

# Schizophrenia® & Psychosis

## Action Alliance

### At-a-Glance: The True Cost of Schizophrenia in America

Schizophrenia is a serious, lifelong brain-based illness that affects how a person thinks, perceives reality, and functions day to day. For decades, families, caregivers, and communities have lived with its consequences, often navigating fragmented systems of care with limited support. Until now, however, the **full economic impact of schizophrenia has rarely been captured in one comprehensive picture.**

A new peer-reviewed study published in JAMA Psychiatry provides that picture.

Using updated 2024 data, the study estimates that schizophrenia and related psychotic disorders cost the United States **\$366.8 billion every year**. That figure reflects not just healthcare spending, but the wide range of costs that emerge when people with schizophrenia do not have consistent access to effective, coordinated care.

#### **What makes this cost so high?**

One of the study's most important findings is that **most schizophrenia-related costs are not medical.**

While healthcare—including outpatient care, hospitalizations, and medications—is an essential part of treatment, it accounts for only a fraction of the total burden. The

majority of costs arise elsewhere, when unmet needs spill into other systems that are not designed to provide long-term treatment or recovery support.

The study shows that schizophrenia-related costs accumulate across:

- **Lost workforce participation and reduced wages**, when people are unable to work or maintain stable employment
- **Housing instability and homelessness response systems**, including shelters and supportive housing
- **Disability and income support programs**, such as Social Security benefits
- **Justice system involvement**, including law enforcement interactions, courts, jails, and prisons
- **Premature mortality and reduced quality of life**, which carry substantial societal and economic costs
- **Unpaid caregiving by families**, who provide day-to-day support without compensation

Together, these non-medical costs make up the majority of the \$366.8 billion total.

## National & State Costs of Schizophrenia & Related Disorders

Estimated Annual Cost of Schizophrenia in the U.S. in 2024

# \$366.8 BILLION

Caregiver Unpaid Wages  
**\$104.6 BILLION**

Supplemental Security Benefits  
**\$5.1 BILLION**

Justice System Interactions  
**\$2.8 BILLION**

Other Caregiver Impacts\*\*  
**\$60.4 BILLION**

Non-employment & Reduced Wages  
**\$55.4 BILLION**

Reduced Quality of Life & Life Expectancy  
**\$88.9 BILLION**

Healthcare Costs  
**\$36.7 BILLION**

Supportive Housing & Homelessness\*\*  
**\$35.2 BILLION**

Incarceration\*\*  
**\$9.2 BILLION**

\*Out-of-pocket costs, healthcare, productivity \*\*Cost of living offsets and transfer costs (\$31.5B) accounted for in total cost. \*All costs including healthcare

Costs vary meaningfully from state to state due to cost of living, wages, and services.



**3.07 MILLION<sup>†</sup>**

Estimated number of people in the U.S. living with schizophrenia

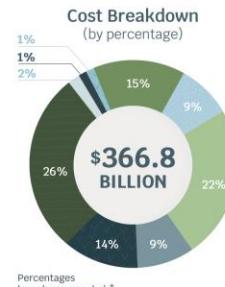
For each person diagnosed at age 18, the annual cost of schizophrenia is

**\$119,436<sup>†</sup>**

\*Actual costs may vary by individual depending on course of illness and circumstances.

Adapted from Krasa HB et al. National and state societal costs of schizophrenia in the US in 2024. JAMA Psychiatry. JAMA Psychiatry 2026; doi:10.1001/jamapsychiatry.2025.4383. CC BY 4.0. Changes: (e.g., “layout simplified; wording shortened”). Not endorsed by AMA/JAMA Network.

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- Justice System Interactions (1%)
- Social security disability benefits (1%)
- Incarceration (2%)
- Homelessness and Housing Costs (9%)
- Healthcare (9%)
- Other Caregiver Burden (15%)
- Reduced Quality of Life & Life Expectancy (22%)
- Non-employment and Reduced Wages (14%)
- Unpaid Caregiver Wages (26%)



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## Costs don't disappear — they shift

A central message of the research is that **underinvestment in effective, continuous care does not save money.**

When access to treatment is delayed, fragmented, or unavailable, the costs don't go away. Instead, they shift—from healthcare systems into emergency rooms, shelters, jails, disability programs, and family households. These settings are often more expensive, less effective, and more disruptive for individuals and communities.

The study makes clear that many of the largest costs are driven by **system failures**, not by illness itself.

## **Families and caregivers bear an enormous, hidden burden**

Families are a critical but often overlooked part of the schizophrenia care landscape.

On average, caregivers provide **approximately 36 hours of unpaid care every week**, supporting loved ones with housing, transportation, appointments, crisis management, and daily living needs. Many caregivers reduce work hours, leave jobs, or exit the workforce entirely. Others absorb significant out-of-pocket expenses related to housing, medical needs, or emergencies.

The study finds that **unpaid caregiver labor and related impacts represent one of the largest cost categories overall**, highlighting how much of the burden is carried privately rather than by formal systems of care.

## **Why this study is different**

While cost-of-illness studies are not new, this analysis is distinct in several important ways:

- It uses **updated, post-pandemic data** to reflect current conditions
- It tracks costs **across multiple systems**, not just healthcare
- It provides **state-by-state estimates**, showing how costs vary depending on wages, housing availability, and service structures
- It demonstrates how schizophrenia-related costs **move across systems**, rather than disappearing

This cross-sector, state-level approach allows policymakers, advocates, and the public to see not only how large the burden is, but **where it actually lands**—and where change could have the greatest impact.

## **What the evidence shows clearly**

The takeaway is straightforward but powerful:

**Schizophrenia is costly not because treatment is expensive, but because effective care is too often delayed, disrupted, or out of reach.**

When that happens, families, communities, and public systems pay the price—financially and humanly.

By making these costs visible, this research provides a foundation for more informed conversations about policy, investment, and reform. It shows why solutions must extend beyond healthcare alone and why coordinated approaches across health, housing, labor, justice, and caregiver support are essential to improving outcomes and reducing long-term costs.

*Adapted from Krasa HB et al. National and state societal costs of schizophrenia in the US in 2024. JAMA Psychiatry. JAMA Psychiatry 2026. [doi:10.1001/jamapsychiatry.2025.4383](https://doi.org/10.1001/jamapsychiatry.2025.4383). CC BY 4.0. Changes: Not endorsed by AMA/JAMA Network*