PAY PENNIES, REBUILD LIVES

An evaluation to determine health care and economic savings as a result of client engagement in Action Mental Health's New Horizons Services and a qualitative exploration of the perceptions of carers of clients of the New Horizons programme

A commissioned report by
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1.0 Executive Summary

1.1 Economic evaluation is not about saving money but about producing the best outcomes within available resources and budgets. In these times of economic downturn it is even more important to focus resources on programmes that can produce benefits in the long-term to health and wellbeing and to the economy as a whole. This study has provided compelling empirical evidence that investment in AMH New Horizons programme is a better use of public money and could help address as much as £50 million of costs of mental health problems in Northern Ireland annually. Please refer to the Annexe for a breakdown of the savings. This equates to £27,443 per client per year and £528 per client per week. Such savings are particularly welcome in light of the 2010 spending review plan with cuts in departmental spending of around 11% in real terms (in addition to cuts in welfare benefits) by 2014/15 (Appleby, 2011).

1.2 The magnitude of savings presents a very strong case for changing the way services are funded; there should be recurrent, mainstream Government investment in the AMH New Horizons programme. This is particularly relevant in light of *Transforming Your Care A Review of Health and Social Care in Northern Ireland* (DHSSPS 2011b) with the move towards providing services in the community and the greater level of involvement of the third sector. Additionally, social values generated include improved family relationships. In effect, AMH New Horizons is a 'cost-saving' service i.e. it improves mental health while reducing costs.

1.3 One in five adults in Northern Ireland will show signs of a possible mental health problem (DHSSPS 2011a). Actual spending per capita on mental health services in NI is 10-30% lower than in England, despite requiring nearly 44% higher per capita funding (Appleby 2011). In 2010/11 only 8% of the health and social care budget (£228 million) was spent on mental health services (NI Assembly 2012).

1.4 There is a strong evidenced association between unemployment and mental health (Mclean et al. 2005) and appropriate work has been shown to improve health outcomes for people with mental health problems (Waddell and Burton 2006; RCPsych 2002 cited in Perkins et al. 2009). If work is not possible it is important to focus on helping individuals to move towards open employment as their skills and competencies develop (Perkins et al. 2009). The National Mental Health Development Unit (2012) reported that costs to mental health services can be reduced by half when people with severe mental health problems are supported into mainstream services and subsequent hospital stays are fewer and shorter.

1.5 Poor mental health has been associated with an increased risk of suicide and it is estimated that 90% of the 162 suicides in Northern Ireland were associated with mental health problems (Sainsbury Centre for Mental Health and NIAMH 2004).

1.6 The overall purpose of Action Mental Health's programme is to help people to overcome the effects of mental ill health and in many cases return to work. A range of recognised qualifications are offered and training, personal development programmes and social and recreational activities are provided (Action Mental Health 2012). Action Mental Health (AMH) uses both person-centred and strengths-based approaches, working closely with clients to not only improve their employability prospects but also to build and develop their self-esteem and social interaction skills.

1.7 The aim of this commissioned independent economic evaluation was to assess and quantify, in financial terms, any savings to Health and Personal Social Services and the Exchequer generated as a result of clients with mental health problems engaging in Action Mental Health's New Horizons programme over time. The perceptions of carers of clients in the New Horizons programme were also explored through focus groups. Ethical approval for the study was obtained from the University of Ulster's Research Ethics Committee.

1.8 A Steering Group, comprised of members of Action Mental Health's Senior Managers and the Researchers, provided guidance on all aspects of the study and facilitated access for data collection at the eight Units delivering the AMH New Horizons programme.

1.9 The inclusion criterion for the client survey was all clients who had enrolled in AMH New Horizons since 1st May 2010 (n=469). The response rate was 25% (n=116) which fulfilled the requirement of a power calculation (n=107). Respondents were representative of the client group in the AMH New Horizons programme. Data were collected relating to three time Points; 3 months prior to engagement in AMH New Horizons (Point 1) and at two further 3-month intervals (Point 2 & Point 3). There was some attrition at Point 2 and Point 3, mainly due to clients having left the programme or not being in attendance at the time of data collection. The validated Client Service Receipt Inventory (CSRI) and EQ-5D instruments were self-completed by clients at each of the three time Points, with the researchers or a member of AMH staff present to assist if required. Written consent was obtained prior to data collection. The CSRI collected data on the frequency and intensity of use of health and personal social services, inpatient admissions, medication, life experiences and receipt of state benefits. The EQ-5D collected data on the health status and psychological wellbeing of clients.

1.10 The inclusion criteria for the carer survey were being a carer for a client who had been engaged in the AMH New Horizons programme for 6-12 months. Four semi-structured focus groups were undertaken with 19 carers. Both researchers were present at all focus groups and written consent was obtained prior to the start of the focus group. Information on the individual

they cared for was collected using a short questionnaire. Information on the health status and psychological wellbeing prior to their relative engaging in AMH New Horizons and on the day of the focus group was collected using the EQ-5D.

1.11 Our study has conclusively shown that helping people move towards employment through the AMH New Horizons programme results in significant societal savings and improved health-related quality of life. The direct impact on community-based HPSS services and inpatient admissions was a reduction in costs of 39% and 70% respectively, giving an average 58% reduction in HPSS costs. The associated annual saving for direct HPSS services is £14,835,722.

1.12 It is likely that if clients were not engaged in AMH New Horizons that they would be attending statutory day care centres. Based on attendance of 2 days per week for 52 weeks, the estimated annual saving to day care services are £9,328,494.

1.13 Just over half (56%) of inpatient admissions were for self-harm/attempted suicide, with the majority being in the 3 months prior to engagement in AMH New Horizons. The estimated annual saving due to avoided premature mortality from suicide, based on a 7% fatal repetition of self-harm and a cost of £1.68 million per suicide is £17,310,202.

1.14 Furthermore, it has been evidenced that engagement in the programme also contributes £460,550 to the economy through employment and tax revenue. It is assumed that economic output will increase through time as individuals move from part- to full-time employment, gain promotion or career advancement and more clients obtain employment. Due to the complexity of rules for entitlement to state benefits we have only costed savings to the Exchequer emanating from employment-related reductions in Incapacity Benefit – a modest £1,645. However, it is known that the proportion of respondents on Disability Living Allowance (both care and mobility components) also reduced during the period of the study and it is assumed other benefits will most likely be reduced once an individual obtains work.

1.15 AMH New Horizons has also had a beneficial impact on the physical and psychological health of clients, as evidenced by a statistically significant reduction in reported problems in the dimensions of usual activities ($p=.027$), pain/discomfort ($p=.005$) and anxiety/depression ($p<0.0001$). The 17.2% improvement in health-related quality of life was found to be statistically significant ($p=.001$), as was the 28% increased score in self-reported psychological health ($p<.0001$). The annual monetary savings for the mean gain in health status equivalent to 0.172 of a Quality Adjusted Life Year (QALY)was £10,303,036 across all AMH New Horizons clients.

1.16 As evidenced by the focus groups with carers, the person-centred and strengths-based approaches used in the AMH New Horizons programme help clients to build on their strengths and competencies. Support is also provided with the wider aspects of clients' lives, including when they experience setbacks in their mental health. This approach was perceived by carers as being invaluable in improving the mental health of their relatives.

1.17 The majority of carers lived with the person they cared for full-time. Almost half were the sole carer, with a further third being the main carer. Respite, where available, was provided mainly by family and friends. It is of concern that more than half of carers were unable to take a break from caring; only one-third reported the use of supported activities outside the home.

1.18 Carers reported they often felt their needs were not met by the statutory services. An unanticipated benefit highlighted by carers was the respite they received knowing their relative was safe and being looked after by 'experts' who cared about them and their wellbeing. Indirect benefits of the programme were confirmed by the improvement in carers' health status and wellbeing since their relative joined AMH New Horizons. The annual savings resulting from the mean gain in carer health status equivalent to 0.035 of a QALY was £230,620 (based on 11% of clients having a carer).

1.19 Carers held both AMH New Horizons and the caring from Action Mental Health staff in the highest esteem. The poignant language used in focus groups clearly showed the reliance carers placed on AMH New Horizons and they are now very concerned about the impact of financial cuts on the mental health of their relatives, and on their own health and wellbeing. In light of the increasing financial constraints posed on Health and Personal Social Services it is likely that the gap between need for and provision of services will widen. Thus, the burden placed on informal carers is likely to increase. Informal care in the UK has a value of £21,000 per carer (Buckner & Yeandle 2011). The provision by carers of clients in AMH New Horizons has an estimated value of £4,208,820.

1.20 A number of impacts from the AMH New Horizons programme could not be measured:

- enacting Mental Health Order
- savings in welfare and housing benefits, other than Incapacity Benefit
- savings to third sector organisations such as homeless hostels
- savings to the criminal justice system
- social impact on individual, families and wider society
- reduction in medications due to poor completion of this section of the questionnaire and the time-bound nature of study
- potential reduced use of services by carers
- change in use of services associated with client co-morbidities
- savings from carers' retention of employment

Furthermore, the increase in HPSS costs between 2008/09 and 2010/11 has not been accounted for.

1.21 Although the purpose of this economic evaluation was to assess the financial impact of the AMH New Horizons programme, other benefits of the programme were evidenced. There is a need for further research to determine the full extent of outcomes from engagement in AMH New Horizons:

- research to provide insight into the intangible benefits to clients and carers through engagement with Action Mental Health services
- economic impact on carers through lost opportunities for employment and effect on physical and psychological health
- temporal sequence of mental health problems and unemployment
- tangible gains to the Exchequer from AMH New Horizons programme
- quantitative and qualitative research that explores the outcomes and quality of life benefits enjoyed by 'Leavers' from the AMH New Horizons programme.

Recommendations

1. The statutory sector should invest in targeted interventions and services that make a difference to people with mental health problems. Mainstream, recurrent funding should be available for the AMH New Horizons programme.

2. Enhanced investment in the AMH New Horizons programme should be considered to ensure that individual clients remain in the programme based on assessed need and not based on available funding.

3. Services should be developed to deliver approaches that offer support to people who are no longer entitled to remain in the service but may still need support.

4. The exit strategy from the AMH New Horizons programme should be planned sensitively in conjunction with the client and, on the request of the client, relatives.

5. The 'added value' of purpose, structure, socialisation and inclusion in a community should be developed through the inception of social activities, including evenings and weekends. This would help in the recovery process and also benefit the carer. Resource implications would be associated with this development.

6. Services should be promoted to the general public and other public agencies by Action Mental Health and mental health professionals. The capacity to deal with increased demand for services would obviously be dependent on levels of funding.

7. Action Mental Health should consider establishing a forum for carers of clients where they will benefit from the support of peers in a caring role. Resource implications would be associated with this development.

Annexe

Annual gains through provision of AMH New Horizons programme

Component	Cost without New Horizons £	Cost with New Horizons £	Difference In costs	Annual gain per client	Weekly gain per client
Health and social care					
HPSS community-based services	10,307,458	6,249,645	4,057,813		
HPSS inpatient services	15,300,512	4,522,553	10,777,959		
Substitute for day care services	9,328,494	0	9,328,494		
Value of carers' support	4,208,820	0	4,208,820		
Human costs					
Premature mortality from suicide	20,775,230	3,465,028	17,310,202		
Quality of life (QALY) clients	27,315,025	17,011,989	10,303,036		
Quality of life (QALY) carers	4,803,491	4,572,871	230,620		
Annual gain to HPSS	92,039,030	35,822,085	56,216,944		
Annual payment by Trusts			6,678,279		
Net annual gain to HPSS			**49,538,665**	**27,189**	**523**
Other public sector costs					
Social security costs	72,124	70,479	1,645		
Gains to society from employment					
Income from tax revenue	0	7,528	7,528		
Income from employment	0	453,022	453,022		