

Is Therapy a Wise Way to Spend Your Money?

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When people have a need for therapy, they often gain so much financial benefit that therapy becomes a wise use of their time and money.

Many research studies show that therapy can reduce future medical expenses. Because so many long-term health care expenses are a result of stress or untreated mental health conditions, proper mental health treatment greatly lowers the overall cost of health care. In fact, this “medical cost offset” is so large that when medical costs are measured over a period of three to five years after treatment, psychotherapy lowers overall health care costs so much that it would more than pay for the cost of the therapy.

Therapy can also improve a person’s performance on the job. Employers are becoming increasingly aware that mental health problems can increase the number of sick days, interfere with the quality of an employee’s work, and decrease an employee’s productivity. The financial benefits of treatment are so great that many employers have hired employee assistance programs to provide short-term therapy and identify employees who can benefit from longer-term therapy. Executives and some other people are now using a form of psychotherapy—coaching—to improve their effectiveness and performance. Moreover, psychotherapy helps many individuals succeed in gaining promotions or become ready to change to a better job.

Problems with relationships and family issues can be very expensive. There are enormous costs that can result from divorce, child adjustment problems, or other relationship problems. Individual and family therapy can go a long way in averting these costs.

So how should you decide if therapy is a wise use of your money? Of course, individuals are different and need to decide this for themselves by making some educated guesses. To figure this out for yourself, try to estimate the total cost of your therapy and compare it to the long-term benefits. You can ask your therapist to help by estimating how long it might take to accomplish the kind of changes that you hope to make in therapy. Use this information to estimate the cost of therapy.

To estimate the financial benefits, consider the changes that you are making in stress levels that may affect your long-term health care costs. Look at whether the therapy is helping you be a more productive employee or enabling you to earn more money through promotions or by changing jobs. Look at the relationship and family problems that you are working on in therapy and evaluate if the therapy is likely to avert expensive problems in the future.

When you estimate the cost/benefit ratio, remember your personal improvements may yield financial benefits over many years to come, and the therapy costs are usually spent up front. If you are like most people, as long as there is a need for treatment, you will find that the potential financial benefits probably justify the investment in psychotherapy even when insurance does not pay for the treatment. In addition, think about the possible intangible improvements in your quality of life that cannot be measured financially.