

The Human and Financial Costs of Behavioral Health in Construction

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Prior articles in this series have explained the construction industry's challenges with mental health, substance misuse, and suicide risk before and during the pandemic. These factors are an "invisible crisis in construction." These issues were problematic in construction before COVID-19 but the pandemic has worsened the mental health stress and financial pressures among workers which, in turn, has increased behavioral health risks among the workforce and their families.

Similarly, behavioral health challenges pose risk to all construction stakeholders. There are some telltale warning signs, including the rising risk of near hits and/or serious injuries and fatalities (SIFs) on jobsites. According to the Bureau of Labor Statistics,¹ in 2019 the construction industry experienced 1,066 workplace fatalities, the highest number since 2007. Moreover, among all industries, unintentional overdoses due to nonmedical use of drugs or alcohol increased for the seventh consecutive year.

Other indicators being observed by contractors include rising decreasing morale, increased absenteeism, and quality defects leading to rework; all of which adversely impact productivity and labor costs. The time is now to take proactive steps to understand *and address* the causes, contributing factors, consequences, and costs of behavioral health to reduce the human and financial impacts on construction.

Human costs of mental and behavioral health

According to the National Alliance on Mental Illness (NAMI),² as of 2019, only 44 percent of people with a mental illness received any mental health treatment. This translates to more than

30 million Americans lacking care; ranging from those with mild to severe illnesses. NAMI also reports an average delay of 11 years from the onset of mental health symptoms to diagnosis and receiving effective treatment.³

According to the World Health Organization (WHO), depression is the leading cause of disability in the United States among people ages 15 to 44.⁴ Moreover, WHO reports by 2030, depression will be the leading cause of lost productivity in all economically advanced countries.⁵ Other studies reveal the risks of comorbidities for those diagnosed with underlying mental health conditions: 65 percent living with depression experience chronic pain; persons with depression are 60 percent more likely to develop diabetes⁷; and those with mental illness are 24 percent less likely to get screened for cancer than the general population.⁸ (*Editor's Note:* The co-authors have previously published a two-part series of articles on chronic pain⁹ and alternatives to opioids for chronic pain management.¹⁰)

The financial cost impacts of behavioral health on health benefits and workers compensation claims

Depression is known to occur with other chronic health conditions. The co-occurring mental health diagnoses results in increased costs for employee health benefit claims. Based on data from Holmes Murphy & Associates, when patients have a mental health condition and at least one chronic condition, costs rise by 126 percent.¹¹ Moreover, Hinge Health reports employers incur an extra \$4,300 spent per worker, per year for those with a major depressive disorder and chronic pain.¹²

According to actuarial consulting firm Milliman, behavioral health has a dramatic effect on overall health benefit claim costs. Key findings from a major 2020 study of 21 million insured claims (from 2017)¹³ included:

- The most expensive 10 % of claimants account for 70 percent of the total claim costs.
- Among the 2.1 million high-cost claimants, 1.2 million, or 57 percent, were classified in the Behavioral Health Group subgroup with a mental health condition combined with a substance use disorder.
- The High-Cost Behavioral Health subgroup group comprised only 5.7 percent of the insured lives but accounted for 44 percent of total health benefits claim costs.

These findings have implications for both open/merit shop contractors, labor unions, and joint labor management health trusts providing benefits to workers and dependents. Behavioral health also has a major impact on the total cost of care for Workers Compensation injury management. For example, The National Safety Council in *Safety + Health* magazine cites two studies by the Workers Compensation Research Institute (WCRI). First, construction workers were the second highest among all industries to receive opioid prescriptions for pain.¹⁴ Second, among workers with low-back injuries, those receiving longer-term opioid prescriptions received temporary disability benefits 251 percent longer than workers treated for low-back injuries without opioid prescriptions.¹⁵ Lastly, a recent study by the National Council on Compensation Insurance revealed that workers compensation claims involving traumatic brain injuries were more than double the average cost for all lost time claims.¹⁶

Conclusion

The pandemic increased the risk of relapse for alcohol and other substances, especially opioids. Impaired workers increase the risk of poor jobsite safety and quality performance. Owners and other construction stakeholders are encouraged to recognize the inherent limitations of drug and alcohol testing alone, as well as expand the level of substance use education and training in their organizations.

Physically and mentally healthy workers are the key to successful planning and execution of demanding construction work, tasks, and schedules. A shared strategy for owners and contractors is to foster and promote psychological safety and mental health awareness among all project stakeholders. A few examples of best practices include:

- Incorporate mental health awareness into required site-specific safety orientation programs and checklists. At the conclusion of the orientation hardhat stickers and wallet cards with crisis hotline numbers can be provided to all workers.
- Develop mental health, substance misuse, and suicide prevention awareness promotional campaigns with site-specific posters and banners.
- Expand health and wellness programming on jobsites, including pre-project and course of construction coordination meetings, including toolbox talks.
- Institute an appropriate mental or behavioral health stand-down for opioid overdose and/or suicide prevention.
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The VOICE looks forward to continuing the conversation. Look for an article by Cal and guest writer Bernie Dyme, Perspectives Ltd., in Issue 3 coming out this summer. It will discuss the role of Employee Assistance Programs (EAPs) and Member Assistance Programs (MAPs).

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