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## Catherine Henderson

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#### Article (Published version) (Unrefereed)

**Original citation:**

Henderson, Catherine (2003) *The costs of supporting people with dementia in nursing homes*. *Mental health research review*, 9. pp. 36-37. ISSN 1353-2650

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Available in LSE Research Online: February 2012

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# The costs of supporting people with dementia in nursing homes

Catherine Henderson

In this article we summarise the research evidence on care costs and dementia, from an extensive literature review undertaken for Janssen Pharmaceuticals. We identified 20 papers covering aspects of the relationship between care costs *within* nursing homes and severity of dementia, including three reviews (Wimo et al., 1997; Ernst and Hay, 1997; Jonsson et al., 2000).

There is little information on cost patterns once people have entered institutional care. Wolstenholme et al. (2002) note that the high proportion of fixed costs in nursing homes makes it hard to estimate the additional costs of dementia. However, '... resource use, measured by staff time expended, is an excellent proxy for costs, as it represents the largest component of cost that is tied to the characteristics of resident' (Mehr and Fries, 1995). Resource Utilisation Groups, for example, are based on the statistical relationship between severity and wage-weighted staff time (Ljunggren and Morris, 1998).

Where additional costs are estimated, mostly in the US, estimates vary considerably from slight to more than one-third higher (Ernst and Hay, 1997; Jonsson et al., 2000). O'Brien and Caro (2001) found that on average a person with dementia requires 197 more care hours per year than someone without dementia, increasing for residents with more severe cognitive impairment. Wimo et al. (1997) observe that there is some controversy about how much extra cost is associated with dementia. They cite research that finds the cost of care for demented nursing home residents to be 36% higher than non-demented residents. Kavanagh and Knapp (1999) found that the costs of placements of those with 'cognitive disability' in UK voluntary sector communal establishments (nursing and residential homes) rose with severity of the disability.

The relationship between cognitive impairment, functional impairment and behavioural problems is complex but Aronson, Post, and Guastadisegni (1993) found cognitive impairment to be a better predictor of care needs than functional status. By contrast, one UK study found that although physical disability was statistically associated with higher nursing home prices, cognitive impairment was not a significant additional factor (Netten et al., 2001). They found little evidence that prices varied within the type of home to reflect levels of cognitive impairment.

Special Care Units (SCUs) in nursing homes in the US and Canada are designed to accommodate the needs of people with dementia (Phillips et al., 1997; Chappell and Reid, 2000). Facilities with SCUs have higher staff costs but there is no cost difference between the SCU and other units within the same home when casemix is taken into account (Mehr and Fries, 1995). Holmes and Teresi (1998) found higher personal care inputs in SCUs than in traditional care units and subsequently found that more aide time in SCUs was associated with a reduction in behavioural disorder over time (Holmes et al., 2000).

More information is needed on individual level costs of nursing home care. Information from the UK on the staff time given to individual residents with dementia would be particularly welcome. Attention must also be paid to the relationship between cognitive impairment, functional impairment, behavioural problems and resource use (see also Fries et al., 1993). Each of these factors will have an important role to play in developing better economic models of disease progression in dementia (Wolstenholme et al., 2002).

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### Media influences on mental health policy

Hallam, A.J. (2002) Media influences on mental health policy: long-term effects of the Clunis and Silcock cases, *International Review of Psychiatry*, 14, 1, 26–33.

Community care policies for people with mental illness came under intense scrutiny during the 1990s, following a series of homicides and incidents of violence, suicide and neglect. This paper reports a small, independent research project that explored the press coverage of two such incidents and traced its effect on policy decisions.

Most of the relevant articles appeared in the broadsheet papers, with little interest shown by the 'popular' tabloid press. The Clunis and Silcock cases were associated with well-informed campaigners wanting improvements to care. Emotive, headline-catching language was used to highlight the risks people with schizophrenia may pose to themselves and others.

Such publicity contributed to an unbalanced policy debate. Policy measures introduced in response to public concerns about risk and dangerousness have served to impose additional constraints on people with mental health problems. In addition, responsibility (and blame when systems fail) has increasingly been devolved to individual service professionals, which in turn is likely to have long-term implications for recruitment, retention and morale in health and social care professions.