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Reflections from the Director of PSSRU, London School of Economics and Political Science

Welcome to our new look *Research Bites*.

2007 (so far...) has been a busy and productive year. We have launched a number of important reports; one looking at Dementia in the UK, another on the implementation of Direct Payments; a third on the economic implications of stigma in mental health; and a fourth looking at care vouchers for working carers. In addition we have a number of projects that have just been completed with reports from these projects expected in the near future, for example a project focusing on social exclusion and mental health funded by LSE Alumni; another looking at the health and social care needs of young adults with long-term neurological conditions; a third looking at the current situation of long-term care in the United Kingdom, and a fourth – and very large – project on various aspects of mental health economics in Europe. We are also moving forward on some interesting new projects (see page 20).

PSSRU staff are also actively disseminating their research findings. You will find some details in this issue (see pages 3-7).

PSSRU also continues to contribute to the development of policy. For example, following the publication of the Wanless Social Care Review report, Julien Forder and Jose-Luis Fernandez were asked to

provide analytical support to a review by the UK Treasury of social care funding arrangements for older people (Jose-Luis was seconded for seven months to the Treasury). This analysis, conducted over 12 months, helped to underpin the announcement by Government in the 2007 CSR White Paper of a green paper on social care funding, and the launch of a national consultation on the subject.

Recent staff developments include Dr Jennifer Beecham joining us in our mental health economics and policy programme, Pon-Hsiu Yeh working on a project on health visitors during the summer and three students – Julia Kite and Soraiya Shroff joining us as research assistants and Svetlana Ancker as a project support assistant. We have two recent arrivals: academic visitors – Juan Cabasés (Professor of Applied Economics at the Public University of Navarre, Spain) and Eric Latimer (Associate Professor, Department of Psychiatry at McGill University, Canada). Nika Fuchkan has just started her PhD, attached to PSSRU looking at economic aspects of post-traumatic stress following the London tube and bus bombings in 2005. Finally, Andrew Healey left us to take up a permanent position within the new Ministry of Justice.

Martin Knapp,
Professor of Social Policy, LSE

The PSSRU receives funding from a number of organisations but would particularly like to acknowledge the continued support and funding we receive from the Department of Health for our core research and related activities.

PSSRU's mission is to conduct high quality research on social and health care to inform and influence policy, practice and theory.

Associated with this mission are the following aims:

- To conduct long-term research to help shape the developments of social and health care systems, in the UK and internationally, while also responding to more immediate research needs;
- To develop and employ rigorous research methods from a multi-disciplinary base;
- To examine the performance and functioning of social and health care finance, organization and delivery, with a particular emphasis on promoting efficiency and equity;
- To conduct research that meets the best standards of research governance;
- To work towards greater user involvement in research;
- To disseminate research findings to a variety of audiences through a variety of media; and
- To develop the research and related skills of PSSRU staff.



Research at the LSE branch is focused around three core research programmes which, between them, have ten research clusters, four of which are outlined below:

Balance of care / Prevention and partnership

A number of projects are examining the range and balance of services needed to provide the most cost-effective and equitable outcomes for people. Some of the work builds on the Wanless Review of Social Care, considering the criteria and application of cost-effectiveness principles, the services that satisfy these

principles, how commissioning can be developed using planning tools derived from them, and examining the projected future costs. Three national evaluations are looking at aspects of the balance of care for older people. The team is contributing to the national evaluation of the Partnership for Older People

Projects (POPPs). The SDO is funding a study of the impact of different local governance arrangements on efforts to reduce the use of inappropriate hospital stays. And work continues on the evaluation of the Innovation Forum programme for older people. ■

Consumer-directed care

A major policy emphasis in recent years has been to shift more power and responsibility over to service users. Our evaluation of direct payments for older people will soon end, including coordination of UK-wide surveys of local authorities

and support organisations. PSSRU inputs to the evaluation of the Individual Budget pilots take forward this interest in consumer directed care. Further research in this area is planned. Another project is looking at the Invest to

Save programme in Kent, promoting 'brighter futures' for older people, especially through the involvement of volunteers. ■

International mental health

The flagship project here is the Mental Health Economics European Network, covering 32 European countries and some non-European countries, now in its second phase. A further eight EU-funded projects are also underway, including work on supported employment for

people with serious mental health problems, strategies to integrate people with disabilities into the labour market, child and adolescent mental health service development, genetic testing and depression treatment, and mental health prevention and promotion.

Outside Europe, PSSRU team members are contributing to mental health policy and practice development initiatives in southern Africa and a major programme to raise the profile of depression and its socioeconomic consequences in Asia. ■

Long-term care finance

The overall aims of the LTCF programme are to make projections of likely demand for long-term care for older people and associated expenditure to 2041 under different scenarios. The scenarios relate to changes in external drivers of demand, such as

demographic pressures, and to potential changes in patterns of care or policies. A specific objective is to assess the likely impact of different policies and approaches to funding long-term care for older people on the balance of expenditure between sectors. ■

For further information on the PSSRU or any of its research projects visit <http://www.lse.ac.uk/collections/PSSRU/> or contact pssru@lse.ac.uk.



Dementia: International comparisons

Martin Knapp, Adelina Comas-Herrera, Ami Somani, Sube Banerjee, 2007

Given the seriousness of the impact of dementia, the ageing of the world's population, and that the prevalence of dementia increases with age, much attention is understandably now focused on the treatments, care services and support arrangements needed by people with dementia and their families – both today and over the coming decades.

The purpose of this report (commissioned by the UK National Audit Office) is to draw together information on various aspects of care for older people with dementia, and particularly to make comparisons between countries.

This information is summarised under the following headings:

- Demography and prevalence
- Approaches to diagnosis of dementia
- Financing arrangements
- Service range and balance (including services in place especially for older people with dementia)
- Informal care
- Attitudes

Taking England as the reference, the authors make comparisons with a number of other high-income countries: Australia, Canada, Denmark, France, Germany, Italy,

Japan, Netherlands, Norway, Spain, Sweden, USA, and other parts of the UK.

Dementia prevalence rates vary little, but different care systems identify and diagnose dementia in different ways, and identify and assess needs in sometimes distinct ways. Markedly variable amounts of resources are allocated to meet those needs, channelled through various financing mechanisms, and treatment and support arrangements also diverge.

The summary report is available at <http://www.pssru.ac.uk/pdf/dp2418.pdf>

Direct payments across the UK – are all councils delivering the same service?

LSE Press Release

Direct payments allow people to arrange their own social services. They give individuals control over the social care funding to which they are eligible, and are seen as an important vehicle for promoting independence and choice. Yet a report by PSSRU reveals substantial variation in direct payment arrangements. The report, *Direct Payments: A National Survey of Direct Payments Policy and Practice*, is published by the Personal Social Services Research Unit (PSSRU) at the London School of Economics and Political Science on behalf of a consortium of research teams.

The UK-wide survey suggests that direct payments packages are provided to people receiving more hours of care per week than the average social care recipient. Significant disparities between local councils were found in the proportions of eligible people

receiving direct payments as well as in hourly payment rates, which may affect how individuals attain a fair stake in the market for social care.

Direct payments continue to be provided most commonly to people with a physical disability or sensory impairment and least often to mental health service users. But further disparities are also revealed. Typical prices of the care that needs to be purchased vary widely between user groups, while direct payment rates are largely identical. For some user groups, the payment rates received are substantially lower than average prices for home care, which inevitably limits choice.

Professor Martin Knapp, one of the report's authors, said: 'Despite the striking growth in the take-up of direct payments over the last ten years, the varied implementation across the UK and between service

user groups raises questions about social justice for people supported by social care services.'

Three factors particularly appear to hinder progress:

- concern among service users and carers about managing direct payments
- staff resistance to direct payments, and
- difficulties finding enough people to work as personal assistants.

The report raises concerns over the funding of external support for people with direct payments. There is a growing consensus that social care users do not automatically achieve independence and choice simply by being given their own funds to buy services: structured support is also needed by many people. Yet there are very wide



variations across the UK in the funding of support services. Indeed, the research found an 11 per cent drop in local authority funding of support services during the two years covered by the survey.

Hailed as fundamental to the future of social care in the next decade and beyond, there have been repeated calls for local councils to move direct payments into the mainstream. Yet, in March 2006, ten years after their introduction, less than 42,000 of the approximately one million people eligible to receive a direct payment did so.

An international perspective on worker mental health problems: Who bears the burden and how are costs addressed?

Carolyn S Dewa, David McDaid, Susan L Ettner, 2007
Canadian Journal of Psychiatry, 52(6), 346-356

Abstract

The objective was to discuss the burden of poor mental health in workers, who currently bears it, and how the associated rising costs are being addressed, from an international perspective.

The paper identifies the stakeholder groups and the costs they incur as a result of problems related to mental health in six different domains. In addition, it offers examples of programmes, services, and strategies being used to either decrease costs or enhance benefits.

Mental illness is associated with a wide range of costs distributed across multiple stakeholders including government, employers, workers and their families, and the health care system. The costs incurred by the groups are interrelated; an attempt to decrease

The Direct Payments Survey was coordinated by the PSSRU on behalf of three multidisciplinary research teams, funded by the Department of Health, the Economic and Social Research Council and the Modernisation of Adult Social Care Initiative. Vanessa Davey was the main PSSRU researcher and first author of the report.

The full report and the executive summary are available to download at <http://www.pssru.ac.uk/dps.htm>



Cost of schizophrenia in England

Roshni Mangalore, Martin Knapp, 2007
Journal of Mental Health Policy and Economics, 10, 23-41

Abstract

Despite the wide-ranging financial and social burdens associated with schizophrenia, there have been few cost-of-illness studies of this disorder in the UK. The aim of this study was to provide up-to-date, prevalence-based estimate of all costs associated with schizophrenia for England. Separate cost estimates were made for people living in private households, institutions, prisons and for those who are homeless.

The estimated total societal cost of schizophrenia was £6.7 billion in 2004/05. The direct cost of treatment and care that falls on the public purse was about £2 billion; the burden of indirect costs to the society was about £4.7 billion. Indirect costs include cost of informal care and private expenditures borne by families of £615 million, the cost of lost productivity due to unemployment, absence from work and premature mortality of patients of £3.4 billion, the cost of lost productivity of carers of £32 million, an estimated cost to the criminal justice system of about £1 million and an estimated cost of social security payments and its administration of about £584 million.

Schizophrenia continues to be a high cost illness because of the range of health needs that people have. Despite the shifting balance of care away from hospital-based care, the health care costs of treating and supporting people with schizophrenia remain high. Decision-makers need to recognise



the breadth of economic impacts, well beyond the health system as conventionally defined. For example, as nearly 80% of schizophrenia patients remain unemployed, the cost of lost

productivity is especially large. Better measurement of criminal justice services costs, private expenditures borne by families and valuation of lost quality of life could improve the estimates further. ■

After transition: Health and social care needs of young adults with long-term neurological conditions

Jennifer Beecham, Tom Snell, Margaret Perkins and Martin Knapp

It has been estimated that 10 million people in the UK are living with a neurological condition, over 8 million of whom manage their daily lives with short-term support. More than 1 million need some help with daily tasks and will be out of full-time employment, including most people with congenital conditions, acquired brain injury or illness, and those who have had a stroke or who live with motor neurone disease, multiple sclerosis, Parkinson's disease or dementia. There are also about 350,000 who require help for most of their daily activities.

Young people with long-term neurological conditions who are facing the transition from child to adult services often encounter particular challenges. Accessing the right support has been seen by many people as key in achieving independence and maximising opportunities to contribute to society and is an important policy concern.

There has been little work on the costs of services required to enable young adults with these conditions to live independently. PSSRU was asked by the DH to look at young adults with neurological conditions who have started to be supported by adult services. Links were made with the Department's *Long-term Conditions Research Initiative* which started in 2007.

From the large number of neurological conditions relevant to this study, three were selected because of their relatively high prevalence, and because they encompass a range of impairments found among those with long-term conditions:

- Epilepsy is an *intermittent* condition, often stabilised with medication but where specialist services are needed during acute episodes or to respond to changing development- or age-related needs.
- Cerebral palsy is an *early onset* condition that can have serious consequences for a child's life that continue into adulthood.
- Acquired brain injury is a *sudden* onset disorder, often affecting people in this age group, where there is higher-than-average incidence of trauma from car accidents and sporting activities.

For each the authors addressed the same questions:

- What health and social care supports and services are currently used by young adults with these conditions?
- What unmet needs for health and social care services do they have?
- What are the costs of met and unmet needs for health and social care supports?

A report will be available in late 2007. ■

Cost-benefit analysis of psychological therapy

Richard Layard, David Clark, Martin Knapp, Guy Mayraz
National Institute Economic Review, 202, 90-98

Abstract

At present six million people are suffering from clinical depression or anxiety disorders, but only a quarter of them are in treatment.

NICE Guidelines prescribe the offer of evidence-based psychological therapy, but they are not implemented, due to lack of therapists within the NHS. We therefore estimate the economic costs and benefits of providing psychological therapy to people not now in treatment.

The cost to the government would be fully covered by the savings in incapacity benefits and extra taxes that result from more people being able to work. On our estimates, the cost could be recovered within two years – and certainly within five. And the benefits to the whole economy are greater still. This is not because we expect the extra therapy to be targeted especially at people with problems about work. It is because the cost of the therapy is so small (£750 in total), the recovery rates are so high (50 per cent) and the cost of a person on IB is so large (£750 per month).

These findings strongly reinforce the humanitarian case for implementing the NICE Guidelines. Current proposals for doing this would require some 8,000 extra psychological therapists within the NHS over the six years. ■



Patterns of, and factors associated with, atypical and typical antipsychotic prescribing by general practitioners in the UK during the 1990s

Derek King and Martin Knapp
PSSRU Research Summary 43, May 2007

The development of atypical (or second generation) antipsychotics has offered people with schizophrenia more treatment options. Atypical antipsychotics are judged to be more effective in alleviating symptoms of the illness and to be associated with fewer side-effects in most patients. They are more expensive than the earlier class of antipsychotics, so-called typical antipsychotics, but doubt remains as to whether or not they are more cost-effective in treating patients with schizophrenia.

Spending on antipsychotics in the United Kingdom was ten times greater in 2002 than it was in 1996, a trend matched in much of Europe. The introduction and uptake of atypical antipsychotics has been the primary reason. And in July 2002, the National Institute for Clinical Excellence (NICE) published guidance favouring the use of atypical antipsychotics as a first-line

treatment for patients with schizophrenia, which has contributed to an increase in the rate of prescribing of atypicals relative to typicals and increased the proportion of mental health drug spending that goes towards prescribing antipsychotics.

Using the General Practice Research Database (GPRD) this study assessed changes in the prescribing of atypical antipsychotics in the treatment of schizophrenia and schizoaffective disorder over time and explore associations between individual characteristics and the changes in prescribing patterns.

Main findings

- In the General Practice Research Database, atypical antipsychotics as a percentage of antipsychotic prescribing by GPs for schizophrenia and schizoaffective disorder increased from 1.8% in 1993 to 20.8% in 1999.

- Older schizophrenia and schizoaffective disorder patients were significantly less likely to be prescribed an atypical antipsychotic relative to a typical antipsychotic.
- Patients who had an inpatient stay in the previous year were significantly more likely to be prescribed an atypical antipsychotic.
- Patients who had a high number of GP visits in the previous year were significantly more likely to be prescribed an atypical antipsychotic.
- The prescribing choice made by GPs in treating patients with schizophrenia or schizoaffective disorder was not made solely on needs-based criteria.

The Summary can be found at
<http://www.pssru.ac.uk/pdf/rs043.pdf>

The effectiveness of supported employment for people with severe mental illness: a randomised controlled trial

Tom Burns, Jocelyn Catty, Thomas Becker, Robert E Drake, Angelo Fioritti, Martin Knapp, Christoph Lauber, Wulf Rössler, Toma Tomov, Joeske van Busschbach, Sarah White, Durk Wiersma, for the EQOLISE Group
Lancet, 370, 1146–52

The value of the individual placement and support (IPS) programme in helping people with severe mental illness gain open employment is unknown in Europe. The aim of this research was to assess the effectiveness of IPS, and to examine whether its effect is modified by local labour markets

and welfare systems.

312 people with severe mental illness were randomly assigned in six European centres to receive IPS (n=156) or vocational services (n=156). People were followed up for 18 months. The primary outcome was the difference

between the proportions of people entering competitive employment in the two groups. The heterogeneity of IPS effectiveness was explored with prospective meta-analyses to establish the effect of local welfare systems and labour markets. Analysis was by intention to treat.



The research found that IPS was more effective than vocational services for every vocational outcome, with 85 (55%) people assigned to IPS working for at least 1 day compared with 43 (28%) patients assigned to vocational services (difference 26.9%, 95% CI 16.4–37.4). People assigned to vocational services were significantly more likely to drop out of the service and to be readmitted to hospital than were those assigned to IPS (drop-out 70 [45%] vs 20 [13%]; difference –32.1% [95% CI –41.5 to –22.7]; readmission 42 [31%] vs 28 [20%]; difference –11.2% [–21.5 to –0.90]). Local unemployment rates accounted for a substantial amount of the heterogeneity in IPS effectiveness.

The study's demonstration of the effectiveness of IPS in widely differing labour market and welfare contexts confirms this service to be an effective approach for vocational rehabilitation in mental health that deserves investment and further investigation. ■

Improving the quality of long-term care services in England

Juliette Malley
EuroObserver, 9, 2, 7–8

A recent article by Juliette Malley in the *EuroObserver* describes approaches to measuring the quality of long-term care in England as well as the recent history of improving the quality of LTC services in England.

The full article can be found at <http://www.lse.ac.uk/collections/LSEHealth/pdf/euroObserver/obsvol9no2.pdf> ■

Income-related inequality in mental health in Britain: The concentration index approach

Roshni Mangalore, Martin Knapp, Rachel Jenkins, 2007
Psychological Medicine, 37, 1037–1046

Abstract

Reduction of health inequalities is a major policy goal in the UK. While there is general recognition of the disadvantaged position of people with mental health problems, the extent of inequality, particularly the association with socioeconomic characteristics, has not been widely studied. We aimed to measure income-related inequality in the distribution of psychiatric disorders and to compare with inequality in other health domains.

The concentration index (CI) approach was used to examine income-related inequality in mental health using data from the Psychiatric Morbidity Survey 2000 for Britain.

There is marked inequality

unfavourable to lower income groups with respect to mental health disorders. The extent of inequality increases with the severity of problems, with the greatest inequality observed for psychosis. Income-related inequality for psychiatric disorders is higher than for general health in the UK. Standardized CIs suggest that these inequalities are not due to demographic composition.

Income-related inequalities exist in mental health in Britain. As much of the observed inequality is probably due to factors associated with income and not due to the demographic composition of the income quintiles, it may be that these inequalities are potentially 'avoidable'. ■

Financing long-term care for older people in England

Raphael Wittenberg, Juliette Malley, 2007
Ageing Horizons, 6, 28–32

Abstract

During a decade of debate on how best to fund long-term care, British analysts have focused more on policy developments in other countries than ever before. Discussing criteria for appraising options, the paper argues that the objectives of the financing system must be considered in the light of the objectives for the long-term care system as a whole. The types of funding mechanisms discussed are private insurance, including private/public partnerships, tax-funded and social insurance models. The differences between tax-funded and social insurance

models are discussed. Social insurance with hypothecation of funds is no longer part of the current debate, which now focuses on the three types of options whose properties are described in the paper: free personal care (adopted in Scotland), the retention of means-tested arrangements in some form, and a partnership model as recommended in the Wanless report. The paper agrees with the Wanless report that all three have strengths and weaknesses. Decision-makers have a window of opportunity to make reforms before the baby-boomers reach late old age. ■

We must win hearts on direct payments

Martin Knapp

"Personalisation" is a buzz word of government social care policy, and the commissioning models that give service users greater control over the services they get and who delivers them are central to this aspiration. Person-centred planning, for example, has proved successful for some people with intellectual disabilities. Individual budgets are more ambitious, with the care services minister, Ivan Lewis, heralding them as the future of social care, although it is still too early to know from the 13 pilots across England what they might achieve in terms of choice, outcomes or cost-effectiveness.

Direct payments, which allow people to choose how to spend their allocated budgets to meet their care needs, have been around for longer. They ought to be widely available, but a UK-wide survey, just published by the Personal Social Services Research Unit (PSSRU), shows that few people eligible for social care support receive direct payments. There are also enormous country-wide variations, not only in who gets offered such a payment, but in the amount allocated per hour, the number of hours covered, access to one-off payments for equipment or respite care, and the availability of support and advice.

The proportion of people eligible for social care with direct payments is higher in England than in Northern Ireland, Scotland or Wales. One reason is undoubtedly the shift to mandatory duties in England, linked to a new performance target, but there have been other factors. The establishment of a development fund certainly helped to expand support services. Ministerial enthusiasm presumably


had its impact too. But even within England there are huge variations up and down the country in commitment and delivery.

There are also big differences in take-up across user groups. Direct payments are provided most commonly to people with a physical disability or sensory impairment, but very rarely to mental health service users or older people. Less than 1% of eligible older people have a direct payment. We found another disparity: the typical price of the care that needs to be purchased varies markedly between user groups, while direct payment rates hardly vary at all.

What is hindering progress? Many service users and carers do not want to take risks with their care; they are worried about the management of a direct payment, and whether it might unravel the services they already have in place. Unfortunately, reassurances are not always offered by care managers, even though empowerment and control are at the heart of social work theory and training. One local authority manager suggested: "Social workers are not sure of their roles. They are afraid to think in this 'new age' way, where they have less control and are not sure who will be accountable for the risks being taken."

A related barrier to expanding direct payments is the difficulty many have in finding a personal assistant - partly because some councils set hourly direct payment rates too low. For some user groups, payment rates are substantially below the average price paid out by their council for home care, and this must limit choice. Some

councils have introduced flexible payment schedules to overcome this kind of difficulty.

People do not automatically achieve independence simply by getting their own funds to buy services, but it surely helps. If direct payments or individual budgets are to replace directly provided services, then hearts and minds need to be won over - and, crucially, support needs to be more consistently available. 

This article featured in the *Guardian* on Wednesday 8 August 2007.

Maintaining good health for older people with dementia who suffer a neck of femur fracture

Catherine Henderson, Juliette Malley and Martin Knapp

Background

Hip fracture in the UK is a relatively common condition, accounting for more than 20% of orthopaedic bed occupancy in the UK (Royal College of Physicians 1999), and has been estimated to cost between £12,000 per fracture (1998), and £25,424 (Parrott 2000), at a total cost to society estimated at almost £726 million a year in 2000 (*ibid*). The fracture of a hip may be the first contact an older person has with the hospital system. Hip fracture can have devastating consequences, with mortality rates estimated at 33% to 31% in the year following the fracture (Roberts and Goldacre 2003; Roche, Wenn et al. 2005); the institutionalisation rate was estimated in one study to be 13% in those previously dwelling in the community in the year following the fracture (Nurmi, Narinen et al. 2004).

Hip fracture has been studied as a 'tracer condition' for measuring health system responsiveness (Qureshi and Gwyn Seymour 2003), and has been the subject of two Audit Commission studies (Audit Commission 1995; Audit Commission 2000), which identified persistent problems such as delays in admitting patients with hip fracture from the A&E department within an hour, delays in carrying out operations within 24 hours of admission, and (in the majority of hospitals) not implementing joint ward rounds between physicians and orthopaedic surgeons.

Several guidelines of best practice in the management of hip fracture have been published in recent years. Early assessment and

appropriate rehabilitation is one element of what is accepted as good practice (Scottish Intercollegiate Guidelines Network (SIGN) 2002).

It is therefore important to get a sense of the cost implications (a) of the current system for those older people with dementia who have fractured a hip, and (b) of any strategies to improve outcomes for this group. Funded by the National Audit Office this study aimed to assess how much longer people with dementia who have a fractured neck of femur stay in hospital, compared to people without dementia. The task was then to estimate the cost associated with delayed discharges from acute care and identify potential financial savings for the tax payer if such delays could be reduced.

Methods

We carried out an initial feasibility study in order to establish whether sufficient data existed to build a model of patient pathways in the UK for those with and without dementia who have a fractured neck of femur (NOF). This consisted of a rapid review of the medical, nursing, allied health and social science databases for material relating to the average length of stay in an acute hospital and also admissions in the population of interest.

The review identified those studies that could provide estimates of key parameters for the model, as well as evidence on "best practice" in terms of the treatment and care of people with cognitive impairment or dementia who have suffered a

fractured neck of femur and concluded that we could construct a model of the care pathway.

We developed a cell-based macrosimulation model of the care pathway from admission through discharge to post-discharge care. The base case ('usual care' scenario) draws on individual level data from a prospective study of the outcomes of psychiatric illness within an older hip fracture population (Holmes and House 2000) to determine the proportions of psychiatrically well and those with dementia progressing through a "usual care" pathway from admission through to discharge. Data on post-discharge care were limited and a number of assumptions had to be introduced into the modelling. Unit costs were drawn from various sources.

We investigated the sensitivity of the costs and outcomes to data assumptions and various "best practice" scenarios. These scenarios, based on findings from the literature review, centred on good practice in the preoperative and postoperative stages of the hospital stay. For instance, we examined the impact of adhering to good practice guidelines on maximum wait times from admission to surgery. Other scenarios included several models of collaborative care between orthopaedic surgeons and specialists in medicine for older people for patients with hip fracture: the geriatric orthopaedic rehabilitation unit (GORU) model; and the geriatric hip fracture programme (GHFP) on an orthopaedic ward. We also considered the impact of psychiatric liaison services to patients in orthopaedic wards; integrated care pathways for fractured NOF; and early supported discharge model.

We assembled a virtual group of

experts, with backgrounds in geriatric psychiatry and psychiatric nursing, orthopaedic surgery and ortho-geriatrics, to validate the base case and best-practice scenario assumptions.

Findings

The results of the model showed that higher expenditure was required to treat hip fracture patients with dementia than their psychiatrically well counterparts. From the base case model, we estimated that the average yearly expenditure on persons with dementia with a fractured neck of femur in England (£1.037bn) was some £0.4bn more than on those who were “psychiatrically well” (£.623bn). Sensitivity analyses on both the base case assumptions and the best practice scenarios found that in most cases the assumptions were reasonably robust. However, the base case model was sensitive to variations in the assumed number of outpatient sessions allocated to hip fracture patients, so that relatively small reductions in these numbers led to a marked reduction in the estimated overall expenditure. It was also sensitive to variations in unit costs.

The results demonstrated some potential benefits in terms of cost savings arising from some models of good practice. For instance, early supported discharge schemes and GHFP schemes were estimated (using the most conservative assumptions from the sensitivity analyses of these scenarios) to decrease expenditure on people with dementia who fracture their hip by 4% and 6% respectively, in the year following the fracture. Other approaches such as psychiatric liaison services to orthopaedic wards were found to have a very modest impact on overall expenditure. However we note that there were potential

benefits to the interventions modeled that were beyond the scope of the model – for instance the timely identification of delirium in order to plan appropriate management (liaison model); numbers returning to pre-fracture function (GHFP); reducing caregiver burden (early supported discharge); and improvements in quality of life.

Conclusions

Some elements of good practice in the care of those who have dementia and have a fractured NOF are able to reduce the use of inpatient hospital care and as a result reduce the consequent costs in the year after the fracture. However we must caution that the evidence base from the UK on interventions within both hospital and community on how to improve outcomes for people with dementia after a hip fracture remains quite limited.

Acknowledgements

The authors are grateful to the members of our expert panel who provided very valuable comments and suggestions on our model and its assumptions, and on the various scenarios, and thank Dr John Holmes (Senior Lecturer in Liaison Psychiatry of Old Age, University of Leeds) who provided advice and further information on the Leeds hospitals study.

The full report can be found at: http://www.nao.org.uk/publications/nao_reports/06-07/0607604_fractured_neck_of_femur.pdf

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Tax exemptions on care vouchers for working carers: An economic analysis

Tom Snell, José-Luis Fernández and Russell Bennetts

Background

General Household Survey data indicate that in 2000, 15% of working-age adults in Great Britain provided care to a sick, disabled or elderly person. Over two thirds of these were carers of older people (Pickard 2007). Evidence from the 2001 census suggests that in England and Wales alone, more than three million people combined caring with employment (ONS 2006). For many, the burden of caring hinders their ability to participate in the labour market, and in some cases, causes them to withdraw from employment altogether (Evandrou 1995). Numerous studies also point towards the serious adverse effects that caring can have on the physical and mental health of the carer (ONS 2006, Davies et al 2000).

The predicted increase in the number of older people in the UK in the years ahead will result in an increase in the demand for social care support and a proportional reduction in the working age population. It is critical, therefore, that new ways of supporting working carers are identified, to enable them to carry on contributing to society in their dual role as members of the labour force and as providers of support for dependent people. In this context, PSSRU has carried out an evaluation of a scheme of 'care vouchers for working carers' aiming to enable employees to continue providing support to a dependent person while minimising the impact on their own employment opportunities. The scheme would operate in a way similar to the current UK childcare voucher

scheme, whereby employers provide workers with a voucher redeemable against qualifying care, in lieu of a portion of their income. The voucher would be exempt from both National Insurance contributions and PAYE on the part of the employee, and National Insurance contributions on the part of the employer.

Existing evidence

The current evidence about the impact of childcare-related Income Tax and NIC reforms suggests only a limited level of take-up of child care vouchers. By 2006, shortly after the introduction of the scheme, these were being offered by only 1.4 per cent of employers, most commonly by large and/or public-sector organisations, with 49% of organisations employing 10,000 or more workers offering the scheme, compared to less than 1% of those with fewer than 10 employees (Kazimirski et al 2006).

The current evidence therefore points out that the likely success of a care voucher scheme for working carers of adults would depend most significantly on the proportion of employers offering the scheme to their employees. Importantly, the evidence suggests that participating organisations generally found childcare support services to be cost-neutral, with administrative costs being minimal and usually offset by NIC exemptions afforded to the employer. While the full range of benefits to employers could not accurately be quantified due to the length of time the reforms had been in place, initial feedback from participating organisations in fact

points towards positive effects in terms of staff retention, productivity and absenteeism.

Methods

The analysis focused on carers of older people due to the comprehensiveness of the data available for this group. Based on a bespoke analysis of GHS 2000/01 data by Pickard (2007), a spreadsheet-based data model was constructed that grouped carers in England in terms of key factors likely to mediate their likely take-up of care vouchers. The key mediating factors accounted for in the analysis included the level of dependency of the person being cared for, the relational propinquity between the carer and the dependent person, and factors relating to the employment status of the carer (sector, income level and employing organisation's size). Only relatives or carers of older people with a minimum level of disability (difficulties performing at least one ADL activity) were assumed to be eligible for the scheme.

The estimates of overall levels of take-up were therefore derived by multiplying the number of carers in each analysis subgroup by the likely individual-level probability of take-up given the sub-group characteristics. The analysis then derived the associated costs and benefits from the scheme for individuals and the state.

To the state, the costs associated with the scheme were related to losses in tax revenue due to PAYE and National Insurance exemptions. Where the scheme was estimated to enable individuals to enter the labour force, the savings to the state from increased tax and NI contributions and reduced JSA payments were also estimated. The administrative costs to employers associated with running the scheme were estimated based on



literature relating to similar programmes, as were the savings made through exemptions on NI contributions.

The analysis was limited by a lack of real-world evidence on which to base the assumptions in the model. While childcare vouchers provide the most relevant indicator of likely take-up, the evidence available was collected during the early stages of the scheme's implementation, at which point awareness among organisations was notably low. Also, a number of the likely benefits of care vouchers, such as improved productivity and reduced absenteeism, could not be quantified into the model due to a lack of evidence. Given the limited evidence available with which to underpin the assumptions of the model, the analysis developed three alternative scenarios with contrasting hypotheses about the likely success of the care voucher scheme. These scenarios provided a means of testing the sensitivity of the results to changes in the assumptions.

Results

Findings are presented under the three scenarios reflecting alternative assumptions about the likely take-up of the schemes (see Table 1).

Scenario 1: The central scenario was based upon the take-up of similar schemes identified in the literature review. Overall, take-up in the central scenario was low, estimated at 48,000 people (1.4% of the eligible population). This was due largely to the low proportion of employers assumed to be offering the scheme, in line with the observed patterns for childcare vouchers. The cost to the public purse was modest, at just over £37 million per year. The monetary value of care vouchers taken up in this scenario was approximately

Table 1. Summary of results according to central, low and high take-up scenarios

	Scenario 1: central take-up	Scenario 2: low take-up	Scenario 3: high take-up
Number of users	48,000	28,000	156,000
Take-up rate	1.4%	0.8%	4.6%
Value of care vouchers	£83 m	£49 m	£271 m
Total cost to state	£37 m	£22 m	£120 m
Total cost to employers	-£4 m	-£2 m	-£12 m

£83 million, equivalent to around 5% of current local authority home care gross expenditure in England.

Scenario 2: The low take-up scenario modelled a situation in which demand for care vouchers was lower than that observed in similar schemes. It therefore assumed that carers of adult dependent people would be less likely to take-up vouchers than carers of children entitled to child care vouchers. According to this scenario, only 0.8% of eligible carers would participate in the scheme, obtaining vouchers to the value of £49 million at a cost of £22 million to the state.

Scenario 3: The high take-up scenario was intended to model the implications of raised awareness of the scheme among employers. The high uptake scenario was therefore adjusted to reflect a situation in which a significantly larger proportion of organisations offered care vouchers due to an increased recognition of the effect of the tax and NI exemptions and of the likely broader retention and productivity benefits associated with the scheme. The effect on take-up, estimated at 156,000 people (4.6% of eligible carers), was significant.

Assuming this level of take-up, the monetary value of care vouchers would total £271 million per year, costing £120 million to the state.

Conclusions

Assuming similar levels of supply to those observed for childcare vouchers, the overall take-up of care vouchers would be limited. Given the potential benefits for employers, however, it is likely that marketing and promotion efforts would result in a significantly greater number of organisations offering care vouchers than implied in the central and low scenarios. Successful implementation might also depend on the progressivity of the scheme. Restricting access to care vouchers or capping the amount available to high-income individuals would serve to limit the risk of deadweight losses, whereby vouchers are used to subsidise already existing privately-financed care rather than to fund additional levels of support.


Most importantly, however, the success of the scheme should be considered in terms of whether the scheme generates net social gains or losses. With successful implementation and appropriate administration, the scheme could

yield benefits that would extend beyond those quantified in the model, including improvements in productivity and staff retention for employers, and reduced stress and better employment prospects for carers.

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Acknowledgements

This work was funded by Westminster Advisers. 

The full report is available at Tax Exemptions on Care Vouchers for Working Carers (PDF).

For further information contact Tom Snell (t.r.snell@lse.ac.uk) or email pssru@lse.ac.uk.

Cognitive impairment in older people: Future demand for long-term care services and the associated costs

Adelina Comas-Herrera, Raphael Wittenberg, Linda Pickard, Martin Knapp

The numbers of people reaching old age have increased substantially in recent years and are projected to keep growing in the coming decades. The numbers of older people with cognitive impairment are also expected to rise. Wancata et al (2003) have projected that the numbers of people with dementia in Europe will grow from 7.6 million prevalent cases in 2000 to 16.2 million in 2050.

Cognitive impairment has a substantial impact on the quality of life of people affected, their families and other caregivers. It also has major implications for health and social services, in turn generating high costs (Souëtre et al, 1999, McNamee et al, 1999 and 2001, Kavanagh and Knapp, 2002 and Schneider et al, 2003). It is clearly important, for strategic planning purposes, to be able to project likely future service requirements for people with cognitive impairment. It is also important, in the context of debates about how best to fund long-term care and the future affordability of public expenditure, to have projections of the associated expenditure.

A recent study by PSSRU presents projections, for the next 30 years, of future numbers of older people with cognitive impairment in England, their demand for long-term care services and the future costs of their care under a range of specified assumptions. The assumptions relate to trends in factors that will affect future long-term care costs of cognitive

impairment. These include, not only the future numbers of older people and future prevalence rates of cognitive impairment, but also trends in household composition, provision of informal care, patterns of care services and the unit costs of care.

A macrosimulation (or cell-based) model was developed to produce the projections, building on an earlier PSSRU model (Wittenberg et al., 1998 and 2001). The study uses, among other sources data from the MRC CFA Study (MRC CFAS, 1998). Base case assumptions were made about trends in key factors expected to impact on future LTC expenditure, and variant assumptions about the key factors are introduced to test for sensitivity.

Results

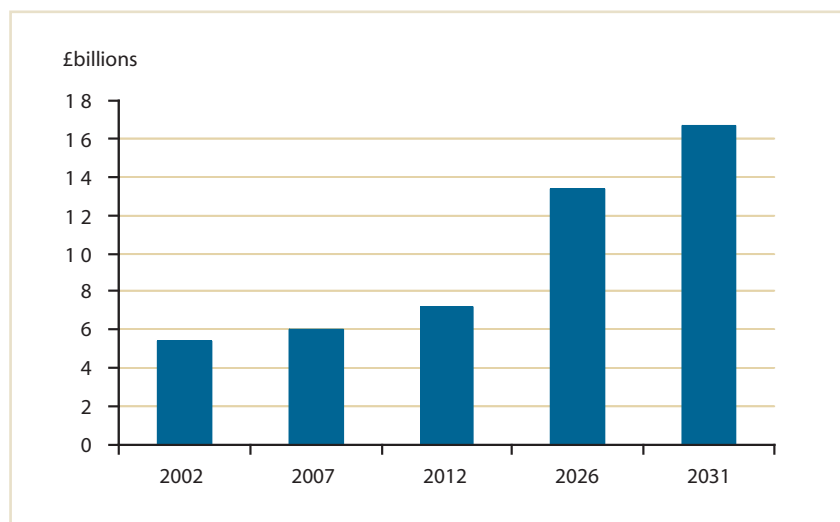
The research, commissioned by the Alzheimer's Research Trust, shows that the cost to provide long-term care to older people with dementia will increase to £16.7 billion by 2031, as opposed to £10.9 billion as estimated in 2003 (Comas-Herrera et al., 2003).

The findings indicate that the number of people with dementia and other causes of cognitive impairment (CI) will rise by 83% by the year 2031 (from 468,000 to 855,000). The impact on society and the economy is much greater than originally estimated:

- the cost of long-term care for older people with CI is projected to rise from £5.4 billion in 2002 to £16.7 billion in 2031 (at constant 2002 prices) –



Figure 1: Base case projected long-term care expenditure for older people with cognitive impairment for England to 2031 (£billions, 2002 prices)



amounting to a rise from 0.60% to 0.96% of GDP (Gross Domestic Product)

- the number of hours of home care arranged by local authorities for older people with CI would need to rise by 91%
- the number of people with CI in care homes would rise by 88%, from an estimate of 205,000 in 2002 to 385,000 in 2031.

Conclusion

A dramatically rising ageing population over the next 25 years will have major implications - not only in terms of diseases like Alzheimer's - but also in terms of the wider impact on society. The research shows that if treatments developed were to reduce the percentage of older people with severe cognitive impairment by only 1% per year, this would nearly offset the increasing long-term care costs.

It is important for policy purposes to recognise the extent of sensitivity of future long-term care expenditures to assumptions about trends in key drivers of demand for long-term care. The findings of the sensitivity analysis suggest that

policy-makers need to plan for considerable uncertainty in future demand for long-term care for people with cognitive impairment. Future mortality and prevalence rates and rises in unit care costs, which are inevitably uncertain, have substantial implications for future demand for long-term care and associated expenditure.

Acknowledgements

This research was funded by the Alzheimer's Research Trust.

Further results have been summarised in Comas-Herrera A, Wittenberg R, Pickard L, Knapp M (2007) Cognitive impairment in older people: future demand for long-term care services and the associated costs, *International Journal of Geriatric Psychiatry*, 22, 1037-1045.

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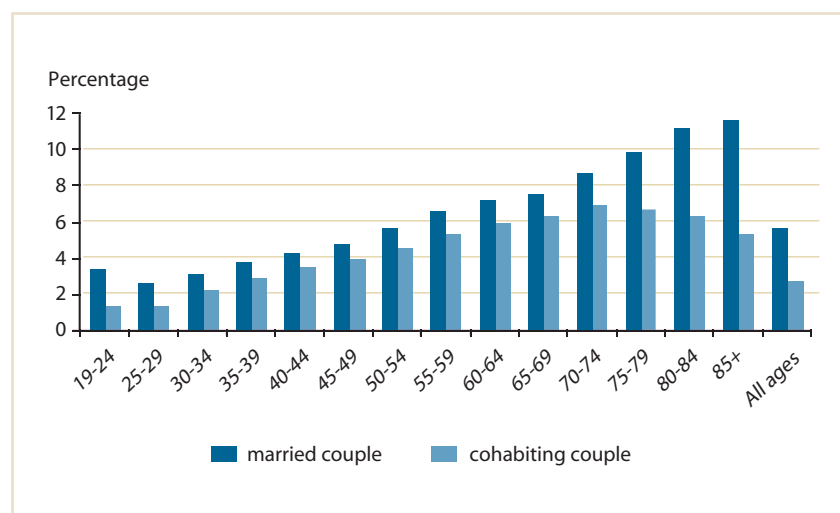
This chapter on unpaid care and the family uses information primarily from the 2001 Census. An on-line version of the volume is available from the ONS website. This summary contains some key findings from the chapter.

The 2001 Census was the first to collect information on the provision of unpaid care in the population. The information on unpaid care in the census is important particularly because it allows for analyses of care provision by sub-groups of the population, for example, people who are cohabiting, on whom research has previously been restricted by small numbers in sample surveys. The census information on unpaid care is, however, limited in scope and Pickard's chapter therefore includes 2000/01 General Household Survey (GHS) data on provision of unpaid care by a sample of the adult population living in private households.

Key points

- Both the census and the GHS show that approximately 4% of the adult population provide unpaid care for 20 or more hours a week. This summary focuses on these 'heavy duty' carers.
- There are approximately 1.8 million adults aged 19 and over in Great Britain providing unpaid care for 20 or more hours a week.
- The majority of adults providing unpaid care for 20 or more hours a week are women.
- The majority of adults providing unpaid care for 20 or more hours a week are under state pension age.
- The GHS shows that most unpaid care is family care. Of all care provided for 20 hours a week or more, over 90 per cent is

Adults who provide unpaid care for 20 or more hours a week, Great Britain, percentages



Source: 2001 Census, Office for National Statistics; General Register Office for Scotland

- provided to close relatives, particularly partners and parents.
- The 2001 Census suggests that provision of care by adults in cohabiting couples is lower than provision of care by adults in married couples.
- Approximately 6 per cent of adults in married couples provide care for 20 hours a week or more, compared to 3 per cent of those in cohabiting couples (see figure above).
- The lower probability of providing care by people in cohabiting couples may arise because cohabitation includes a spectrum of relationships. Some are a precursor or substitute for marriage while others are more transitory.
- The impact of cohabitation on the numbers of people providing care is relatively small at present because cohabitation is concentrated in the younger age groups, where care provision is at its lowest.
- However, the impact of cohabitation may be greater in future years, when there is projected to be a marked increase in the numbers of people cohabiting in the age groups where care provision is concentrated, particularly people in mid-life. ■

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Major firms back tax breaks for carers

Carers should have tax breaks to allow them to remain at work, employers and charities said yesterday. The London School of Economics has assessed a scheme that would give tax breaks in return for care vouchers. These would be provided by employers as a benefit to staff who are carers. *Daily Telegraph*, 11 July 2007

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Tom Snell, Jose-Luis Fernandez and Russell Bennetts (2007) *Tax Exemptions on Care Vouchers for Working Carers: An Economic Analysis*, Westminster Advisers, London.

Dementia 'must be a priority'

Dementia is set to soar in the North-west with experts forecasting a 33 per cent rise over the next 15 years. Research commissioned by the Alzheimer's Society warns that more than 101,000 people in the region will be living with dementia by 2021. The London School of Economics and King's College London research reports that dementia currently affects 76,000 people in the North-west. *The Bolton News*, August 2007

Reference

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Expert urges mental health promotion

As the burden and cost of mental health problems rises, the cost and benefits of prevention and promotion efforts need to be weighed against the cost of not intervening, a health promotion conference in Galway has been told. Prof Martin Knapp of the London School of Economics and professor of Health Economics at the Institute of Psychiatry, King's College London, said that by promoting mental health, governments can reduce the overall risk of ill health in society and make cost savings at the same time. *Irish Times*, 10 July 2007 (Source: Lexis Nexis News)

Reference

Martin Knapp, How Can Economics Inform Prevention and Promotion Initiatives in Mental Health? 2007 Health Promotion Summer Conference: Building Capacity for Evidence-Based Health Promotion, Galway

Dementia costs underestimated

According to figures published in the *International Journal of Geriatric Psychiatry*, the cost of dementia care in England has been underestimated. Research from the London School of Economics (LSE) shows that the cost of long-term care for people with dementia will rise to £16.7 billion by 2031, although a 2003 projection put it at £10.9 billion. Professor Martin Knapp, lead researcher at LSE, said: 'A dramatically rising ageing population over the next 25 years will have major implications - not only in terms of diseases like Alzheimer's - but also in terms of the wider impact on society.' *Craegmoor News*

Reference

Adelina Comas-Herrera, Raphael Wittenberg, Linda Pickard, Martin Knapp (2007) Cognitive impairment in older people: future demand for long-term care services and the associated costs, *International Journal of Geriatric Psychiatry*, 22, 1037-1045.

Mental health epidemiology

Current study results from the report, Income-related inequality in mental health in Britain: the concentration index approach, have been published. The research was carried out by Roshni Mangalore and colleagues, Personal Social Services Research Unit at LSE. The researchers concluded: 'As much of the observed inequality is probably due to factors associated with income and not due to the demographic composition of the income quintiles, it may be that these inequalities are potentially "avoidable"'. *Science Letter*, 7 August 2007 (Source: Lexis Nexis News)

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For further press releases and updated information visit PSSRU Press Releases.

Mental Health Policy and Practice across Europe receives Baxter award

Mental Health Policy and Practice across Europe, edited by Martin Knapp, David McDaid, Elias Mossialos and Graham Thornicroft, is the joint winner of the 2007 Baxter Award. Funded by the Baxter Corporation, the Baxter Award is awarded for an outstanding publication and/or practical contribution to excellence in healthcare management in Europe.

The book was also awarded 2,500 USD, which the editors donated to the Budapest-based non-governmental organisation, the Mental Disability Advocacy Centre (www.mdac.info), MDAC aims to advance the human rights of children and adults with actual or perceived intellectual or psychosocial disabilities across eastern Europe and central Asia.

More information on the book can be found at <http://books.mcgraw-hill.co.uk/html/0335214673.html>.

Health England

The Department of Health established Health England to look at health and social care promotion and prevention. PSSRU is contributing in various ways, especially on social care and the health/social care interface. New research in these areas is to be funded by the DH, through Health England, and will be started very soon. Contact Martin Knapp for more information.

King's Fund seminars

Julien Forder

The King's Fund and partners of the Caring Choices coalition have been conducting a series of seminars around the country seeking people's views about the funding of social care. Professor Julien

Forder has been giving keynote presentations at these events, reporting on the findings of the Wanless social care review. The last seminar took place in Leeds in July this year.

Social Policy Association Annual Conference

Professor Bleddyn Davies

recently presented a paper entitled *With present funding expectations, to what degree can the ambitious policy goals for ends and means in long-term care of frail older people be reconciled with avoiding severe losses of welfare to current beneficiaries in great need?* at the Social Policy Association Annual Conference in Birmingham on 23–25th July 2007.

Methods

28 November 2007, Guy's Hospital

There will be a one-day seminar on social care research methods on 28 November in London. Speakers are drawn from the DH-supported social care units. The focus is on accessible methods that can inform policy and practice discussion and development. View the programme at <http://www.pssru.ac.uk/pdf/asrc071128.pdf>.

To book a place, please send a cheque for £25 payable to the 'London School of Economics' with your name and contact details to: Anji Mehta, Personal Social Services Research Unit, London School of Economics and Political Science, Houghton Street, London, WC2A 2AE. (Please contact us if you would have difficulty paying this fee – we have a few free places available.)

For enquiries contact pssru@lse.ac.uk or call +44(0)20-7955-6238.

New forthcoming book

Life in a Hospice: Reflections on Caring for the Dying by Dr Ann Richardson, Visiting Fellow @ PSSRU

This book is about hospices, seen through the eyes of the people who work in them, and provides real-life accounts of hospice life from managers, doctors, nurses, carers and support staff.

See Radcliffe Publishing for further information about this book <http://www.radcliffe-oxford.com/books/bookdetail.aspx?ISBN=1846192439>

Making Social Policy Work now available

Edited by John Hills, Julian Le Grand and David Piachaud, this collection of essays by a number of leading social policy academics celebrates Howard Glennerster's long and illustrious career as Professor of Social Policy at the LSE. The volume covers key issues in contemporary social policy, and particularly recent changes. A chapter has been contributed by Martin Knapp focusing on choice and control within social care.

See Policy Press for further information about this book https://www.policypress.org.uk/catalog/product_info.php?cPath=10033&products_id=1342

Mental health of children, adolescents and their families

A declaration for the future of mental health of children, adolescents and their families in Europe was launched in Florence in August, based on a series of presentations and discussions. Martin Knapp gave a talk on economic aspects of child and adolescent mental health.



Mental Health in Europe Recent findings and analysis from MHEEN, Phase II

PSSRU recently held a seminar at the London School of Economics looking at recent evidence and analysis into the economics of mental health in Europe. The seminar presented findings from the Mental Health Economics European Network (MHEEN) project, having just completed its second phase, a project which is supported by the Directorate General for Health and Consumer Protection, European Commission.

Speakers at the seminar included members from the Network on their current research findings as well as a discussion on the future directions of mental health policy in Europe. Presentations from the event can be downloaded from the PSSRU website at <http://www.lse.ac.uk/collections/PSSRU/mheenseminar.htm>, and included the following:

- MHEEN Welcome and Introduction, Martin Knapp.
- Making the case for investment in mental health promotion and mental disorder prevention activities in Europe, David McDaid.
- Challenges and opportunities in shifting care from hospital to the community in Europe, Helena Medeiros.
- Towards attainment of the EU's Lisbon Strategy: addressing the impact of mental health on employment, David McDaid.
- Challenges in mental health policy and practice in Turkey, Mehtap Tatar.

A report following the seminar will be available shortly.

Further information about the MHEEN project can be found at <http://www.mheen.org>.

European Conference on Mental Health: Joining forces across Europe for prevention and promotion in mental health

Findings from the MHEEN project were also recently presented at the Conference which took place in Barcelona between 13 and 15 September.

Professor Martin Knapp gave one of the two opening plenary presentations at the Conference, focusing on the economic arguments of more attention to be paid to the prevention of mental health problems and the promotion of mental well-being, a presentation that sticks in his mind mostly because he went from podium to hospital with broken ribs.

David McDaid led a parallel session on implementation of mental health promotion-prevention

■ Mental Health Economics European Network, Phase II Symposium

13 December 2007, Brussels
This symposium, sponsored by the European Commission, Directorate General for Health and Consumer Protection, will present findings and analysis from Phase II of the Mental Health Economics European Network.

Venue: West Midlands in Europe Office, Avenue d'Auderghem 22-28, Brussels, Belgium

Registration is required and free of charge. To register, please send an email to Pssru@lse.ac.uk

Further details of which can be found on the MHEEN website <http://www.mheen.org>

policies, discussing issues around funding, training and the effects of MHP/MDP interventions. A report from the conference can be found on the IMHPA Network's website.

Galway conference on health promotion

One of the speakers at the annual Galway conference on health promotion in July 2007 was Martin Knapp, who talked about the economic evidence for preventive measures in the mental health and social care fields.

Optiwork launch conference Crossing the threshold – towards an active labour market policy for job seekers with disabilities

The conference took place on 10 October in Brussels. The project was under-taken by a consortium of ten partners, including the PSSRU at LSE.

The main objectives of the Optiwork project were to examine the effectiveness of existing legislation and policies regarding the opportunities for employment by people with disabilities (PWD) and to build a series of methodological tools that can help different stakeholders in different Member States estimate some of the potential economic costs and consequences of individuals with disabilities becoming more active in seeking employment and of employer becoming more amenable to their recruitment.

PSSRU LSE colleagues David McDaid and Tihana Matosevic were responsible for constructing a decision analysis model that could be used to assess the economic consequences of different strategies or interventions designed to help facilitate more PWD actively seek employment and/or encourage employers to become



more amenable to their employment.

David McDaid gave a presentation on the potential benefits of using the decision analysis modelling, putting forward the economic case for promoting the employment opportunities of PWD.

For more information about the Optiwork project visit the website: www.optiwork.org.

International Association for Suicide Prevention

David McDaid recently gave a presentation on the cost effectiveness of suicide prevention strategies at the 24th meeting of the International Association for Suicide Prevention, in Killarney, Ireland in August.

The presentation was linked to work led by the University of Edinburgh looking at the Scottish suicide prevention strategy. It also built on work on the economics of suicide undertaken with Brendan Kennelly from the National University of Ireland, Galway.

European Health Forum Gastein

David also presented on the future of mental health policy in Europe at a panel session at the European Health Forum Gastein, Austria in October.

British Society of Gerontology

Juliette Malley recently presented at the 36th Annual Conference of the British Society of Gerontology, entitled "Realities of

Ageing: Research into Action" in Sheffield. Juliette's presentation looked at whether the quality of older people's home care services had improved.

Further details about the event can be found at <http://www.bsg2007.org.uk/index.html>.

International Lifetime Achievement Award 2007



Professor Bleddyn Davies, founding director of PSSRU, was recently awarded the American Public Health

Association Gerontological Health Section's International Lifetime Achievement Award 2007. He was presented with this award on 5 November in Washington. The event was attended by Brian Ferrar, First Secretary Science & Innovation, British Embassy, Washington DC.

Bleddyn's work has focused on equity, efficiency and community care reform. Particular themes running through many years of work include targeting, service productivities, financing mechanisms, projections of future needs and costs, and care management. Indeed, Bleddyn introduced care management to the UK through a series of experiments, books and papers during the 1970s and 1980s. The policy lessons deduced by Bleddyn from the Kent Community Care Project drew on early American models, and he transformed and adapted them so that they became the 'cornerstone' of the policy

reforms outlined in the UK government's 1989 White Paper. He has also been the author of books on the theory of territorial justice, social and economic consequences of gambling, the mitigation of child poverty, and the economics of higher education.

Bleddyn lectured in economics in the University of Wales and in social policy at the LSE before establishing the PSSRU in 1974 at the University of Kent. The aim was to study equity and efficiency in community and long-term care. After retiring as Director of PSSRU in 2003, he became Emeritus Professor at both Kent and LSE, and Professorial Fellow at the Oxford University Institute of Ageing. He was awarded an OBE for his services to social science and social policy, he is an Academician of the Academy of the Social Sciences, and a Fellow of the Gerontological Society of America.

In 2002 a one-day conference was held at the LSE in his honour, and papers from this event were later published in a Festschrift volume of essays by scholars, policy makers and managers.

The APHA award is thoroughly deserved and we are all delighted for him. ■

PSSRU in collaboration with LSE Health run both formal and informal seminar series during the academic year. For details of seminars scheduled for academic year 2006-07 visit the LSE Health and Social Care website at <http://www.lse.ac.uk/collections/LSEHealthAndSocialCare/eventsAndSeminars/Default.htm>

HELPS: European network for promoting the health of residents in psychiatric and social care institutions

This is a multi-country project funded by the European Commission Directorate General for Health and Consumer Protection and led by the University of Ulm, Germany. Residents in health and social care institutions with mental health problems generally have poor physical health resulting in a significantly lower life expectancy compared with the general population. This is incompatible with the protection of their human rights and dignity. As yet, there are no specific European policies to improve the health status of residents in care institutions. HELPS brings together a multi-disciplinary consortium to collate knowledge in the field, and identify best practice across Europe. This will involve a systematic literature review, an iterative Delphi process, and focus groups involving experts, staff and residents to help develop a guidance tool to promote the health of residents with mental health problems. The tool should be capable of flexible implementation in routine care, and addresses both individual health behaviour and institutional characteristics. David McDaid from the LSE is leading on work to identify effective and cost-effective health promoting intervention programmes for people with severe mental health problems and then considering whether they can routinely be implemented in mental health care institutions.

Economic analysis based on STAR trial

The Schizophrenia Trial of Aripiprazole (STAR), is a 26-week naturalistic study comparing aripiprazole with standard of care (SoC) (treatment with one of

olanzapine, risperidone or quetiapine) for people with schizophrenia who are being treated in community health or hospital-based outpatient settings, and for whom a switch in atypical antipsychotic medication was deemed necessary by the treating physician. Although most attention in treatment decisions is rightly given to symptomatic response, adverse events and quality of life, it is also widely recognized that decisions must be made in cognizance of their economic consequences. A short study is underway, conducted by Derek King and Martin Knapp – with support from Renee Romeo (CEMH) – looking at service use, accommodation and employment data collected in STAR, and subsequently involving a cost-effectiveness analysis. The work is funded by Bristol Myers Squibb.

Assessing the economic impact of health visiting in post-natal depression

The aim of this study is to examine the economic costs and economic consequences of health visiting in supporting women with post-natal depression. A model is being built from available evidence, current statistics and (as needed) expert opinion to represent care and related pathways and to chart economic impacts over time. The work is being undertaken by Pon-Pon Yeh and Martin Knapp, and funded by the Community Practitioners' Health Visitors' Association and UNISON.

SHIELD: Support at Home – interventions to enhance life in dementia

This 60 month project, funded by NIHR, is being led by Professor Martin Orrell at UCL. The aim of this applied research programme is to prevent excess disability, promote

social inclusion, improve health outcomes, and enhance the quality of life for people with dementia and their carers. The aim will be achieved by a rigorous five-year programme of psychosocial research building on existing work by the applicant team; in cognitive stimulation, reminiscence work, and carer support, and also by a new initiative developing intensive home support to manage crises at home, and prevent admission to hospital for people with dementia. Professor Martin Knapp is providing health economics expertise.

Is Ageing Changing? Health, Healthy Life and Cognition across Generations

The MRC have agreed to fund a new study of cognitive function entitled *Is Ageing Changing? Health, Healthy Life and Cognition across Generations*. The study builds on the design and infrastructure of the successful MRC Cognitive Function and Ageing Study collaborative (CFAS). New cohorts in Cambridgeshire, Newcastle and Nottingham will provide new data on generational and geographical differences in new cohorts including people in institutions. The aims of the study include estimation of the current and future cost of dementia and of long-term care for older people. The study will be conducted by researchers from the Universities of Cambridge, Edinburgh, Exeter, Leicester, Newcastle, Nottingham and the PSSRU at the LSE.

For further information on our current and recently completed projects please visit the PSSRU website www.lse.ac.uk/collections/PSSRU. To join the PSSRU mailing list please visit <http://www.jiscmail.ac.uk/lists/pssrulist.html>.