



Hard Dollars of Depression

MOST EMPLOYERS UNDERSTAND THAT DEPRESSION IN THE WORKPLACE COSTS THEM IN PRODUCTIVITY, BUT A NEW STUDY SHOWS THAT EVEN WHEN IT COMES TO DIRECT COSTS, EMPLOYERS MAY BE PAYING MORE THAN THEY BARGAIN FOR. **BY CHRIS VON HEYMANN**

In November 2007, the Global Business and Economic Roundtable on Addiction and Mental Health released a study completed by Cubic Health entitled *Assessing Mental Illness in the Workplace Using Drug Claims Data, Phase I: General Context and Co-morbidities With Depression*. The study examined prescription drug claims data provided by Great-West Life comprising more than 2.5 million drug claims made by 120,000 Canadians in 2004 and 2005. In total, these claims represented \$118 million of spending on prescription medications spanning six major industries.

Mental illness represented the second most expensive therapeutic category and the second most utilized therapeutic category for employers, ranking only behind cardiovascular. It accounted for 11.5% of the total amount paid and 12% of all claims paid in each year. Nearly 20% of the overall population made at least one claim for a mental illness therapy in each of 2004 and 2005.

Depression was the most prominent condition within the mental illness category, with claims comprising 70% of the cost of all mental illness claims in 2004 and 66% of the cost in 2005. Furthermore, 12% of the entire population made at least one claim for an antidepressant, and a slightly higher proportion of the employees-only population (14%) made claims for an antidepressant in each of the two years studied. This finding translates into one out of every seven employees making at least one claim for an antidepressant each year.

These statistics aren't surprising and are in line with the results of other studies on mental illness and claims incidence. However, the study also made some startling discoveries about the actual costs of depression to employers.

One significant finding is that employees being treated for depression cost their employers more than 2.5 times as much for prescription medications than employees without depression and have nearly three times as many prescriptions per year. In 2005, employers spent more than \$1,300 on prescription medications for employees with depression, who averaged 30 prescriptions per year, compared to slightly

over \$500 in spending and less than 11 prescriptions per year for employees without depression.

These results can be partially explained by another of the study's major findings: the link between depression and other chronic conditions. The incidence rate of employees with depression who also have anxiety disorders was 229% higher than expected, 185% higher than expected for sleep disorders, 71% higher than expected for stomach hyperacidity and 56% higher than expected for mild to moderate pain. The study found similar patterns of an increased incidence of other co-morbid chronic conditions for employees with depression, including elevated cholesterol, high blood pressure, inflammatory conditions and asthma.

Not only does depression have an indirect financial impact on the workplace, in terms of absenteeism and disability costs, it also has a direct, tangible cost to the employer in terms of increased—and more expensive—drug claims. This new-found understanding should provide additional incentive for plan sponsors to measure the impact and incidence of depression within their organizations, and to put workplace wellness and disability management strategies specifically focused on depression at the top of their priority lists.

"It becomes apparent that investment into addressing the causes and effects of depression has a value-added benefit for employers in managing the impact of other major chronic illnesses in their plans," says Roundtable co-founder and chief executive officer, Bill Wilkerson. "It also spotlights the significance of prevention."

The Roundtable and Cubic Health have already begun planning for Phase II of this project, which will research behaviour at the individual patient level by investigating the impact of suboptimal adherence to antidepressant drug therapy on Canadian employers. Since failure to adhere to prescribed therapies can lead to greater absenteeism, lower productivity and increases in short- or long-term disability, Phase II will focus on building the business case for employers to invest in educational and behavioural initiatives to support employees dealing with depression. **BC**

Chris von Heymann is senior vice-president of Cubic Health Inc. and a licensed pharmacist.
cvonheyman@cubichealth.ca