

This is not an ADB material. The views expressed in this document are the views of the author/s and/or their organizations and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy and/or completeness of the material's contents, and accepts no responsibility for any direct or indirect consequence of their use or reliance, whether wholly or partially. Please feel free to contact the authors directly should you have queries.



# ECONOMIC AND INVESTMENT CASE OF MENTAL HEALTH IN ASIA AND THE PACIFIC

SECURE WEBINAR

**26 FEBRUARY 2025 (2:00-3:30 PM MANILA TIME)**

# HUGE MENTAL HEALTH BURDEN ACROSS POPULATIONS

- Across the Asia-Pacific, mental, neurological, substance use disorders, and self-harm (MNSS) conditions account for a substantial part of the non-fatal disease burden—21.5% to 31.3% of all years lived with disability (YLDs) in 2021 across 38 Asia-Pacific countries.
- Among mental health - Depressive and anxiety disorders : 60% of mental health burden in the Asia and the Pacific region.
- Neurological conditions – stroke, migraine and Alzheimer's/dementia are among the top contributing to burden.
- Asia has accounted for 60% of global suicides, with estimated suicide rate around 12.6 per 100,000 population (older aggregated WHO data)
- Climate change, pandemics and changing demography pose additional challenges and burden.

GLOBAL ECONOMIC COST OF  
MENTAL DISORDERS (PRIMARILY  
DEPRESSION AND ANXIETY)  
IS ESTIMATED AT ~US \$1  
**TRILLION PER YEAR IN LOST  
PRODUCTIVITY,**  
WITH PROJECTIONS TO REACH  
**~US \$16 TRILLION BY 2030 IF  
UNTREATED AND  
UNADDRESSED.**



# ECONOMIC IMPACTS ARE CONSIDERABLE ACROSS COUNTRIES

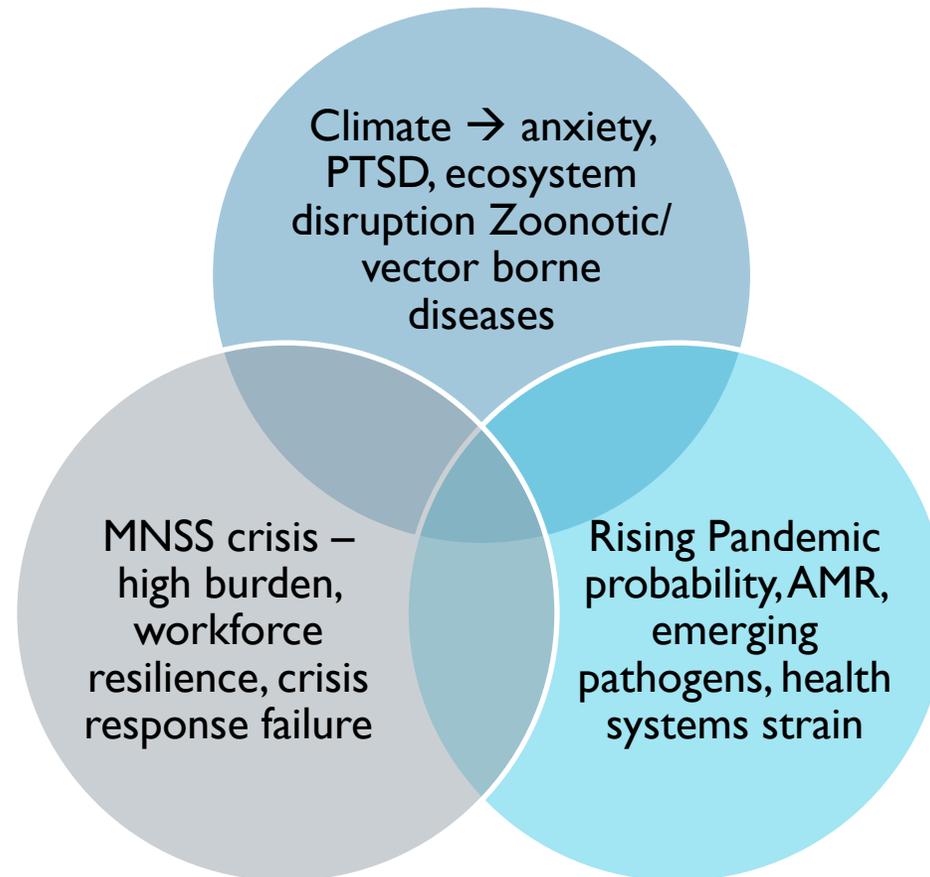
- Key drivers of economic loss: Reduced productivity through **absenteeism, presenteeism, unemployment, and premature mortality** in addition to direct costs of illness.
- **Country examples:**
  - **Indonesia:** Anxiety & depression cost **~USD 29.2 billion/year (2.1% of GDP)**, mostly from lost productivity (88.5%).
  - **Philippines:** Mental health conditions cost **PHP 68.9 billion (~USD 1.37B, 0.4% GDP)**; 96% from productivity loss.
  - **Singapore:** Depression/anxiety estimated economic burden **SGD 15.7 billion (~2.9% GDP)** annually, mostly due to decreased productivity
  - Australia and New Zealand, **mental illness is estimated to cost 3.5% and 5% of GDP annually**, respectively — reflecting deeper economic impacts when including productivity loss, healthcare costs, and social care burdens.
- Expansion of mental health treatment market and larger impacts on healthcare budgets and direct cost of illness, cross check

# SERVICE GAPS AND HEALTH SYSTEMS SHORTAGES

- Large proportions of people in need **do not receive care** due to insufficient services, stigma, and workforce gaps.
  - Gaps exceed 75% in most low/middle-SDI APAC countries due to psychiatrist shortages (<1/100k population); high-SDI averages 35-50% from stigma despite resources. Data gaps exist for Pacific islands and Central Asia
  - Based on WHO and regional surveys (2016-2025 data), lower-middle-income APAC nations lead in gaps, with low-income showing medians >80%
- Mental health services are **unevenly distributed**, with severe workforce shortages (e.g.,  $\leq 0.5$  adolescent mental health professionals per 100,000 population in many countries).
- Region-wide investment in mental health remains low—**often <2% of total health budgets**, hindering effective service delivery.

# MENTAL HEALTH AND HEALTH SECURITY

- Interconnected threats require Integrated resilience



# MENTAL HEALTH IS A DEVELOPMENT PRIORITY IN THE REGION

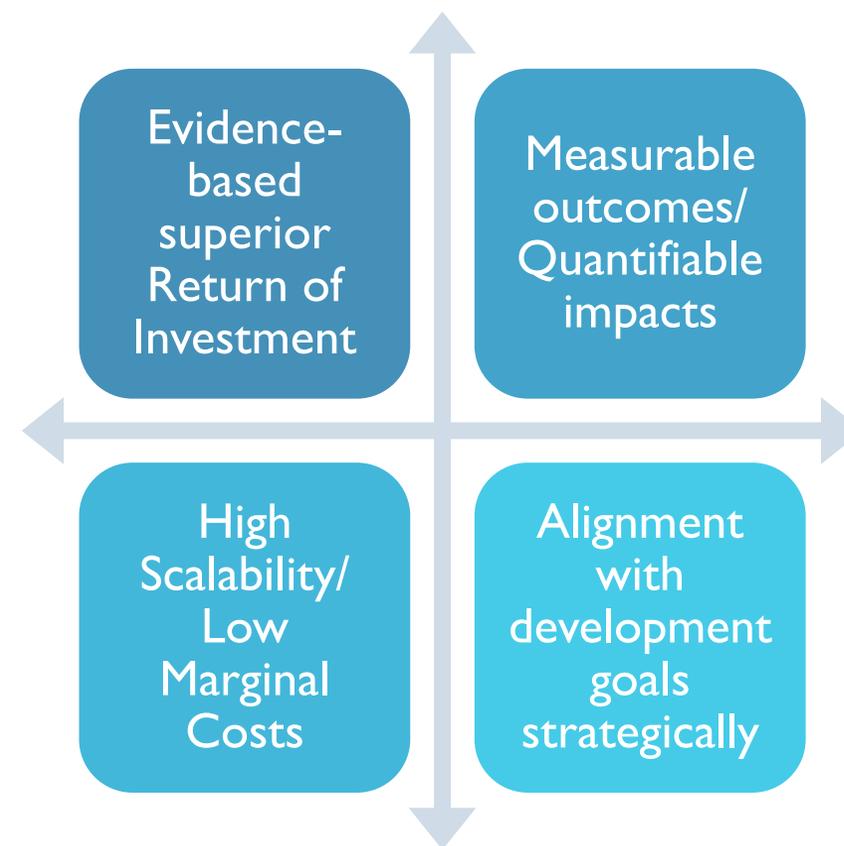
- In addition to:
  - High non-fatal/ disability related burden and very high economic losses
  - Amplified by acute shortage of mental health care/systems/professionals and Low investment in mental healthcare
- Development Multiplier Effect:
  - Untreated MNSS undermines SDGs (health, poverty, education and reduced inequities),
  - Increase climate related mental vulnerability, amplify health security gaps,
  - Leaving health systems and countries unprepared for emerging challenges, with Low SDI regions being exceedingly vulnerable.

Inaction will  
cost us -

- Trillions in economic losses
- GDP erosion
- Demographic dividend collapse
- Intergenerational poverty continues
- Increased health security risks and vulnerability

# INVESTMENT CASE FOR MENTAL HEALTH

- WHO estimates every dollar in mental health prevention yields \$4 in health/economic gains,
- Evidence-based interventions yield \$4-15 per \$1 invested
- Philippines mental health scaling saves 26,000 lives with returns of \$15 per dollar over 20 years (UNDP/WHO 2021),
- Adolescent programs could deliver \$23.60 ROI through reduced future healthcare costs and sustained productivity over 80 years (modeled globally including APAC countries)
- High *benefit-cost ratios* (e.g., BCR ~US \$431: \$1 invested) in school-based CBT for mental health interventions (lifetime earnings benefits vs implementation cost).
- Low Scale-Up Costs: Required US\$0.50–2.50 per capita/year (0.9%–2.5% of health spending; 0.03%–0.14% of GDP), making feasibility high.
- Favorable Benefit-Cost Ratios: Monetized benefits (e.g., productivity gains) typically far exceed costs, especially for anxiety, depression, and epilepsy treatments; ratios often >4:1 or higher.



# STRATEGIC PRIORITIES FOR INVESTMENT

<b><u>Strategic Priority</u></b>	<b><u>Description of Priority</u></b>	<b><u>Evidence / Source</u></b>
<b>Policy &amp; Governance</b>	Embed mental health in UHC, social protection, and national economic planning; strengthen financing and accountability.	WHO Mental Health Action Plan 2013–2030 emphasises governance, financing, and integration into UHC frameworks. (WHO, <i>Mental Health Action Plan 2013–2030</i> )
	Use investment cases and ROI evidence to inform finance ministries.	WHO/UNDP national investment case for the Philippines shows strong ROI and policy influence when evidence is used for budget planning. (WHO/UNDP Philippines Investment Case, 2021)
<b>High-Impact Interventions with Evidence</b>	Scale evidence-based treatments for depression, anxiety, suicide prevention, and alcohol use disorders.	The WHO <i>mhGAP</i> identifies cost-effective interventions for priority mental conditions implementable through primary care. (WHO, <i>mhGAP Intervention Guide</i> )
	Implement prevention and early intervention in schools and workplaces.	BMJ Global Health model shows ROI ~23.6 for adolescent mental health packages including prevention. (Patel et al., 2022, BMJ Global Health)
<b>Health Systems Strengthening</b>	Integrate mental health into primary care and community settings; strengthen workforce, supervision, and monitoring.	WHO/World Bank <i>World Mental Health Report</i> emphasises integration and task-sharing to expand coverage. (WHO/World Bank, <i>World Mental Health Report</i> , 2022)
	Strengthen data systems for monitoring outcomes and productivity gains.	WHO Regional Office for South-East Asia recommends routine mental health information systems for planning and evaluation. (WHO SEARO, <i>Mental Health Dashboard launch</i> , 2025)
<b>Implementation Pathways for Region</b>	Phased scale-up models tailored to health system maturity; use existing PHC, school, and workplace platforms.	OECD/WHO <i>Health at a Glance: Asia Pacific 2024</i> emphasises phased, context-sensitive scale-up. (OECD/WHO, <i>Health at a Glance: Asia Pacific 2024</i> )
	Promote regional learning and South–South cooperation.	Lancet Commission and WHO reports recommend cross-country exchange to share best practices in mental health scale-up. (Lancet Commission on Global Mental Health and Sustainable Development, 2018)
<b>Innovative Service Delivery</b>	Expand digital mental health solutions, tele-mental health, and guided self-help to broaden access.	WHO <i>Global Strategy on Digital Health</i> advocates digital solutions for scalable mental health delivery. (WHO, <i>Global Strategy on Digital Health 2020–2025</i> )
	Workplace mental health programmes and employer partnerships.	Aon/TELUUS <i>Asia Mental Health Index</i> shows 82% of employees at moderate/high risk and productivity impacts, underscoring need for workplace programmes. (Aon/TELUUS, <i>Asia Mental Health Index Reports</i> )
	School-based socio-emotional learning and CBT programmes.	UNICEF cost–benefit analysis finds high benefit-cost ratios for school-based mental health interventions in East Asia and Pacific. (UNICEF, <i>Benefits of Investing in School-based Mental Health</i> , 2021)

# SINGAPORE



## Singapore REACH Program: 30-44% Suicide Reduction

- National Response to Youth Suicide Crisis: Launched 2009 (2007) after youth suicides peaked at 8.6 (5.7)/100,000 (10-24 years); gatekeeper training reached 20,000+ educators/community leaders by 2020
- Health System Impact: 44% absolute decline in youth suicide rates (2010-2020); 30% reduction in emergency presentations for self-harm
- Multi-Sector Gains: 15-20% improved school retention among at-risk youth; adult service costs cut 30% via early intervention; \$3.2 ROI through reduced hospitalizations and sustained productivity

# INDONESIA



## Indonesia Community Mental Health Centers (Post-2020)

- Program Scale: 1,200+ centers established nationwide since 2020, serving 15M+ population; integrates maternal depression screening into primary care via 50,000+ community workers
- Suicide Prevention: 35% reduction in suicide attempts through gatekeeper training; early intervention reached 70% of high-risk cases within 72 hours, cutting mortality 42% in pilot provinces
- Child Development Impact: Maternal depression screening identified 28% more cases, yielding 28% improved Bayley Scales scores in offspring at 24 months; school readiness increased 22%
- ROI Breakdown: \$4.50 per \$1 via 15% higher school completion rates (+\$2.1K lifetime earnings/child) and 12% labor force retention gains; total \$1.2B annual national savings
- Intergenerational Effect: Each treated mother prevents 1.8 child cases; cohort of 500K treated mothers (2021-2025) projected to add \$8.7B GDP via sustained human capital by 2040

# BANGLADESH



## Bangladesh mhGAP Scale-Up (WHO Investment Case)

- Implementation: WHO mhGAP rolled out across 64 districts (165M population); trained 12,000+ primary care workers; depression/anxiety detection rates rose 320% (3.1% to 14.6%)
- Treatment Coverage: Achieved 18% coverage for severe disorders (vs. 2% baseline); 1.2M patients treated annually; suicide rates declined 22% in implementation zones
- Adolescent ROI: \$23.60 per \$1 invested in 10-19 cohort via 28% reduced dropout, 19% higher lifetime earnings, 35% lower future healthcare costs over 30-year horizon
- Productivity Gains: >2:1 benefit-cost ratio; each treated case yields \$1,450 productivity recovery + \$820 health value; national GDP impact: 0.8% annual growth acceleration
- SDG Multipliers: SDG1 (11% poverty reduction via family earnings), SDG4 (16% grade completion increase), SDG8 (7.4% workforce participation gain); 4.2M children protected from intergenerational transmission

# TO CONCLUDE – FROM COST-CONTAINMENT TO VALUE CREATION

- Not considering mental health as a development priority is not affordable anymore
- Investing in mental health is one of the highest-yield public investments available to Asia-Pacific economies Priorities for APAC governments and donors:
  - Invest across life course and especially in **children, adolescents, and working-age adults**
    - **Early childhood:** Integrate caregiver and child mental health into maternal, child health, and early development platforms to enable early identification and prevention.
    - **Adolescents and young people:** Expand mental health literacy, prevention, and youth-friendly services across schools, colleges, communities, and digital platforms.
    - **Working-age adults:** Embed mental health in primary care, workplaces, and social protection to improve productivity, resilience, and economic participation.
    - **Older adults:** Integrate mental health into chronic care, dementia, and community support systems to promote healthy ageing.
  - **System-wide priorities:** Integrate mental health into primary care and universal health coverage, strengthen workforce capacity, and build national investment cases to guide sustainable financing.
  - Build **national investment cases** to guide financing decisions



THANK YOU.

[RPARIKH@PATH.ORG](mailto:RPARIKH@PATH.ORG)

