



Economic analysis of mental health services at Example University

July 18, 2023

Dear colleagues at Example University:

Thank you for collaborating in the 2022-23 Healthy Minds Study to collect survey data about student mental health at Example University. This memo summarizes how the survey findings and other research can be used to estimate the economic impact of mental health services and programs at your institution.

Quantifying the “need.” An estimated 56.3% of students at Example University are experiencing symptoms of at least one significant mental health problem, such as depression, anxiety disorders, suicidal thoughts, self-injury, or eating disorders. From your population of 2,550 students, this translates to approximately 1,436 total students with a mental health problem. Among these students, an estimated 50.6% have received mental health services within the past year, whereas 49.4% have not. This translates to approximately 710 total students with untreated mental health problems.

Benefits of services and programs. While many of these students would get better without intervention, mental health services greatly improve their chances, based on a large literature documenting the effectiveness of therapy and medication for depression, anxiety disorders, and other common conditions. Campus counseling services lead to large reductions in symptoms and improvements in functioning, according to analyses by the Center for Collegiate Mental Health (CCMH).

In your Healthy Minds data, satisfaction rates are near 83.1% among students who used campus mental health services, suggesting that your services are effective, as in the CCMH data.

Translating benefits into student retention and economic returns. Students with mental health problems, such as depression, are two times more likely than their peers to leave their institution based on our research. Thus, increasing the availability of evidence-based services or preventive programs can reduce this risk and increase student retention. For example, at Example University, suppose that clinical services and/or prevention efforts were expanded to reach 500 of the students who currently have untreated mental health problems. We project this would lead to the retention of 50 students per year who would have otherwise departed without graduating.¹ This could save approximately \$2,279,533 in tuition revenue for the institution,² and would increase the total expected lifetime earnings of these students by more than \$9,936,503.³ On average, providing high-quality mental health services to these students would cost less than \$500,000.⁴

Note also that mental health is correlated with higher satisfaction in college and higher reported likelihood of donating as a future graduate, based on data in the Healthy Minds Study.



We hope you find this analysis helpful, and we would be glad to answer any questions.

Sincerely,

Daniel Eisenberg, Ph.D.

On behalf of the Healthy Minds Network team (www.healthymindsnetwork.org)

1 500 students * 49.7% attrition rate among students with mental health problems * 0.2 relative reduction in attrition

2 2 yrs * \$22,941 weighted-average of annual tuition amount per student * 50 students retained

3 \$100,000 earnings per year of college education (from economic research) * 2 years college education * 50 students retained

4 500 students * \$1,000 (generous estimate of treatment cost per student)