Collaborative Network. Global Burden of Disease Study 2016 Results. Seattle. Institute for Health Metrics and Evaluation (IHME). 2017.
2. WHO. Global Burden of Mental Disorders and the need for a Comprehensive, Coordinated Response from Health and Social Sectors at the Country Level: Report by the Secretariat. Geneva. WHO. 2011.
3. OECD. OECD Statistics. Paris. OECD. Stat (database). 2019.
4. Deaton A, Case A. Mortality and morbidity in the 21st century. Brook Pap Econ Act, 2017. Spring 2017.
5. WHO. International Statistical Classification of Diseases and Related Health Problems 10th Revision (ICD-10) Version for 2010. WHO. 2010.
6. Office for Disease Prevention and Health Promotion. Social Determinants of Health. Washington. US Department of Health and Human Services. 2014.
7. Bradley EH, Elkins BR, Herrin J, et al. Health and social services expenditures: associations with health outcomes. *BMJ Qual Saf.* 2011;20(10): 826–31
8. Roser, M, Ortiz-Ospina E, Ritchie H. Life Expectancy. Our World in Data. 2019.

Somerville College, University of Oxford, Woodstock Road, Oxford, OX26HD, United Kingdom

Correspondence: Daniel S. Park, Somerville College, University of Oxford, Woodstock Road, Oxford, OX26HD, United Kingdom, Email: dan.park763@gmail.com

Received: July 31, 2020, Accepted: August 14, 2020, Published: August 21, 2020



This open-access article is distributed under the terms of the Creative Commons Attribution Non-Commercial License (CC BY-NC) (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits reuse, distribution and reproduction of the article, provided that the original work is properly cited and the reuse is restricted to noncommercial purposes. For commercial reuse, contact reprints@pulsus.com