

# The Benefits of an Innovative Early-Intervention Mental Health Model

## SUMMARY REPORT

Key findings of a Cost Benefit Analysis Report prepared by Donal Curtin, Economics NZ, on the economic benefits of the mental health services provided by not-for-profit Hearts & Minds NZ Incorporated

**November 2022**



Hearts & Minds is a community development organisation with an integrated focus on mental wellbeing. Our early-intervention model ensures that people have the information, support and resources they need to turn around difficult or challenging situations and achieve sustainable mental health outcomes.

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# SUMMARY REPORT

This document summarises the key findings of a report by Donal Curtin, Economics NZ, on the economic benefits of the mental health services provided by not-for-profit Hearts & Minds NZ Incorporated.

The full report is available at [heartsandminds.org.nz](https://heartsandminds.org.nz)

# Foreword from Kaumatua John Marsden

As Kaumatua of Hearts & Minds, it gives me great pleasure to introduce this Cost Benefit Analysis Report, which shines a light on the immense value of what the organisation achieves in the field of mental wellbeing.

Over my many years of being the Kaumatua of Hearts & Minds, I have observed the simple premise to their success: they place people at the heart of all they do. It is this focus that has seen the organisation grow from strength to strength as people resonate with their inclusive and valuing approach.

This independent report by economist Donal Curtin of Economics New Zealand confirms and validates the value of the unique Hearts & Minds' model. Their focus on equitable access, early intervention and transformative change has proven for over 40 years to be a model for success.

Hearts & Minds is a gift to the community. Their integrative model ensures the whole-of-person approach is both valuing and supportive, generating real results in the lives of people and whānau. There is no doubt that we have a great deal to celebrate and be grateful for.

**John Marsden**

*Kaumatua, CNZM, QSO, JP*

WHAIA TE  
MARAMATANGA  
KIA TINO MOHIO  
AI TE KATOA TE  
HUARAHİ TIKA ME TE  
HUARAHİ PONO KIA  
WHAKAORA AI NGA  
HUNGA KATOA.

*May the contents of this publication provide each of us with knowledge to do what is right and what is truthful in order that we may live an honourable and healthy life.*

# What we do

Hearts & Minds is a mental wellbeing organisation that generates strong population health outcomes by providing community-based mental health support across the Waitemata Auckland region and more recently into Te Tai Tokerau Northland.

Our highly effective early-intervention model is underpinned by recognised community development principles. We achieve excellent results on the premise that given access to information and support, people can exercise greater choice in their lives, define their own priority health gains and strengthen their mental wellbeing.

Our focus is on the mild-to-moderate end of the mental health spectrum, turning health conditions around before they become complex or reach crisis point. We apply a whole-of-person to whole-of-community approach, using evidence-based modalities to improve mental wellbeing. With a focus on accessibility, our free services ensure that people have access to high quality mental health support in their local community at the time they need it.

As a highly respected community provider we receive referrals from more than 200 GPs, health professionals and NGOs across the region. Self-referrals are also accepted.

Our services are supported by Te Whatu Ora Health New Zealand funding, local and central government contracts, and donations from philanthropic organisations.

## Our services

### **Mental wellbeing groups and workshops**

Our groups/workshops are run across the region and offer high quality mental wellbeing education and support, provided by qualified health professionals, in group settings. These free groups and workshops are delivered both in-person and via online formats.

All programme content applies clinically recognised approaches that are overseen by our Clinical Director. With over 93% of participants reporting mental health gains, this programme generates measurable mental health improvements for participants as well as strong outcomes for wider family/whānau.



*This amazing organisation achieves excellent outcomes for communities. The elegant simplicity of their model generates outstanding results in mental health.*

**DR HILLARY BENNETT, PARTNER, LEADING SAFETY LTD**

### **Health Navigation service**

Offered in-person, via phone, email and online, this free and confidential service quickly connects people to the right support in their community, ensuring that they have access to the health and social services they need. Drawing on our extensive network of over 800 service providers, this invaluable community resource helps people to successfully navigate the ever-changing mental and social health environment to find best fit resources that meet their needs.

### **Support services directories**

Hearts & Minds compiles and publishes the complete Support Services Directories for Waitemata Auckland and Te Tai Tokerau Northland. Each directory contains information on over 400 free or low-cost support services operating in the regions, ensuring easy access to valuable information to improve individual and family/whānau health. Freely available digitally online and in hard-copy format, this is a highly respected resource that is of immense value to health professionals and community members alike.

### **Key features**

- Highly effective early intervention model
- Increases population health, reduces health costs
- Community-based barrier-free support
- Focus on accessibility, free and confidential services
- Applies proven, evidence-based modalities
- Culturally inclusive, responds to population diversity
- Quality framework, qualified staff, strong accountability
- Results driven, robust evaluative framework
- Reputation for excellence in service delivery
- Highly respected by the health sector and community alike.

# Why we commissioned a Cost Benefit Analysis Report

The report completed by Economics NZ highlights the mental wellbeing and financial benefits gained when applying an early intervention approach with people who are experiencing mild-to-moderate mental health challenges.

The driving factor behind our organisation, and us commissioning a Cost Benefit Analysis Report on our work, is first and foremost people 'He Tangata, He Tangata, He Tangata'.

Dear to our heart is seeing first-hand the difference made in people's lives. With each quarterly review of Hearts & Minds' outcomes we see how we are tracking – and what really touches me and my colleagues about the feedback we receive is the difference made. This inspires us to reach out, to do more and to work collaboratively with other organisations. Always our focus is to hear from the people, and together foster wellbeing across populations.

The report, written by Donal Curtin, Managing Director of Economics New Zealand Ltd, was an opportunity to quantify the outcomes of our work both for the individuals involved and for the wider New Zealand economy. This Summary Report highlights the full report's key findings.

The report validates that the earliest mental wellbeing intervention is from the ground up, which has the power to change the current landscape with its high demand on mental

health services. It includes estimates of both the clinical and economic

The report concludes that, considering the impact of mild-to-moderate mental ill-health on New Zealand's economy, Hearts & Minds' group therapy services offer a direct economic payback of at least \$4.70 for every \$1 spent on them. In addition, our Health Navigation service offers an economic benefit of \$6.65 million a year, by addressing one of the biggest problems confronting people with mental health issues – finding the help they need within a fragmented health and social services system, especially since COVID.

Hearts & Minds' services help to remove potential inequities within existing mental health programmes by offering barrier-free services to communities. We believe this approach aligns with recommendations flowing from the 2018 *Government Inquiry into Mental Health and Addiction* and with current thinking within government that supports expanded primary mental health support within communities.

The report highlights the potential of this approach to act as a pathway to expand the delivery of clinically effective and cost-effective services to those with mild-to-moderate conditions. It outlines the high payoffs from this effective early intervention, both in terms of the quality of life for the individual and the economic benefits to the country.

While Hearts & Minds' services are designed for those with mild-to-moderate conditions, the report considers that they are likely to help prevent suicides. Given that each suicide prevented in New Zealand represents an estimated \$4.4 million benefit to society, stopping just one suicide would cover all the organisation's running costs for a year six times over.

The report's conclusions are topical given that Aotearoa New Zealand's health system still struggles to meet demand for mental health services – despite a considerable boost in funding in recent years.

We hope it will be informative to policy makers and others looking to improve access to publicly funded services as part of the mental health system reforms.

We believe this report provides solid economic evidence of how a community-based approach could be used to 'scale up' mental health services for people with mild-to-moderate conditions, and to do more with a limited mental health budget.

The economic analysis in the report will be informative to all those making decisions about the future shape of Aotearoa New Zealand's mental health provision. This analysis is summarised in this Summary Report but the full report is also available at [heartsandminds.org.nz](https://heartsandminds.org.nz).

**Carol Ryan**

*Chief Executive Hearts & Minds NZ Inc.*

# SNAPSHOT OF THE FINDINGS

Of a study on the economic benefits of the mental health services provided by Hearts & Minds Inc.

Source: The Benefits of an Innovative Early-Intervention Mental Health Model – November 2022 [heartsandminds.org.nz](https://heartsandminds.org.nz)

Mental ill-health has a significant impact on individuals



**1 in 4  
adults**

**experiences mental health challenges**

Group therapy is a clinically effective way to treat many people



**4 in 5  
people**

**said they are coping better after attending a Hearts & Minds' course**

Mental ill-health brings high economic costs

**\$13.6 billion a year**

**is the economic cost to NZ of mental ill-health**



Hearts & Minds' services are a cost-effective way to help prevent suicides

# Even 1 suicide prevented a year

would cover Hearts & Minds' annual costs 6 times over



The economic payback of group therapy is high

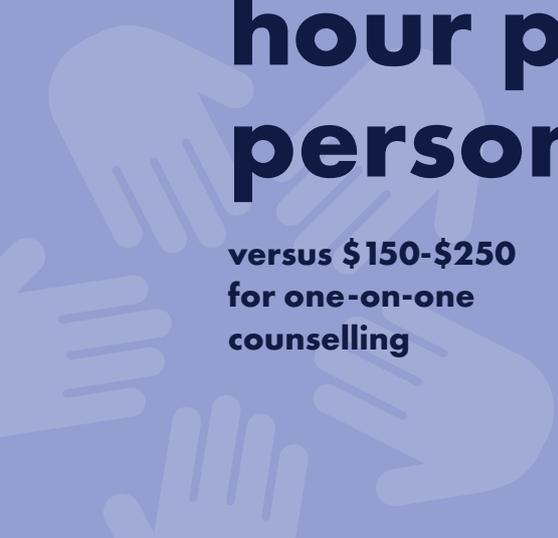
## \$4.70 for every \$1 spent

is the payback on Hearts & Minds' group courses

Group therapy is cost-effective and improves access to help

## \$50 an hour per person

versus \$150-\$250 for one-on-one counselling



Helping people access the services they need offers significant benefits

## \$6.7 million a year

benefit delivered by Hearts & Minds' Health Navigation services



# Executive summary

The report, The Benefits of an Innovative Early-Intervention Mental Health Model (Economics NZ, Nov. 2021), provides an estimate of the economic value of mental health programmes and support services provided by Hearts & Minds Inc. It highlights the potential of these programmes and services to help 'scale up' the provision of mental health care for people with mild-to-moderate conditions. Key findings in the report are:

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## **Mental ill-health has a significant impact on individuals and businesses.**

- In Aotearoa New Zealand an estimated one in four adults experiences a mental health disorder.
- Mental health issues cost New Zealand an estimated \$13.6 billion in 2016-17 due to reduced productivity, higher unemployment and absenteeism, and extra health care costs, etc.
- Most of this cost resulted from people experiencing mild-to-moderate mental health issues (anxiety, stress, trauma etc). That's because these conditions are far more common and affect far more people than severe disorders.

*1 in 4 adults experiences mental health challenges*

*\$13.6 billion a year was the economic cost to NZ of mental ill-health in 2016-17*

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### **Group therapy offers a clinically effective way to treat many people.**

- International evidence shows that for many mild-to-moderate issues, the group therapy approach used by Hearts & Minds is as effective clinically as individual-focused treatment.
- Attendees' assessment of their wellbeing nearly doubled after attending Hearts & Minds' courses – from 18% to 37%.
- 83% of people treated said they were coping better and 92% said they'd learned useful skills.

*4 in 5 people said they are coping better after completing a Hearts & Minds' course*

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### **Group therapy is cost-effective, and the benefits mean it pays for itself many times over.**

- Hearts & Minds' group sessions cost just over \$50 an hour per person, compared with about \$150 an hour for a one-on-one session with a counsellor/therapist or \$200-\$250 with a psychologist.
- Comparing the costs against the potential economic benefits shows the courses deliver an economic payback of \$4.70 for every dollar spent on them<sup>1</sup>.
- By treating people before they potentially deteriorate into more serious mental illness, they help prevent the need for more expensive treatments like hospitalisation.

*\$4.70 for every \$1 spent is the payback on the group courses*

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<sup>1</sup> This was the value of the post-course improvements in productivity compared to pre-course levels, after allowing for the cost to employers of giving employees the time off to attend the courses. These net benefits are then compared to the cost of running the courses, to come up with the benefit-to-cost ratio, or 'payback' ratio. See more in the full report at [heartsandminds.org.nz](https://heartsandminds.org.nz)

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### **Hearts & Minds' mental wellbeing services contribute to preventing suicides, and reducing NZ's suicide rate.**

- While Hearts & Minds' treatments are not specifically designed to prevent suicide, they offer an early intervention that can prevent people deteriorating to the point where they suicide.
- To Hearts & Minds' knowledge, no one who has attended its courses has gone on to commit suicide – despite some of them presenting with quite serious conditions, including suicidal thoughts.
- Each suicide prevented represents a \$4.4 million benefit to New Zealand – so preventing even one suicide a year would cover Hearts & Minds' running costs six times over<sup>2</sup>.

*1 suicide prevented a year would cover Hearts & Minds' annual costs 6 times over*

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### **Group therapy has a wide range of 'ripple' benefits.**

On top of these economic benefits, the report identified that Hearts & Minds' therapy had additional benefits including:

- Unemployed people getting well enough to re-enter the workforce.
- Family members being less likely to have to take time off work to deal with the attendee's challenges.
- Reduced crime and other anti-social behaviour.

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<sup>2</sup> Based on the \$3.8 million 'value of a statistical life' (used by organisations like Waka Kotahi to make investment decisions) and the estimated \$634,000 economic value of a loss of life. See more on this valuation in the full report report. [heartsandminds.org.nz](https://heartsandminds.org.nz)

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**There are also high returns from investment in Hearts & Minds' Health Navigation services.**

- Hearts & Minds runs online and personalised Health Navigation services, which address one of the biggest problems confronting people with mental health issues – finding the help they need within a highly fragmented health and social services system.
- The payoff from these navigation services comes from more people getting the support they need, which helps them get better and become more productive.
- The economic benefits of this are conservatively estimated to be in the region of \$6.7 million a year.

*\$6.7 million a year benefit delivered by Hearts & Minds' Health Navigation services*

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**In summary, Hearts & Minds' programmes were found to be a cost-effective way to deliver services to those experiencing mild-to-moderate mental health problems.**

- The report concludes that Hearts & Minds' services are a cost-effective way to help people with mild-to-moderate mental health issues.
- Their benefits included improved productivity, lower unemployment and reduced strain on the hospital system, meaning the economic gains are many times the cost of running the services.
- Hearts & Minds' services offer a powerful way to deliver on recommendations from the 2018 *Government Inquiry into Mental Health and Addiction*.

# Janice's story: Case study of group therapy

Janice\* had a rough start to life. She couldn't wait to leave school – she struggled to learn, had no confidence, and home life wasn't great. She married at 18, thinking she was leaving her troublesome family life behind, and had a couple of kids. Then her husband started being abusive. In the end, she left with her children, having to go onto a benefit immediately.

Janice was at a loss about what to do next. She felt anxious and lonely and struggled on her own looking after her two children. She didn't know where to start to change her life.

After seeing an advertisement for a support group, she decided to go along and give it a try. She listened to what the other women were facing and realised she wasn't alone. There were others experiencing similar things to her, who could relate to her, as she could to them. In that group environment, light bulbs went on for Janice. She began unpacking multiple insights about her life to date.

At the last session of the group, they discussed where to from here, and Janice shared that she would like to study and learn to do community work. She had thought about what she loved doing – and she loved her Nan and being with older adults.

\*Not her real name

*“You won't believe where I am now. I'm doing what I absolutely love. My children have grown and are doing well, and I'm in a really good place and loving work.”*

So, she went to AUT, flew through her course, and left with a qualification in caring for older adults.

Years later, I bumped into her and she told me how the group transformed her life. Her comments still resound in my head, “You won't believe where I am now. I'm doing what I absolutely love. My children have grown and are doing well, and I'm in a really good place and loving work.”

That's transformation. It's one example of how early interventions can help people who are struggling with isolation, loss, grief, anxiety etc. to find a new path.

**Shared by Carol Ryan**

*Chief Executive Hearts & Minds NZ Inc.*



*The work of Hearts & Minds NZ is absolutely driven by a conviction that mental health is created in communities. Their work demonstrates that when communities are engaged in developing and providing the solutions, real and measurable mental health gains are made.*

**ROB WARRINER, CHIEF EXECUTIVE OFFICER, WALSH TRUST**

*I've witnessed first-hand the real difference made in people's lives when they access Hearts & Minds' support. They are warm and welcoming, ensuring everyone is connected to the support areas that they need, which in turn has led to positive outcomes. They are an incredible asset to our wider community.*

**JILL NERHENY QSM, KAIPATIKI COMMUNITY FACILITIES TRUST**

