Welcome to issue five of Research Bites

Developments in mental health
Mental disorders are not only devastating for individuals and burdensome for families but also costly for economies, in terms of both service costs and lost productivity. Nevertheless, effective measures have been shown to reduce the burden and costs in both the short and long term. Efforts at local, national and European levels that are (rightly) focused on improving health and quality of life can also significantly reduce costs.

Mental health is high on the policy agenda at both national and European levels. There is increasing policy attention on promoting general mental wellbeing in the population and addressing the needs of people with identified mental health problems.

Particular emphases include: tackling human rights abuses; rebalancing community and institutional care; coordinating action across multiple sectors; delivering effective treatments and supports; preventing mental health problems arising in the first place; and overcoming the huge challenges of stigma and discrimination. The European Commission’s Mental Health Pact illustrates well the widespread concern with these issues, while the four governments in the UK continue to push forward policy and practice (in England, this is through the New Horizons Initiative).

Research activities
In PSSRU we are actively contributing to the policy debate through our commissioned work on mental health policy and economics. We recently completed the second phase of our Mental Health Economics European Network, and findings continue to be published and disseminated. Findings from our work on age discrimination in mental health services in England were released in 2008 and are summarised in this issue. Research on dementia has been a PSSRU theme for some time.

PSSRU contributed to the Mental Health Pact and the EU High-Level Conference Together for Mental Health and Well-Being in Brussels. Another important set of activities included analyses for the 2008 Foresight Project on Mental Capital and Wellbeing, coordinated by the Department for Innovation, Universities and Skills. PSSRU staff also act as advisors on mental health policy to a range of international bodies including the World Health Organization, World Bank, European Commission, and the Canadian Mental Health Commission.

We place great emphasis on strengthening the links between research and policy, ensuring that our research is relevant and findings widely accessible. We are working towards further and better communication of our mental health research findings.

Professor Martin Knapp
Director, PSSRU @ LSE

David McDaid
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PSSRU conducts research and analysis on equity and efficiency in health and social care across three branches (LSE, Universities of Kent and Manchester). PSSRU’s mission is to conduct high quality research on social and health care to inform and influence policy, practice and theory.

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. All opinions expressed in Research Bites are, however, those of PSSRU and not necessarily of our funding bodies.
Research at the LSE branch is focused around three core research programmes which, between them, comprise eleven research clusters. Three of these clusters are outlined below:

### Care services evaluation

PSSRU at LSE is involved in a number of service evaluations. Typically, such evaluations apply quantitative and qualitative methods to explore the effects on costs and outcomes of particular health and social care interventions, as well as the processes by which such effects arise. For instance, the multi-university evaluation of the Whole Systems Demonstrators programme, funded by the Department of Health, is analysing the impact of integrated health and social care services supported by advanced assistive technologies such as telehealth and telecare. Other examples of evaluations include the analysis of motivations of care home providers, the costs and benefits of a care voucher scheme for older people in England, and the EU-funded MonAmi programme, which studies whether services in the areas of comfort applications, communication/information, health, safety and security can be mainstreamed cost-effectively for older people and for people with disabilities.

### Local variations

Research within the Local Variations cluster is examining the factors behind the often very marked differences in the local patterns of social care and some other service provision in England. Statistical analyses use local authority-level data to describe and interpret those patterns. Among the range of factors examined are levels of need, local supply factors, local political control and historical local systemic policy preferences. Other analyses are examining variations in local levels of expenditure, balance of care, and their impact on the health care sector. We are also interested in inter-individual variations in costs and outcomes.

### Children and young people's services

Focusing on children and young people who have additional needs and who use specialist services alongside universal supports, research within this PSSRU cluster brings an economic perspective to studies of cross-agency service provision and use of services. Current research includes a comparison of family therapy and multi-family day treatment with inpatient care and outpatient family therapy for adolescent anorexia nervosa, evaluation of the costs and cost-effectiveness of interventions carried out on behalf of the National Academy for Parenting Practitioners and long-term consequences of anti-social behaviour in childhood.

For further information on PSSRU or any of its research projects visit [http://www.lse.ac.uk/collections/PSSRU/](http://www.lse.ac.uk/collections/PSSRU/) or contact pssru@lse.ac.uk
The National Evaluation of the Individual Budgets Pilot Projects (IBSEN)

Project concluded in 2008

Individual budgets (IBs) were piloted as a new way of providing support for older and disabled adults and people with mental health problems eligible for publicly funded social care.

The Department of Health set up IB pilot projects in 13 English local authorities, running from November 2005 to December 2007, and commissioned a national evaluation, the findings from which have now been published.

The two-year pilot involved academics from the Personal Social Services Research Units (PSSRU) of LSE, Manchester and Kent universities; York University’s Social Policy Research Unit; and the Social Care Workforce Research Unit at Kings College London.

The evaluation report found that:

- IBs were typically used to purchase personal care, assistance with domestic chores, and social, leisure and educational activities
- people receiving an IB were more likely to feel in control of their daily lives, compared with those receiving conventional social care support
- satisfaction was highest among mental health service users and physically disabled people and lowest among older people
- little difference was found between the average cost of an IB and the costs of conventional social care support, although there were variations between user groups
- However, the team did find some areas where processes could improve, including:
  - staff involved in the pilot encountered challenges including devising processes for determining levels of individual IBs and establishing legitimate boundaries for how IBs are used
  - there were particular concerns about safeguarding vulnerable adults
  - staff experienced numerous legal and accountability barriers to integrating funding streams
  - NHS resources were not included in IBs

One key finding was quite marked differences in outcomes between user groups. Disabled people and those who use mental health services appeared to have better outcomes with IBs than with conventional service arrangements. Other people included in the study did not enjoy the same benefits.

Whether this outcome picture remains the same over time is another matter. As individuals gain confidence with holding an IB and as support arrangements develop, so there is potential for improved effectiveness and cost-effectiveness.

The report recommends further research in a number of areas including:

- relative benefits and drawbacks of different approaches to individual or person budgets for different groups of users
- longer-term evaluation of cost-effectiveness in comparison to conventional support
- impact of different resource allocation arrangements
- quality and supply of personal assistants, care-workers and other supporters
- the role of carers in support planning, managing individual budgets and providing support paid for by individual budgets

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The European Collaboration of Dementia (EuroCoDe)

Now coming to completion

Funded by the European Commission, the project aims to develop and disseminate evidence-based mental health promotion and mental disorder prevention strategies across Europe and to facilitate their integration into countries’ policies, programmes and health care professionals’ daily clinical work.

The LSE team, led by David McDaid, is focusing on assessing the socioeconomic impact of informal (unpaid) care provided by family members of those living with dementia. While the focus of this work is European, the analysis makes much use of data and methods developed in other parts of the world which are pertinent to the European context.

There are three main components to this work:

1. Undertaking a systematic review to develop a literature map to update what is known about the social and economic costs and consequences of informal care for people living with dementia.

2. As part of this review, also to identify recent methodological developments in both the measurement and valuation of the socioeconomic impact of informal caregiving for people living with dementia.

3. To undertake an ancillary review to identify methodological developments for valuing informal care regardless of the disease condition addressed. For instance, to what extent can developments in assessing the impact on carers arising from people with strokes or chronic physical illnesses be transferred to the assessment of carers of people with dementia?

Initial results indicate that the evidence base for the costs of informal care is growing for Alzheimer’s disease and other dementias. The inclusion of informal care in estimates of costs in other areas is also growing, with recent estimates identified across a number of European countries as well as being a component of costs in some evaluations of drug and non-drug interventions. In addition the literature on informal care costs from other parts of the world continues to grow. There are also a number of studies which have sought to project the long-term costs of Alzheimer’s Disease and other dementias across Europe and elsewhere. To varying extents these have sought to incorporate the costs of informal care.

Attempts to estimate the value of informal care can also be seen for other diseases and disabilities. There is also evidence of methodological development in the way in which the costs of informal care are both measured and valued.

A paper (and more detailed report) looking at recent innovations and continuing challenges in the valuation of informal care are in preparation.

FORESIGHT programme on Mental Capital and Well-Being

Report in October 2008

Coordinated by the Department for Innovation, Universities and Skills on behalf of a number of government departments, the FORESIGHT programme on Mental Capital and Well-Being produced a major report in October 2008. PSSRU was funded to contribute to a number of studies, looking at: the treatment of common mental disorders; inequalities and debt management; primary care reorganisation; and the future costs of dementia and cognitive impairment. Each piece of work focused on the economic consequences – both costs and achievements – and built new empirical estimates and policy-related arguments on a sound evidence base. The analyses looked comprehensively at all relevant societal impacts: for individuals with mental health problems, their families, the NHS, local authority social care, other local authority budgets, the social security system, other parts of the public sector, employers, and the wider society.

The Foresight report can be found at http://www.foresight.gov.uk/OurWork/ActiveProjects/Mental%20Capital/Welcome.asp
Economics of early intervention services: a scoping review

Knapp M, McCrone P, Razzouk D, Mangalore R
Report to the Department of Health

Researchers from both PSSRU LSE and the Institute of Psychiatry, King’s College London completed work in 2008 on the economics of early intervention services for psychosis to the Department of Health.

The early intervention (EI) approach has its roots in the early psychosis initiatives in the UK, Australia, Canada, New Zealand, Scandinavia, Germany and the Netherlands in the 1990s. The first EI service in the UK started in Birmingham in 1990, and a national policy now exists in England which requires that such services are established, with the expectation that EI teams should each cover a population of around one million people. Clearly, there is a cost associated with such provision, and resources employed by EI teams could be utilised in other areas, which prompts the question: are EI services worth the investment being made in them?

Following on from work undertaken in 2006 when a simple economic model was developed to estimate the economic impact of early intervention services, the Department of Health funded a scoping review in 2007. The aims of the work were to:

i. Refine the previously constructed model using more representative data
ii. Investigate how the model might be adapted to assess the economic impact of EI for:
   a. offenders
   b. children and adolescents
   c. patients from black and minority ethnic populations
   d. patients from rural areas
iii. Investigate how the model might assess the impact of
   a. reducing suicides and homicides
   b. reducing lost opportunities

This report describes the findings of the scoping review in each of these areas. A team at the Centre for the Economics of Mental Health, Institute of Psychiatry is now building further economic models to examine cost-offsets and cost-effectiveness in some of these areas.

Educating difficult adolescents: effective education for children in public care or with emotional and behavioural difficulties

Jessica Kingsley Publishers

Educational achievements for children in care are significantly poorer than for the general school population. This book explores why this is and how to enable children in care to succeed in the classroom.

It evaluates the educational experience and performance of a sample of ‘difficult’ adolescents living in foster families, residential children’s homes and residential special schools for pupils with behavioural, emotional and social difficulties (BESD). The book addresses factors such as the failure to prioritise education for children in care, placement instability and disrupted schooling. It investigates care environments, policy changes and young people’s background experiences — as well as the costs of services — in order to gauge the effectiveness of targeted initiatives. The authors adopt a multidisciplinary approach to suggest how best to support children in care in educational settings.

This book will be essential reading for professionals supporting children in care, including social workers, directors of children’s services, policy makers, school leaders, teachers and managers in the public, voluntary and private sectors. It is also highly relevant for social work and education lecturers, researchers and students.

Dr. Jennifer Beecham is a Principal Research Fellow at the Personal Social Services Research Unit (PSSRU) at LSE.

Projecting long-term care expenditure in four European Union member states: the influence of demographic scenarios

Social Indicators Research, 86, 2, 303–321

This study examines the sensitivity of future long-term care demand and expenditure estimates to official demographic projections in four selected European countries: Germany, Spain, Italy and the United Kingdom. It uses standardised methodology in the form of a macro-simulation exercise and finds evidence for significant differences in assumptions about demographic change and its effect on the demand for long-term care, and on relative and absolute long-term care expenditure. It concludes that mortality-rate assumptions can have a considerable influence on welfare policy planning. Relative dispersion between country-specific and Eurostat official estimates was found to be higher for the United Kingdom and Germany than for Italy and Spain, suggesting that demographic projections had a greater influence in those countries.

Barriers in the mind: promoting an economic case for mental health in low- and middle-income countries

Mcdaid D, Knapp M, Raja S, 2008
World Psychiatry, 7, 79–86

In recent years, policy makers in high-income countries have placed an increasing emphasis on the value of maintaining good mental health, recognizing the contribution that this makes to quality of life, whilst ever more mindful of the socioeconomic consequences of poor mental health. The picture in many other parts of the world is much less encouraging; policy attention and resources are still directed largely at communicable diseases. We reflect on some of the challenges faced in these countries and outline the role that economic evidence could play in strengthening the policy case for investment in mental health.

Mental Health Pact research papers

David Mcdaid contributed to the development of the European Commission’s Mental Health Pact, providing expertise and also producing two official briefing papers on stigma and employment and mental health:

- Mental Health in Workplace Settings

- Countering the Stigmatisation and Discrimination of People with Mental Health Problems in Europe
Age discrimination in mental health services

Jennifer Beecham, Martin Knapp, Jose-Luis Fernandez, Peter Huxley, Roshni Mangalore, Paul McCrone, Tom Snell and Beth Winter

Aim
The UK government is considering the introduction of legislation to outlaw age discrimination in the provision of public services. The Department of Health commissioned a short piece of research to explore the extent of age discrimination in mental health services. Three broad issues are addressed in this report: inequalities between adult and older people’s mental health services; inequalities between adults and older people with mental health problems in their use of health and social care services; and knowledge about the likely single equalities legislation in current services and the possible costs of implementation. The report does not examine differences in outcomes.

Methods
Available literature, both academic and policy-related, was reviewed in order to gauge the extent of age discrimination in mental health services in England, including previous UK studies of the relationship between age and costs (interpreted as a summary measure of service utilisation).

Insights and information were also obtained from interviews conducted with senior and middle managers in eight organisations, covering the perceived extent of age discrimination currently, knowledge about the possible new legislation, and expected costs and benefits of enactment of the Single Equality Bill.

New statistical analyses were conducted – in parallel with the other activities described here – using three relatively recent datasets: the nationally representative cross-sectional Psychiatric Morbidity Survey 2000, longitudinal data from a randomised trial of treatments for people with depression and anxiety, and longitudinal data from an observational study of people with schizophrenia.

Findings from interviews with mental health organisations
There is very little knowledge within mental health organisations about the new legislation. There is, however, optimism that it will help improve services for older people with mental health problems by removing some of the barriers to services, and by providing services that are at least on par with adult services.

Interviewees generally acknowledged that age discrimination exists within current mental health services, although in some cases this is indirect rather than direct discrimination, and often due to the way organisations have developed historically. Each of the areas had a separate service for working age and older adults. There was some variation in the way transition between these services was managed but new users over 65 years would always be assessed within the older people’s service.

Despite a stated belief that older people should be able to access the same services as those under 65 years, often older people’s teams did not know about services, such as supported employment or assertive outreach, which were managed by the adult teams. Ageist attitudes on the part of staff and within organisations more generally also inhibited access to the level of support experienced by younger adults. There was also a generally held view among interviewees that there were fewer services for older people and that they tended to be less well staffed. Low levels of resources for identification and early intervention work was highlighted as having led to high levels of unmet need, particularly for older people with anxiety and depression.

Opinions on the extent of and reason for discrimination varied and many interviewees were keen to emphasis that progress had been made. Some examples of good practice were cited. It was felt additional resources and guidance to accompany the legislation would help remove access barriers for older people. Additional resources would be needed to restructure the service, to improve identification and early intervention, to improve joint working, and to challenge negative and ageist attitudes within the organisation.

None of these organisations had estimated the costs of removing age discrimination, nor was there a consensus on whether these costs would be significant. However, these were generally seen as short-term costs and it was felt that the new legislation would bring forth changes that would benefit older people in the longer term.

Findings from review of previous cost studies
The assumption underpinning the review of previous research and the new statistical analyses was that cost provides an aggregate indicator of services used, and that variations in cost that are associated with age provide an indication of age discrimination, but only so long as the age-cost associations are adjusted for other
Factors that could have an influence on service use patterns, particularly level of need or health status.

Studies of costs for people with mental health needs that are confined to older people have found support costs rising with age, an association that is most likely linked to increasing physical disability rather than increasing severity of mental health problems or age per se.

Studies that looked at only younger adults (up to age 65) generally do not find much of an age gradient: in other words, there is little apparent discrimination by age in the under-65 age group. Studies which are based on experimental designs – such as a randomised trial – were less likely to find an age gradient than naturalistic designs. Experimental designs might alter the way that services and professionals behave, encouraging them to pay more attention to needs assessment and response.

Studies that look at a wider age range – including people both above and below age 65 – tend to find more of an age gradient: support costs were generally found to be lower for older people.

Overall, we found relatively little previous research on age-cost associations, and very little that was based on data collected for people both under and over age 65. Some of the evidence was also quite old. For these reasons, we sought more recent data for a wide age range so that we could carry out new statistical examinations.

Note that the proportion of cost variance ‘explained’ statistically in these studies tended to be modest (often 20 per cent), which leaves much of the observed difference in cost between sample members (and hence between people of different ages) unexplained by the measures included in the regression equations.

Findings from new statistical analyses

Three datasets were examined: a national epidemiological survey, a trial of treatment for depression and anxiety, and an observational study of people with schizophrenia. Analyses of the Psychiatric Morbidity Survey (PMS) 2000 dataset made the distinction between mental health and other service use. There appeared to be reduced use of mental health services by older men compared to younger men (and no age difference for females), after adjusting for all other variables in the model, but the variance in the data means that this could be due to chance. When the analyses were confined to people aged under 65, the age effect disappeared – a result that is consistent with what we found in the previously completed literature. The analyses also explored the age-cost association for other measures of service use. The impact of age was strongest on GP costs and social care costs, and it appears that it is the difference in these elements that is accounting for much of the age effect described in the previous paragraph. When total service use was examined (covering services for both physical and mental health reasons), there was no evidence of an age-cost gradient. Possibly lower use of mental health services with age is accompanied by higher use of services for physical health reasons.

The second series of new analyses used data from a randomised trial of computerized cognitive behavioural therapy for adults with depression and/or anxiety. Age was found to have a nonlinear association with costs, with costs lowest at around age 42 years and increasing at greater ages. When the analyses were repeated for the subsample of people aged up to 65, this age-cost association disappeared.

In contrast to what was found in the analysis of the PMS data, older people with mental health problems in this trial were therefore not receiving fewer services. But some important differences between the two datasets might explain this discrepancy: crosssectional versus longitudinal designs, experimental versus naturalistic settings, inclusion criteria, and availability of measures for potential covariates.

The third set of new analyses looked at a sample of people with schizophrenia and had a longitudinal element. A number of significant associations were found between costs and patient characteristics, including a nonlinear association with age. Costs appeared to be lowest within this sample at around age 57, and increased slightly thereafter, even after adjusting for symptoms, general health, functioning, medication adherence and sociodemographic dimensions such as education, marital status and gender. When the analyses were repeated after excluding people aged over 65, the age-cost association was slightly weaker, with less evidence of upward gradient with later age.

These analyses for the sample of people with schizophrenia used a cost measure that ranges over all services, but separating mental health services from others would not necessarily be appropriate (depending on the question being addressed) as it is well known that there are many physical health problems associated with schizophrenia, especially as people age. The dataset for this third statistical examination would not
easily allow separation of mental health from other services to test this, as speciality was not noted when recording outpatient and inpatient service use.

The final set of new analyses used data from the PMS to explore the cost implications of increasing the supply of services to older people equalising expenditure to that for adults. The central estimate of the costs of levelling up expenditure for those aged over 55 and over to the levels of those aged 35 to 54 is £2.0 billion at 2006-07 prices.

Conclusions
The new statistical analyses generally support findings from the literature and the views of people interviewed in mental health organisations that use of mental health services is lower among older people, after adjusting for other covariates such as symptoms and need.

The gradient appears to be more marked for ‘common mental disorders’ such as depression and anxiety, whereas for people with psychosis there may be an increase in service use beyond about age 60, although whether this is in the use of mental health rather than general health services is not clear. Some but not all analyses suggest that the age gradient is more marked for men than for women.

When looking only at people aged under 65, there is little or no apparent age-cost association: generally, it is people aged over 65 who are receiving lower cost support packages compared to younger adults. Eliminating age discrimination in mental health services would require extra expenditure of around £2.0 billion.

Informal care for older people provided by their adult children: projections of supply and demand to 2041 in England

Linda Pickard

Report for the Strategy Unit (Cabinet Office) and Department of Health

The majority of disabled older people living in private households currently receive informal care from either an adult child or a spouse/partner. However, while care by spouses and partners is likely to increase in the coming years, the future supply of informal care by adult children seems uncertain (Pickard et al 2007). For this reason, our work on the future supply of informal care for older people has focused on care by adult children.

The report summarised here compares projections to 2041 of the supply of informal care by adult children with projections of the demand for informal care by older people. It was prepared for the Strategy Unit (Cabinet Office) and the Department of Health. The analysis focuses on the supply of intense care provided for 20 or more hours a week and on demand for social care by disabled older people.

The results show that, on the assumptions used, future informal care supply is projected to be lower than estimated demand.

- **Demand:** currently around 600,000 disabled older people receive informal care from children and this is projected to rise by 90% to 1.3 million in 2041 (Wittenberg et al 2008).

- **Supply:** there are currently 400,000 people providing intense informal care to older parents and this is projected to rise by 27.5% to 500,000 in 2041 (Pickard 2008).

![The ‘care gap’: difference between supply of intense intergenerational care & demand for care by disabled older people, England 2005–2041](http://www.pssru.ac.uk/pdf/dp2536.pdf)
The care-receivers: care-providers ratio is projected to fall from 0.6 in 2005 to 0.4 in 2041.

This projected change will result in a shortfall of 250,000 intense carers or 250,000 fewer disabled older people receiving intense informal care by 2041.

The ‘care-gap’ is primarily driven by demographic changes.

Around 90 per cent of people who provide care to their older parents are themselves under retirement age and it is well known that ‘old age dependency ratios’ are due to rise sharply in the next thirty years.

The policy implications are that, to keep pace with demand, either more people will need to provide intense informal care or more formal services for disabled older people will need to be provided. Because the majority of people providing intense care to older parents are of ‘working’ age and providing intense care is negatively associated with labour market participation, any increase in intense care provision may be associated with lower labour market participation. The ‘care-gap’ may then have implications for demand for formal services in future years.

For further information, contact Linda Pickard (l.m.pickard@lse.ac.uk)

The full report is available at www.pssru.ac.uk/pdf/dp2515.pdf

References
Pickard L (2008) Informal Care for Older People Provided by their Adult Children: Projections of Supply and Demand to 2041 in England. Report to the Strategy Unit (Cabinet Office) and the Department of Health. PSSRU Discussion Paper 2515


Optimising Strategies for Integrating People with Disabilities into Work (OPTI-WORK)

David McDaid and Tihana Matosevic

The participation of people with disabilities in the EU workforce is substantially lower than the employment rate of working age population without physical or mental impairments.

The evidence suggests that about half of people with disabilities (PWD) are economically inactive, compared with 28 per cent of the general working age population (European Commission 2001). Throughout the European Union, these individuals must confront significant barriers in both finding and keeping a job. According to the European Community Household Panel, an individual of a working-age (16–64 years) has a 66 per cent chance of finding a job or developing a business. For a person with a moderate disability the probability is 47 per cent and for those living with severe disabilities, this probability is reduced to just 25 per cent.

The aim of the Opti-work study was to provide European and national policy makers with a cross-national comparison of factors that act as barriers or facilitators in the integration of people who have either physical impairments or mental health problems into the competitive labour market, and the recruitment of jobseekers with disabilities into employment across a sample of fifteen Member States.

One of main objectives of Opti-work was to build a series of methodological tools to 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.

Encouraging employment among people with disabilities who are able to work can result in important welfare gains to society and to improved social and economic outcomes for the employer and the worker. At Member State level, there are significant attempts to improve their social inclusion and work participation. However, they still represent a much-underused source of labour in Europe;
increasing participation in employment could help contribute to overall economic growth.

There are a number of different costs associated with unemployment including: costs related to the income loss to the individual of being unemployed and the impact that a lower volume of aggregate output has on others; costs associated with the loss of freedom and social exclusion; costs related to the loss of skills and opportunities; as well as the additional costs of poor physical and mental health (Sen 1997).

Opti-work focused upon those factors that enhance or inhibit access to the labour market and the willingness of employers to recruit people with physical or mental health problems (i.e. push and pull factors) for each of the fifteen selected countries. By identifying these push and pull factors and putting them in an explanatory model it was possible:

i. to describe the state of the labour market and compare it with other countries;

ii. to identify specific problems for people with physical and/or mental health problems within labour market;

iii. to evaluate the effect of improved policy on their integration into the labour market using the model;

iv. to indicate the benefits of increased employment rate of people with physical and mental health problems;

v. to examine the impact of increased employment on companies and to help employers to overcome barriers to inclusive employment practices and;

vi. to provide some estimates of the socioeconomic costs and consequences for societies as a result of improved labour participation by individuals with physical or mental health problems.

For the purpose of this study a decision analytical model was used to assess the economic consequences of different strategies to help facilitate more people with physical or mental health problems actively seeking employment and/or encouraging employers to become active recruiters.

Using this approach it was possible to map different pathways faced by individual jobseekers or employers, and provide an estimate of the relative costs of specific policy actions and their impact on key decisions, i.e. whether individuals seek employment and/or employers become more active and inclusive in their recruitment practices.

An example of the type of questions explored was whether it is worth investing in supported employment programmes, or disability awareness campaigns as a way of changing the behaviours of employers and potential jobseekers and ultimately increasing workforce participation.

Information on different measures that might help improve jobseeker/employer behaviours and different public policy interventions to increase the use of these actions were identified through several complementary sources.

The principle sources of information initially have been two bespoke tools: the Job Seeker Threshold Tool and the Employer Threshold Tool, which have ranked the preferences of a sample of job seekers and employers across Europe.

Ranking scores have been used as proxy values for the relative effectiveness of different actions such as investment in diversity policy, in changing jobseeker and employer behaviours.

A series of focus groups, including people with physical or mental health problems, policy makers, employers and others stakeholders were held in all countries. These focus groups concentrated on identifying those actions perceived to be of most benefit in helping break down the barriers to return to work.

A systematic literature review was conducted to synthesise what is known about the cost effectiveness of different interventions to help facilitate entry and/or return to employment. Estimates of resources needed to deliver different actions have in part been informed by this review, but they have also been supplemented by an additional targeted search for resource data, and in the absence of data expert opinion.

The perspective adopted in the model was that of the public purse, i.e. to what extent can the public sector invest in actions to increase the uptake of specific strategies that are thought to make a difference? What is of interest to decision makers is the incremental change in both costs and jobseeker/employer behaviour that arise from the pursuit of different strategies and interventions to encourage greater workforce participation compared with taking no action and maintaining the status quo.

For further information about Opti-work please contact David McDaid (D.McDaid@lse.ac.uk) or Tihana Matosevic (T.Matosevic@lse.ac.uk).
Increasing attention is being paid to evidence-based approaches to the discussion and structuring of social policy, fuelling demands for more and better evidence. In order to meet these growing demands for evidence-based social policies, researchers need to be able to identify, aggregate, interpret and disseminate the best evidence.

One such approach is to conduct a systematic review, an approach now commonplace in, for example, clinical practice and health policy contexts. Systematic reviews can avoid the need for costly primary research and provide a transparent, hopefully robust method for managing information using an agreed protocol. Although systematic reviewing has a long tradition in the areas of education, criminal justice, and now health, it remains less well-established in other social science areas.

Application in PSSRU Research
Much of PSSRU’s research contains, in some form, a review of existing literature. The Service Inequalities in England project, funded by Age Concern, aimed to look at inequities in service use by older people.

Fernandez et al (2008) aimed to analyse inequalities in the use of services by older people. Due to time constraints, a rapid semi-systematic literature review was undertaken to achieve the two aims of the study: to provide an overview of current knowledge on inequalities among older people in respect of health, social, housing and community services; and to identify some of the key gaps and limitations in our present understanding, as well as data information sources that that could be used to address these gaps in future work.

The review had two components:

1. A structured, but limited, electronic search strategy using a number of key databases covering health and social care, social and public policy and ageing. These were AGEINFO, CINAHL, ECONLIT, the International Bibliography of the Social Sciences (BIDS), PUBMED (MEDLINE) and PSYCHINFO. The strategy was tailored to meet the restrictions of the different databases used.

2. A hand search (the gold standard of any literature review; this is the ultimate recognition that papers may be missed by electronic searches alone because of the vagaries of bibliographic coding systems). Fernandez et al. selected a small number of journals readily available electronically from the fields of social policy, health policy, gerontology and public policy and searched these over a four-year period from 2004 to 2007 inclusive. In order to try and identify information from grey literature sources, the authors also systematically examined the websites of a small number of key government departments, research groups, non governmental organizations and universities specialising in research either in inequalities or in the field of older people.

Each abstract was then looked at by
one reviewer to determine whether it met the inclusion criteria; although a small sample was double checked to help foster consistency in the reviewing process. Papers without abstracts (with the exception of databases where abstracts are not provided and a prudent judgement based on title/chapter excerpt alone made) were excluded from the analysis.

Abstracts meeting the inclusion criteria were coded (using an approach recommended and developed by the Evidence for Policy and Practice Information Coordinating Centre (EPPI-Centre) at the Institute of Education, London) and full papers obtained for subsequent detailed analysis; again if the paper was found not to be relevant it was excluded.

2,213 unique studies were identified through the electronic search strategy. Added to these were reports and governmental documents identified through the search of the grey literature, together with a very small number of additional papers identified through the handsearch that had not been picked up by the electronic search.

**Limitations of review**

The need to adopt a pragmatic approach to data collection has a number of limitations. The use of a set of broad and imprecise search terms in many databases will have meant a number of relevant papers may have been missed. Moreover, only papers with abstracts were included in the review. Fernandez et al. did seek to counter some of these limitations through a hand search of key journals and snowballing of references cited in relevant papers that were identified in the electronic review. A further limitation was that only papers published in the last ten years were included in the review. The team were also unable to obtain some papers identified as relevant during the short time period of the study.

**Reference**

Dr Jose-Luis Fernandez
Senior Research Fellow; Deputy Director, PSSRU

An economist by training, Dr José-Luis Fernández is analysing the impact on equity and efficiency of alternative funding arrangements for long-term care. He was part of the Wanless Social Care review team, which analysed future funding requirements for social care for older people in England, and was subsequently seconded to the UK Treasury to contribute to its review of social care funding systems. José-Luis is also examining variability in local provision of social care services in England, and its causes and consequences on local equity and efficiency. This work concentrates on issues of territorial justice and inter-systemic performance, looking in particular at the interdependence between social care and health care systems. He has also carried out extensive microeconomic analysis of equity and efficiency in the allocation of social and health services, in particular concentrating on the development of methodologies for the estimation of the impact of services on the users’ welfare. As part of this strand of analysis, José-Luis collaborated in the evaluation of the national Individual Budgets pilots.

Heba Elgazzar
PhD researcher

Heba has training in health economics and policy from the LSE. Her research experience includes disparities in access to health care; comparative health policy; and cost-effectiveness analysis.

Economic status and access to care: the case of Egypt and Lebanon

The primary aim of this PhD research is to evaluate the effect of economic status on the use of different health services in the cases of Egypt and Lebanon. In countries such as Egypt and Lebanon, income-associated equity in health care remains an elusive policy objective. The nature of social safety nets for health care and per capita income are two particularly important factors that may influence the effect of ability to pay on service utilisation.

Given differences between Egypt and Lebanon in these respects, these countries are interesting case studies with which to examine how health-financing policy affects the influence of ability to pay in different contexts.

Descriptive and multivariate methods are used to evaluate data from the 2001 World Health Organization’s Multi-Country Survey Study. Dependent variables include inpatient and various outpatient services. Independent variables include economic variables such as income and insurance, demographic variables, and health indicators. Economic barriers to the use of health services are discussed within the context of health financing policy reforms, aimed at improving equity in access to care in countries such as Egypt and Lebanon.

Heba has training in health economics and policy from the LSE. Her research experience includes disparities in access to health care; comparative health policy; and cost-effectiveness analysis.

**Adult social care green paper**
The Department of Health is expected to publish a green paper setting out proposals for the long-term reform of adult social care funding early in 2009.

The government held nine events for stakeholders and five for citizens around the country to raise awareness of the issues facing the care system. It also commissioned the London School of Economics to model different funding scenarios and conducted an opinion poll on public attitudes and awareness of the care system.

**Social care funding split could lead to schemes based on age**
Health chiefs are considering splitting social care funding into separate schemes for people of working age and those in retirement. The DH is planning an international conference in January on the pros and cons of other countries’ systems. It has commissioned the London School of Economics to model six approaches, ranging from making no changes to a system where the state pays for all care.

**NHS ‘won’t survive’ dementia deluge**
Research from LSE and Institute of Psychiatry last year suggested that more than 1.7 million people in the UK will have dementia by 2051, costing billions of pounds every year.

**System under stress**
A new King’s Fund report [written by researchers from PSSRU and CEMH] presents a comprehensive long-term view of mental health services and warns the government that expanding demand will require sustained funding increases.

**Dementia will strike down million people**
Almost a million people in England will have dementia within a generation and the bill for dealing with the disease will rise to £35bn a year, a major new study reveals. The King’s Fund report is the work of Martin Knapp, a professor of social policy at LSE, and Dr Paul McCrone, a health economist at King’s College London.

**Johnson calls for“radical change”**
Health Secretary Alan Johnson has called for “radical change” in social care amid claims the system in England is heading towards a £6bn funding gap within 20 years. He stressed the importance of people using new technology to help manage their own conditions as he launched a consultation on the future of social care. The prediction over the funding gap comes from the Personal Social Services Research Unit. It claims that if current funding levels continue and care needs rise as predicted, social care in England will cost £40.9bn in 2041.

**PPI warns over rising state pensions expenditure**
To help combat the problem of underfunding, the PPI has announced its New Dynamics and Ageing Population programme would be funding new research into pensions and long-term care through the research group Modelling Ageing Populations to 2030. The project is due to be completed at the end of next year and brings together research experts from the London School of Economics, University of East Anglia, University of Leicester and the London School of Hygiene and Tropical Medicine.

For further press releases and updated information visit PSSRU Press Releases.
PSSRU are pleased to welcome two new staff members, both of whom joined PSSRU in 2008

**Eva-Maria Bonin**

Eva is a Research Officer within PSSRU, mainly looking at the economics of mental health service provision for children and young people.

Prior to joining the LSE, Eva obtained a BA in Social Sciences and Economics from the University of Erfurt and an MA in Economic Policy Evaluation and Planning from the National University of Ireland, Galway.

Her main research interest is the estimation of the social cost of mental illness and suicide.

**Francesco D’Amico**

Francesco D’Amico is a Research Officer within the PSSRU, looking at local variations and at efficiency analysis in social care expenditure.

Francesco is also PhD candidate in Empirical Economics and Econometrics at Rome ‘Tor Vergata’ University, where he obtained a BSc in Economics and a MSc in Quantitative Methods for Economics.

His research interests also include equity implications for personal social services provision in UK, efficiency analysis in the health sector and evaluating the impact of new drugs on NHS expenditure.

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**Latest issue of the PSSRU Bulletin, December 2008**

*PSSRU Bulletin No 18* is now available to download at http://www.pssru.ac.uk/b/bulletin.htm. The PSSRU Bulletin records recent developments in the Unit, presents recent findings from each of our main programmes of work, and gives a concise overview of current projects and recent publications with contact information.

**Appointment to the Carers’ Survey Project Board**

Linda Pickard, Research Fellow at PSSRU, was recently appointed to the Carers’ Survey Project Board at the Information Centre for Health and Social Care. The Board is concerned with commissioning a national survey of people providing informal or unpaid care in 2008/09.

**Visiting academic ‘highly commended’ in medical book competition**

Dr Ann Richardson, a visiting fellow with the PSSRU at LSE, has been ‘highly commended’ in the medicine category of the BMA Book Competition 2008. The book *Life in a Hospice: Reflections on Caring for the Dying* 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.


For more on the award see the LSE press release http://www.lse.ac.uk/collections/pressAndInformationOffice/newsAndEvents/archives/2008/AnnRichardsonBookPrize.htm.

**European Union high level conference “Together for Mental Health and Well-Being”**

David McDaid and Martin Knapp contributed to the Conference held in Brussels in 2008, which was attended by key experts in the European mental health field to launch the Mental Health Pact, where Professor Knapp highlighted how the economic dimension of mental health is often underestimated.
Quality care and housing research for people with dementia

In 2008, Housing 21 Dementia Voice hosted a ‘planning and consultation’ forum. This event, chaired by Martin Knapp, brought together the largest older people’s housing providers in the UK alongside a range of other key stakeholders – including funders, researchers, voluntary organisations, practitioners, and colleagues from government sectors.

The aims of the forum were to identify how to help to achieve timely, appropriate, high quality ‘what works’ focused research which will influence policy and practice relating to the care and housing of people with dementia in the UK?

The event was funded by the Joseph Rowntree Foundation, and organised by Rachael Dutton, Dementia Voice Research Manager.

Details from the forum can be found online at http://www.housing21.co.uk/downloads/QCHRPPWDForumSummary.pdf

International Center of Mental Health Policy and Economics


Long-term Care Finance

The Long-term Care Finance Team at the LSE, in association with colleagues from the MAP2030 project, presented research at the British Society for Population Studies (BSPS) one-day meeting on the ‘Future Needs and Resource of the Older Population in Britain’ in June 2008.

A paper was presented by Linda Pickard, Raphael Wittenberg, Derek King, Juliette Malley and Adelina Comas-Herrera, entitled Informal Care for Older People by their Adult Children: Projections of Demand and Supply in England. Abstracts and/or presentations are available for download from the BSPS website at http://wwwlse.ac.uk/collections/BSPS/

Northern Ireland Health Economics Group

Members of PSSRU at LSE presented at the Group’s annual conference on the economics of social care in Belfast on 17 October 2008. Jeni Beecham presented on the economics of children’s services; and Jose-Luis Fernandez presented on the economics of personalisation, the role of direct payments and individual budgets.

Resilience in an Ageing Society


ESRC/CASS workshop

Julien Forder presented on Social Care for Older People in the UK at an ESRC/CASS workshop in Beijing in October 2008.

National Mental Health Promotion Thinktank

David McDaid presented on Making the Case for Mental Wellbeing at a Canadian National Mental Health Promotion Thinktank in Calgary in November 2008.
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<th>Event</th>
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<tr>
<td>European Conference on Health Economics</td>
<td>Derek King and David McDaid</td>
<td>Derek on Associations Between Medication Non-adherence and Resource Use and Costs for People Taking Medication for Depression – Analysis of the Psychiatric Morbidity Survey 2000 and David on Stakeholder Perspectives in Economic Evaluation: Public Health.</td>
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<td>Social Policy Association Conference</td>
<td>Tihana Matosevic</td>
<td>Motivations and Commissioning: Perceived and Expressed Motivations of Care Home Providers</td>
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A Comprehensive Evaluation of Telecare and Telehealth across Health and Social Care – the Whole System Demonstrator (WSD) Project

The DH is funding a major new initiative that is piloting the delivery of integrated health and social care in three areas of England (Cornwall, Kent and Newham). Telecare packages (such as falls sensors and bed sensors) will provide remote monitoring.

Telehealth interventions will allow people to communicate at a distance, at their own convenience with their health care professional – an example is transmission from home of blood glucose results for people with diabetes. One aim is the integration of health and social care services to enable more flexible, individually tailored care that will enable people to live at home longer, reduce their risk of ill-health, reduce health and social care service utilisation and cost, give them more control over their own care management, and provide support for informal carers.

PSSRU at LSE are working as part of a team from UCL, the Nuffield Trust, Universities of Oxford and Manchester and Imperial College London to evaluate the effects of the introduction of these technologies at a number of different levels over 24 months. The project aims to determine the effectiveness, cost-effectiveness and return on investment from the addition of AATs (telecare and telehealth) delivered alone or in combination, to whole systems redesign; to examine the service user, informal carer and professional experiences of telecare and telehealth; and to determine the organisational factors that facilitate or impede the adoption of telecare and telehealth.

For further information contact Cate Henderson
c.henderson@lse.ac.uk

Accessibility to Information and Communication Technology Products and Services by Older People and those with Disabilities

Led by Empirica mbH in Bonn, with partners at the Work Research Centre (Dublin), the Blanck Group LCC (Syracuse USA) and PSSRU at the LSE, the outcomes of this study – funded by the European Commission – are intended to support the next important stage in the development and implementation of EU Accessibility Policy. This has involved an analysis of existing legal instruments both within the EU and elsewhere that can help facilitate the greater use of eAccessibility.

The project has also involved workshops and consultations with stakeholders from governments, the information communication technology sector, and older people and those with disabilities.

As part of the study an impact assessment has been conducted into the merits of increasing the availability of fully e-accessible websites in both the public and private sectors across the EU. David McDaid has been involved in preparing the impact assessment; and in particular developing a series of decision analytical models to estimate some of the potential costs and benefits of increased e-accessibility of websites for our two target groups.

Mental Health Pact

Colleagues in the Government of Catalonia, National Research and Development Centre for Welfare and Health (STAKES), Scottish Development Centre for Mental Health Project Support and PSSRU at LSE are involved in a consortium, funded by the European Commission, that coordinated the technical process leading up to the EC’s Mental Health Pact conference.

They are now following-up on the Pact itself across four themes: Prevention of Depression and Suicide; Youth, Education and Mental Health; Mental Health and Older People; Mental Health in Workplace Settings; and Combating Stigma and Social Exclusion.

LSE inputs by David McDaid have involved the production of consensus papers and co-ordination of work on Mental Health in Workplace Settings.