

The preceding citations exclude those legislative acts which, although having significance in the hospital's history, do not pertain directly to current programs. However, these citations are furnished as part of the historical summary which appears earlier.

PART II. DATA BEARING ON ECONOMIC ASPECTS AND IMPACTS OF THE
PROGRAM

9. *Economic effects*

The beneficial effects of operating a psychiatric hospital are not always equated in economic terms. Nevertheless, there are substantial benefits, both long term and immediate, to be derived from the operation of an institution devoted to the treatment and care of the mentally ill.

(a) *Background.*—In another section of the human resources survey, the National Institutes of Health, PHS, have cited statistics which emphasize the seriousness of mental illness, both in human and economic terms. By way of example, NIH points out that mental illness afflicts 1 out of 10 Americans, it fills nearly one-half of all hospital beds in the Nation, and costs some \$3 billion annually. The total cost to the taxpayers is over \$2.4 billion a year in direct public outlays for service, including \$600 million for mental retardation. While the number of outpatient psychiatric clinics increased by 50 percent, from about 1,200 in 1954 to 1,800 in 1963, the number of patients under care in these clinics increased during the same period by 127 percent, or from 379,000 to 862,000. During 1964, there were 300,000 admissions to State and county mental hospitals, the largest number in history.¹ Later in its presentation, NIH discusses mental illness in terms of indirect (as well as direct) costs, and estimates a total national outlay of about \$4 billion annually, including indirect costs.² It is evident from the statistics cited that any institution dedicated to the treatment of mental illness has a tangible contribution to make to the economy.

(b) *Long-term effects of patient treatment.*—Patient treatment and care programs at St. Elizabeths Hospital serve the Nation's mental health efforts in several ways. For example, the hospital develops and demonstrates new and improved techniques for treatment of the mentally ill. Furthermore, it applies these techniques to its own patients, thereby restoring increasing numbers of individuals to useful lives. As the result of the hospital's treatment and rehabilitative activities, a variety of talents is being restored to the community which would otherwise have been lost. By way of example, discharges from the hospital during 1965 were more than double the number effected 10 years ago. Although not every discharged patient successfully returns to a fully productive life, the trend is a valid index of an increasing return for dollars invested in mental health, in terms of individuals restored to a self-supporting, productive and taxpaying status.

¹ Statistics appear in the NIH response, at pp. 814-15.

² Ibid.