Do Individual Budgets work, and at what price?

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Background

- IBs aim to align assessment from different funding streams
- IB deployment options
  - Cash payment
  - Managed
    - Local authority
    - Service provider
    - Trust fund
    - Third party
- IBs encourage innovation
Who Got What

- 285 support plans
- The average annual gross cost - £11,450
- User group differences in IB level
  - LD - £18,610
  - PD - £11,150
  - MH - £5,530
  - OP - £7,860
Funding streams

- Funding stream integration
  - 99% support plans contained social service funding
  - 11% of support plans contained SP funding
  - 8% of support plans contained ILF monies
  - 1 support plan contained Access to Work funding
  - No support plans contained funding from DFG
Deployment options

- 67% IB managed as a DP
  - MH (89%) more likely
  - OP (56%) less likely
- 20% managed by local authority
- 13% managed by an agent
- 1 IB administered through a Trust
- 4 had services organised through a provider
## Examples of wider activity

<table>
<thead>
<tr>
<th>Accommodation (N=24)</th>
<th>Employment and occupation (N=16)</th>
<th>Health-related (N=3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cleaning service</td>
<td>Going out: trips/cinema etc</td>
<td>Private health care</td>
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<tr>
<td>Decorating service</td>
<td>Classes/arts and crafts</td>
<td>Massage for carer</td>
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<tr>
<td>Gardening service</td>
<td>Gym membership/swimming</td>
<td>Alternative therapy</td>
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<td>Computer maintenance</td>
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<td></td>
<td>Admission fees for service user</td>
<td></td>
</tr>
<tr>
<td></td>
<td>and PA</td>
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</tbody>
</table>
# Patterns of Expenditure

<table>
<thead>
<tr>
<th></th>
<th>Direct payments</th>
<th>Managed budgets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>Mean annual expenditure</td>
</tr>
<tr>
<td>Personal assistant</td>
<td>64</td>
<td>£8,940</td>
</tr>
<tr>
<td>Home care</td>
<td>20</td>
<td>£7,140</td>
</tr>
<tr>
<td>Leisure activities</td>
<td>43</td>
<td>£2,020</td>
</tr>
<tr>
<td>Planned short breaks**</td>
<td>24</td>
<td>£1,750</td>
</tr>
<tr>
<td>Other</td>
<td>23</td>
<td>£930</td>
</tr>
</tbody>
</table>
Measuring outcomes (1)

Overall RCT design
- 2521 randomised: IB offered & comparison groups
- 1594 people (63%) consented

Final sample of 959 people:
- 34% physically disabled
- 28% older people
- 25% with learning disabilities
- 14% using mental health services

Baseline data
- Wide variations in age, functional need and FACS level
- IB and comparison groups not different
Measuring outcomes (2)

- Interviews at 6 months
- Measures:
  - Quality of life indicator (7 point scale)
  - Psychological well-being (GHQ12)
  - Social care outcomes (ASCOT)
  - Level of satisfaction (7 point scale)
- Differences between IB & comparison groups
  - Overall sample & by user group
- Multivariate analyses
  - Allowing for if support plan in place/ proxies etc
Quality of life

- Overall sample no significant difference between IB and existing services

- MH – IB group reported better QoL
Psychological Well Being - GHQ-12

- Overall sample no significant difference between IB and existing services

- OP – IB group lower well-being
Social care outcomes (ASCOT) domains

- Personal cleanliness and comfort
- Food and nutrition
- Safety
- Clean and comfortable accommodation
- Occupation
- Social participation and involvement
- Control over daily living
Social care outcomes (ASCOT)

- Overall sample
  - No significant difference in ASCOT measure between IB and existing services
  - Higher levels of ‘control’ in IB group

- People with learning disability
  - Higher levels of ‘control’ in IB group
  - Lower social participation in IB group
Limitations on identifying outcomes

- Level of implementation
- Diverse groups
- Use of proxies
- Sample sizes
- Sample mix
What about cost-effectiveness?

- Importance of combining costs and outcomes
  - evaluation of the cost implications of the changes in outcomes brought about by IBs

- Improvements in outcomes a good thing, but are they justifiable in terms of their costs?
  - Evaluation in the context of scarce resources
  - The question is not whether something works, but whether it represents the best use of resources
The cost-effectiveness plane

- allows the visual juxtaposition of the impact of the intervention on costs and outcomes
  - two axes: differences in costs; and differences in outcomes
- allows analysis to reflect uncertainty of average estimates
  - specification of alternative analysis samples through bootstrapping methods
The cost-effectiveness plane

Cost difference (IB-comparison)

IBs MORE effective

Effectiveness difference (IB outcome – comparison outcome)

IBs LESS effective

IBs LESS expensive

IBs MORE expensive
The cost-effectiveness plane

- IB dominance: cheaper and more effective
- Policy judgement: IBs more effective but more expensive
- Policy judgement?: IBs cheaper but less effective
- IB dominated: more expensive and less effective
Cost effectiveness: social care outcomes

- All user groups
- Older people
- People with learning disabilities
- People with physical disabilities
- People with mental health problems
Cost-effectiveness: social care outcomes - all user groups

Cost difference (IB - comparison, £/week)

-300 -200 -100 0 100 200 300

Difference in outcome (IB - comparison)

-0.6 -0.4 -0.2 0 0.2 0.4 0.6 1

89% 63% 26% 8% 3% 71%
Cost-effectiveness: social care outcomes – older people

Cost difference (IB - comparison, £/week)

-300 -200 -100 0 100 200 300

Difference in outcome (IB - comparison)

-0.6 -0.4 -0.2 0 0.2 0.4 0.6

42% 21% 21% 48% 27% 31%
Cost-effectiveness: social care outcomes - people with learning disabilities

Cost difference (IB - comparison, £/week)

- 33% 18%
- 31% 18%
- 51% 64%
Cost-effectiveness: social care outcomes - people with physical disabilities

- 85%
- 58%
- 27%
- 10%
- 5%
- 68%
Cost-effectiveness: social care outcomes - people with mental health problems

*Cost difference (IB - comparison, £/week)*

- 87%
- 43%
- 7%
- 50%
- 44%
- 6%
Cost effectiveness: psychological well-being

- All user groups
- Older people
- People with learning disabilities
- People with physical disabilities
- People with mental health problems
Cost-effectiveness: psychological well-being - all user groups
Cost-effectiveness: psychological well-being – older people

- 7%
- 4%
- 3%
- 45%
- 49%

Cost difference (IB - comparison, £/week)

Difference in outcome (IB - comparison)
Cost-effectiveness: psychological well-being - people with learning disabilities
Cost-effectiveness: psychological well-being - people with physical disabilities

Cost difference (IB - comparison, £/week)

Difference in outcome (IB - comparison)

66%

43%

25%

68%

23%

9%
Cost-effectiveness: psychological well-being - people with mental health problems
Overall patterns

- Some evidence of cost-effectiveness in the overall sample with respect to social care outcomes
- Weaker evidence of cost-effectiveness with respect to psychological well-being
- But picture varies significantly by user group
  - IBs appear more cost-effective for PD and MH groups (but need to define which sub groups)
  - No evidence of cost-effectiveness for older people