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Running head: high costs

High cost residential placements for adults with learning disabilities

## **Abstract**

### *Background*

Concern has been expressed repeatedly about the cost and quality of residential placements for adults with learning disabilities and additional needs. This study sought to identify characteristics of the highest cost placements in the South-East of England.

### *Method*

Local authorities in the South-East of England were asked to provide information about their five highest cost residential placements for adults with learning disabilities.

### *Results*

The average placement cost of £172k per annum disguised wide variation. Individuals placed were mainly young and male with high rates of challenging behaviour and/or autism spectrum disorder. Most placements were in out-of-area residential care. The highest costs were associated with hospital placements and placements for people presenting challenging behaviour.

### *Conclusions*

Young, male adults with learning disability, challenging behaviour and/or autism continue to receive very high cost residential support, often in out-

of-area residential care. There remains limited evidence of plans to redirect resources to more local service developments.

Key words: high cost placements, out-of-area placements

## **Introduction**

The high costs of residential services for some adults with learning disabilities is a matter of some concern, especially during a period of likely financial retrenchment in publicly funded services. Much research has focused on the quality of services for people with learning disabilities but there is rather less work on their costs.

Hassiotis et al. (2008) surveyed high cost (more than £70000 per annum) placements made by 5 London boroughs for adults with learning disability and challenging behaviour. Of the 205 placements identified 65% were out-of-area. The majority of the individuals so placed were male and had a moderate/severe learning disability. Health, sensory and/or mobility problems were relatively common, nearly 1/3<sup>rd</sup> had autism and over 10% had a mental health diagnosis. Comparison of out-of-area and in-area placements found that the former contained younger service users with more severe challenging behaviour. Out-of-area placements were, on average, slightly more expensive (£106k vs £98k per annum) with hospital (private or NHS) placements being the most expensive.

Other relevant work has focussed particularly on out-of-area placements for children/adults with learning disabilities and challenging behaviour.

Allen et al. (2007) identified 97 people placed out-of-area by agencies in South Wales and compared them with those placed in area. People placed out-of-area were more able, more likely to have a formal diagnosis of autism spectrum disorder, more likely to injure themselves or others, and more likely to have had police or court involvement. The mean out-of-area placement cost was £97000 per annum. McGill (2008) summarised previous studies on children and young people attending residential schools and other residential placements, most of them out-of-area. He estimated that (in 2007) there were approximately 3000 such placements in England and that the most expensive – 52 week residential schools – cost an average of £159000 per annum. A survey of a sample of the children attending the latter schools (Pilling, McGill, & Cooper, 2007) found that virtually all presented aggressive challenging behaviour,  $\frac{3}{4}$  were male, and  $\frac{3}{4}$  were described as having an autistic spectrum disorder.

These findings should be set against a policy context which encourages the placement of local people in local services (e.g., Department of Health, 1993, 2007). Mansell et al. (2006) have suggested, however, that government guidance is inconsistent and incomplete and creates perverse incentives for out-of-area placements.

The current study had a number of aims:

- To establish basic characteristics of the highest cost placements in one area of England;
- To investigate the extent to which individual and placement characteristics are similar to those found in surveys in different areas;
- To establish a baseline against which future changes in the pattern of services might be compared.

## **Method**

### Participants

Data were gathered on 70 placements funded by 14 authorities in the South-East of England. The data were provided by local authority commissioners.

### Measure

For each placement, respondents were asked to provide information about: cost; gender, age and nature of disability of the individual placed; nature of placement; whether there was a plan for the placement/individual; whether there was a discharge date; and whether the placement was in or out-of-area. Respondents were asked to provide information on their five highest cost placements.

## Procedure

The second author, in her roles as a Strategic Health Authority programme lead and the Valuing People regional lead for the South-East of England, emailed learning disability commissioners in the 19 areas making up the Region. The original request was made in November 2009 and was put in the context of the revised Mansell Report (Department of Health, 2007) and the National Strategy Group on Challenging Behaviour (Cooper, 2010). A reminder email was sent in January 2010. Returns from 13 areas were collated in March 2010. In May 2010 the first author sent personalised emails to commissioners in the 6 areas who had not responded. This produced one further response. Also in May, the first author contacted a number of the respondents to request clarification where some data were missing or unclear. This did not result in any further data being provided.

All data were coded, entered onto the computer and analysed, using Statistical Package for the Social Sciences version 17.0, using descriptive and inferential statistics.

## **Results**

Placement costs



The mean placement cost was £172000 per annum with a range from £83000 to £333000. Mean cost per authority varied from £98000 to £250000 and, as shown in Figure 1, tended to reflect relatively low variation within most authorities.

Figure 1 about here

#### Individual characteristics

Of the 70 individuals, 51 (73%) were male compared to 63% in Hassiotis et al's (2008) sample. Mean age was 33 years (Hassiotis: 36 years) with 31% 25 years or under and 74% 39 years or under. Table 1 shows the percentages reported to have particular disabilities by respondents.

Table 1 about here

#### Placement characteristics

61% of placements were in residential care, 20% in hospital or other secure/treatment setting, 14% in supported living or similar, and 4% in residential colleges. Plans for individuals were reported in 54% of cases but discharge dates only in 3%. 71% of placements were out-of-area.

#### Differences between in and out-of-area placements

People placed out-of-area were significantly more likely to be male (80% vs 55%, two-tailed Fisher exact  $p=0.036$ ), to be in residential care (72% vs 35%, two-tailed Fisher exact  $p=0.006$ ) and to not be in supported living (2% vs 45%, two-tailed Fisher exact  $p=0.0004$ ). There were no significant differences in cost, age, other individual or placement characteristics.

### Predictors of higher costs

Higher cost placements were significantly more likely to be in hospital or similar settings (mean cost: £219000 vs £161000,  $t=3.61$ ,  $df=68$ ,  $p=0.001$ ), to be for people reported to display challenging behaviour (£190000 vs £157000,  $t=2.38$ ,  $df=68$ ,  $p=0.02$ ) and to be for people reported to have a specific syndrome (£223000 vs £168000,  $t=2.03$ ,  $df=68$ ,  $p=0.05$ ). Placements for people reported to have a mild or moderate learning disability were of significantly lower cost (£149000 vs £181000,  $t=-2.05$ ,  $df=68$ ,  $p=0.04$ ). Younger individuals lived in significantly more expensive placements ( $r=-0.26$ ,  $df=68$ ,  $p=0.03$ ).

### Discussion

This was an exploratory study and, as such, it had a number of limitations. The information provided by commissioners was sometimes inadequate or missing, especially in terms of the nature of individuals'

disabilities. This may have been avoided by seeking more prescriptive information though it is also possible that commissioners simply do not have the necessary information easily available. It is also the case that the information on placement cost is limited to the direct costs to each Authority i.e. the price they pay. This is not necessarily a reflection of the actual costs of each placement which may include the use of other health and social care resources. The study is also limited by its focus primarily on placements commissioned by local authorities and failure to explore health-funded or part-funded placements

The study is the first, to the authors' knowledge, to focus specifically on the highest cost placements. The average cost of £172000 per annum hides wide variation between authorities. These variations may reflect the kinds of differences between small areas that would be expected of low incidence individual characteristics. They seem, however, worthy of further investigation since they may suggest that some areas are able to support individuals with high levels of need at significantly less cost. Of course, the study presents data on cost only, not on value for money.

The characteristics of individuals were in many respects comparable to those found in other studies of higher cost or out-of-area placements.

They were more likely to be young, male and displaying a high

prevalence of challenging behaviour and autism spectrum disorder (as in all previous studies). Degree of learning disability was not entirely consistent across studies but this may relate to the methods and categories used. Allen et al. (2007) noted that the characteristics of individuals in out-of-area placements may indicate areas of in-area service deficiencies. It is interesting that there is so much commonality in individual characteristics, suggesting a degree of commonality also in service deficiencies across different areas.

As expected, most placements were in residential care. It is notable that, despite these being authorities' most expensive placements, there was a plan in only just over half of the cases and a discharge date in only 3%. These figures rather suggest a lack of active commissioner attention being given to this population. More positively, the unexpected finding that in area placements were much more likely to be supported living may suggest that, at least in some authorities, a more personalised approach is being adopted.

Analysis of the highest costs within this already very high cost group of placements identified two potential issues not already noted. First, hospital or similar placements were more expensive. While not surprising, this is of note in the light of a recent study of such placements

querying the extent to which it is clear what such services are supposed to do and noting the presence of a large number of people who have finished treatment and could move on (J. Mansell, Ritchie, & Dyer, in press).

Second, people reported to have a specific syndrome were also reported to be in the highest cost placements. Numbers were very small here so this finding should be treated with caution. It is of interest, however, in the context of the increasing attention being given to individual characteristics such as genetic syndrome and their associated behavioural phenotypes (e.g., Blacher & McIntyre, 2006).

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Table 1 Disabilities noted in placed individuals

Disability	Percentage
Austism spectrum disorder	23%
Physical/health needs	13%
Challenging behaviour	46%
Mental health needs	11%
Severe learning disability	16%
Mild/moderate learning disability	27%
Offending behaviour	7%
Specific syndrome	7%



Figure 1 Placement cost across areas

