

The Connection Between Mental Health and Finances

Mental health and substance use disorders create major economic burdens, affecting individual well-being and increasing costs for businesses and society. These issues lead to lost productivity and higher healthcare expenses, while financial stress and unemployment raise suicide risk.

An Economic Impact

In the United States, untreated mental health and substance use disorders cost the economy nearly \$300 billion in lost gross domestic product annually.¹ These costs stem from decreased workforce productivity, absenteeism, and higher healthcare expenses.² Mental health challenges such as depression, anxiety, and substance abuse can significantly impair individuals' ability to perform in the workplace, leading to lost productivity and increased healthcare costs.

The Cost of Mental Health-Related Absenteeism & Turnover

Mental health conditions among workers in the U.S. cost employers an estimated \$4,700 per person annually in missed workdays and \$5,700 due to turnover.¹ Providing employees with mental health resources, however, can help mitigate these costs. Research indicates that offering mental health support could add approximately \$53 billion annually to the U.S. economy through increased workforce productivity.¹

Economic Factors Contributing to Suicide Risk

Financial instability can lead to hopelessness and despair, increasing mental health struggles and suicide risk. A 2023 meta-analysis found that individuals facing financial stress were 74% more likely to die by suicide, while the risk for unemployed individuals was 87% higher.³

Mass layoffs, where large groups lose their jobs suddenly, are linked to higher suicide rates. In the U.S., data indicates that for every 4,200 males and 7,100 females facing job loss from mass layoffs, there is one additional suicide.⁴ The economic and psychological impacts of sudden unemployment play a crucial role in these statistics.

Resources

For Veterans:
Veterans Affairs Financial Literacy
<https://benefits.va.gov/BENEFITS/financial-literacy.asp>

State of Ohio Assistance Programs:
<https://ohio.gov/residents/topic-hubs/home-and-community/assistance-programs>

Utility Assistance:
<https://puco.ohio.gov/utilities/electricity/resources/utility-assistance-programs>

Ohio Treasurer's Financial Literacy Resource Guide:
<https://www.tos.ohio.gov/financial-literacy-resource-guide/>

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Addressing Financial Issues to Prevent Suicide

Implementing targeted interventions to alleviate financial stress may be key to reducing suicide risk and improving mental health outcomes.

Improving financial literacy and offering debt management services can help individuals better navigate economic challenges.

Programs such as credit counseling and financial literacy can be valuable resources for individuals struggling with financial distress. These services equip individuals with the tools they need to manage their finances, reducing the stress that often contributes to mental health issues and suicidal ideation.⁵



Conclusion

The economic costs of mental health and substance use disorders, especially with financial stress, are significant. Investing in mental health resources, financial support, and workplace wellness can reduce these costs and enhance individual well-being and productivity. Targeted interventions like expanding financial assistance and improving access to mental health services can mitigate the negative effects of financial hardship on mental health and suicide risk.

References

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- 4 Classen TJ, Dunn RA. The effect of job loss and unemployment duration on suicide risk in the United States: A new look using mass-layoffs and unemployment duration. *Health Econ*. 2012;21(3):338-350.
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ABOUT

OHIO SUICIDE PREVENTION FOUNDATION

Ohio Suicide Prevention Foundation (OSPF) educates, advocates for, and builds connections and support for individuals, families, and communities to prevent suicide.



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