



**The Place2Be Research  
Conference  
London – February 2010**



# **Early intervention: Is it worth it?**

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**THE SUNDAY TIMES**

**14 Feb 2010**

- **20 leading economists call for urgent cuts to public spending**

**FINANCIAL TIMES**

**16 Feb 2010**

- **60 leading economists call for slower cuts**

**TheObserver**

**21 Feb 2010**

- **22 more leading economists advise public investment**



- **Sorry, just 1 economist who wasn't "leading enough" to get asked to sign any of those letters ...**

**22 Feb 2010**

## **Coverage**

- What do we mean by "Is it worth it?"
- Seven deadly economic sins
- Take-home messages

## **Not covered:**

- Review of all the economics evidence



**What do we  
mean by  
“Is it worth  
it?”**

**The underlying problem**

# **Scarcity**

**There are not enough resources  
to meet all of society's needs or  
wants**

**→ So society has *to choose how*  
*to use them (i.e. how to ration*  
*or to allocate or perhaps to cut)***

**If the core 'professional'  
question is:**

**→ → Does this treatment  
work?**

**Then the core economic  
question is:**

**→ → Is it worth it?**

**I.e., do the outcomes justify the  
costs?**

# Seven deadly economic sins

- Ignorance
- Neglect
- Selfishness
- Myopia
- Impatience
- Inequity
- Misplaced frugality



**Ignorance**

# What does your intervention cost?

- What is the annual budget? How much of it have you spent this year? Are you on track to balance the books?

That is **accountancy**; and is essential.

But **economics** would go further:

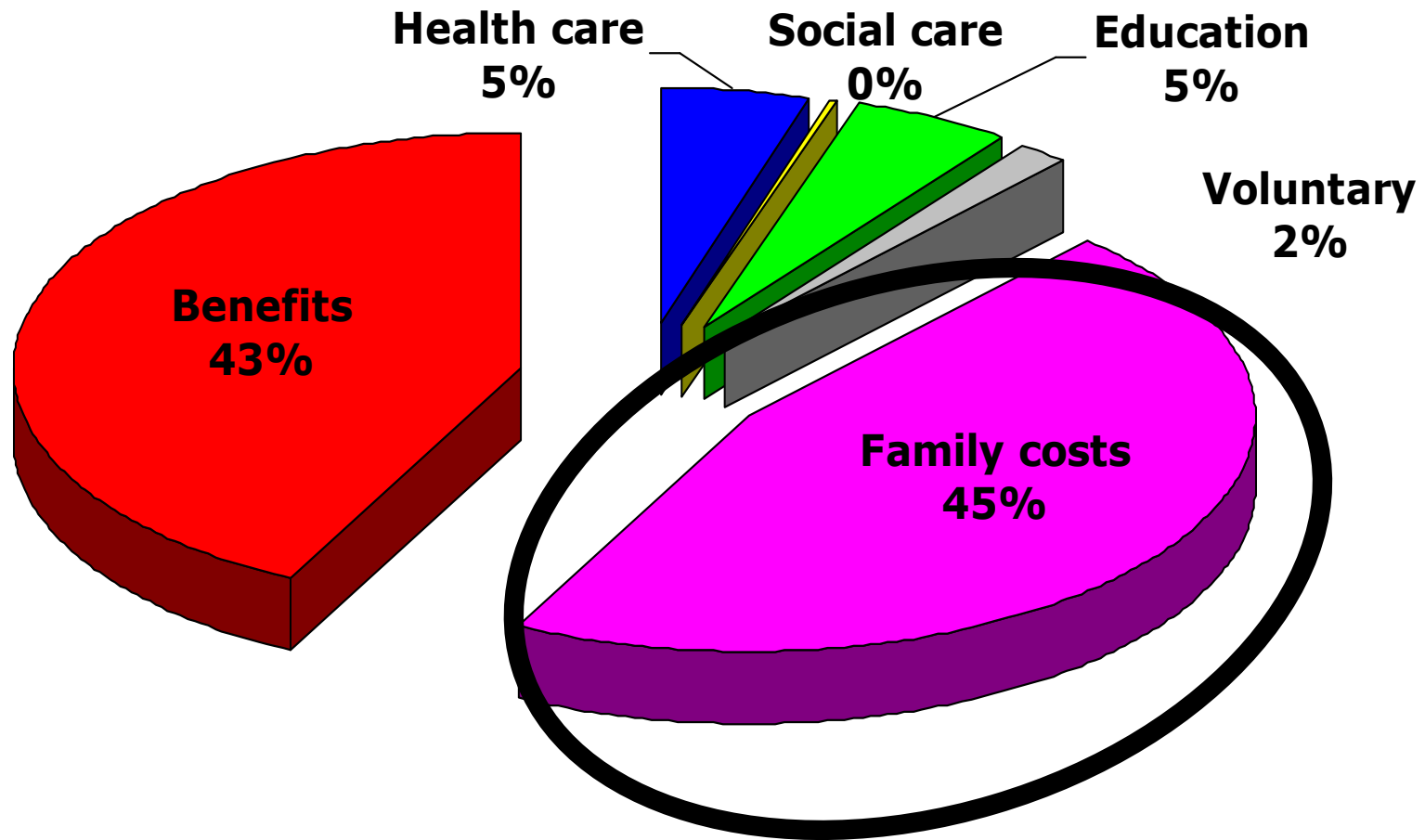
- What is the cost per child/family supported? How does that cost vary for children with different needs?
- What is the cost per child going to be *next* year?
- What is the cost of that new development you are thinking of introducing?
- And is it worth it?



**Neglect**

**The most important input is often  
the one that you usually neglect**

# Costs of children with persistent antisocial behaviour, London



# The most important input is often the one that you usually neglect

Often the largest cost 'burden' falls to the family:

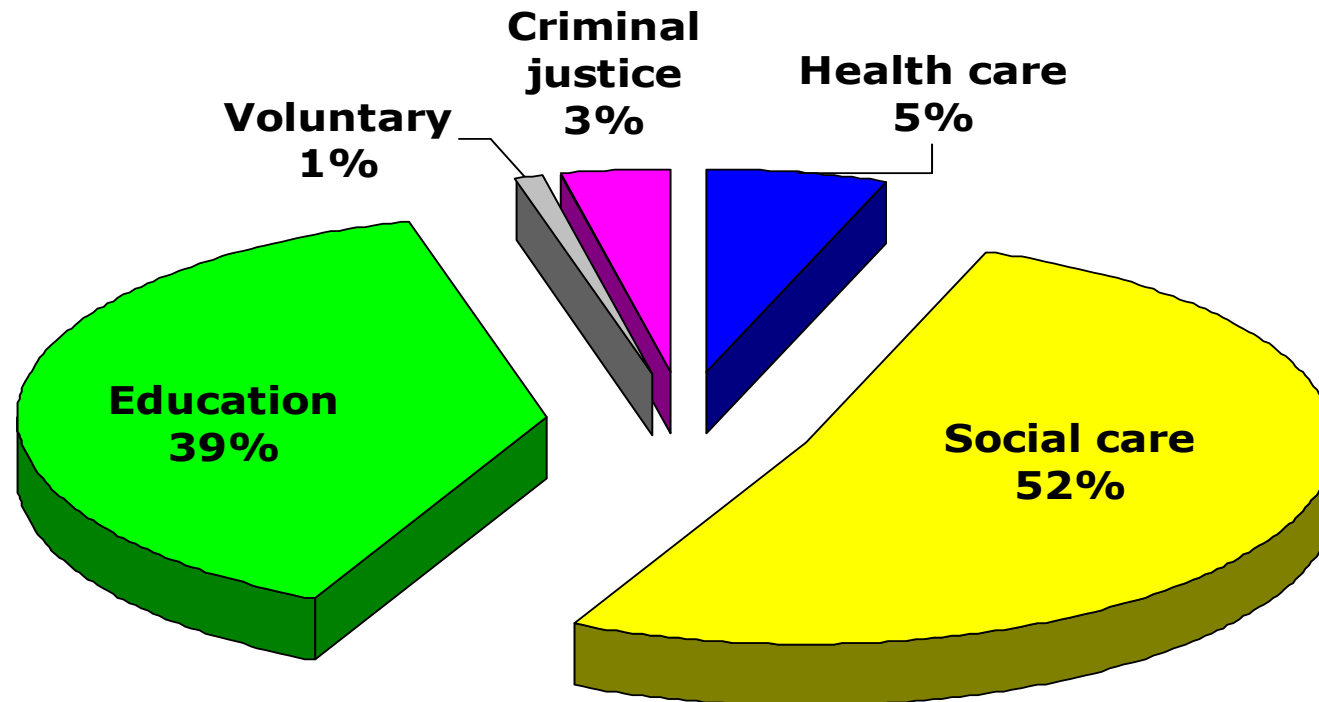
- Out-of-pocket payments for services/interventions
- Travel costs to take the child to 'treatments'
- Lost employment
- Lost leisure time
- Health costs for family members
- The 'costs' of strain



**Selfishness**

**Think about the wider context, not just your own budget and targets**

# Children with complex mental health problems – service costs



**Total cost for just these services averaged £52,884 per child per year, at 2000/01 prices**

# Think about the wider context, not just your own budget and targets

Many children and adolescents – and their families – have **multiple needs** ...

And so will need support from **multiple services**, each with their own budget:

- School
- Other education
- Health
- Social care
- Youth justice
- Housing
- Social security, etc

Looking after only your own budget, pursuing only your own targets ...

... could well lead to **worse outcomes** for children, adolescents and families

... and **worse use** of scarce resources.



**Myopia**

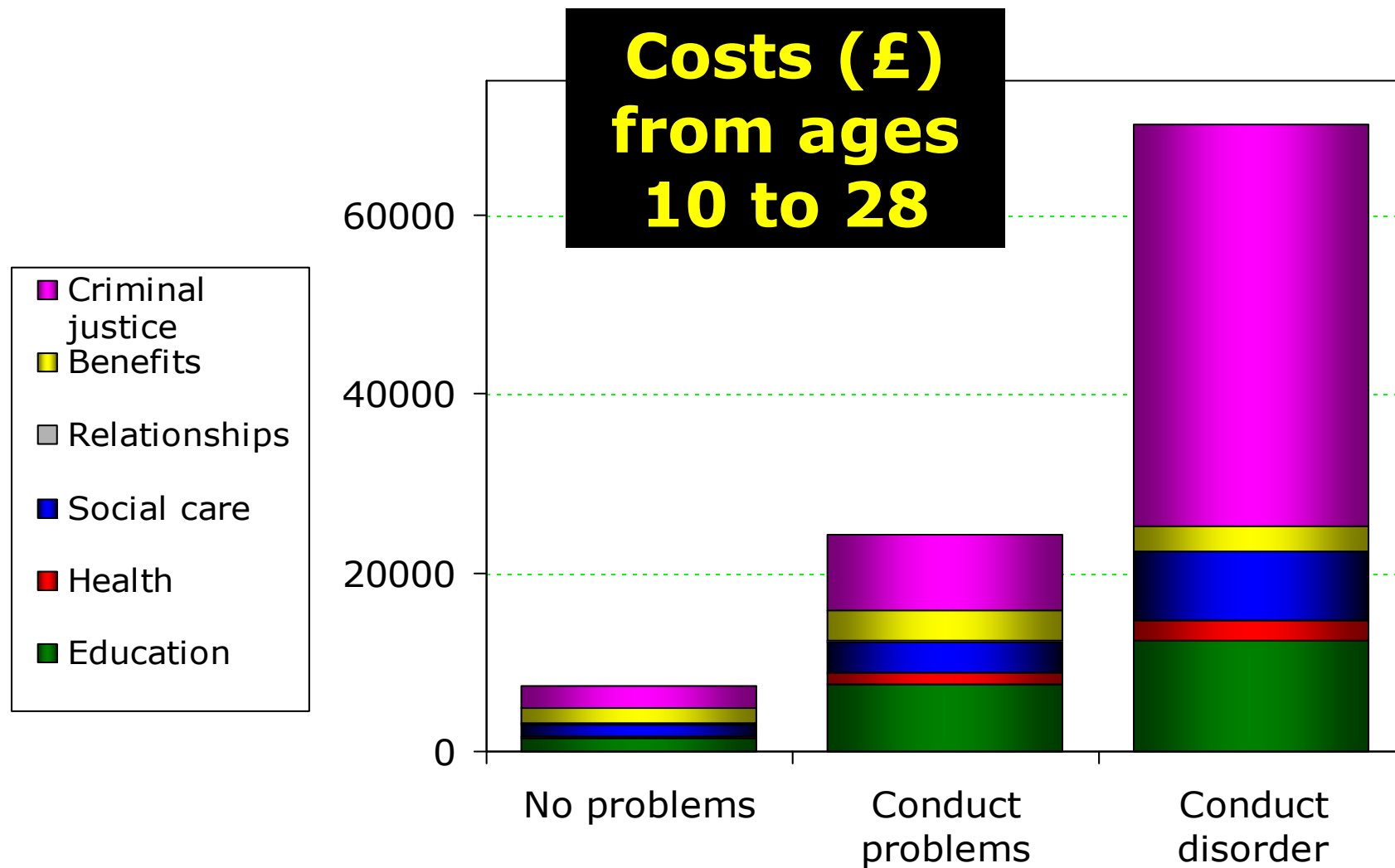
# Often those multiple needs have an impact over a very long time

## Example: Inner London Longitudinal Study

18-year follow up of children studied by Michael Rutter and team in part of South London in 1970

- Teacher ratings, child questionnaires at age 10
- Follow-up at age 26-28 of 50% of those with psychological problems and random 8% of the others
- Calculation of costs of services used between ages 10 and 28

# Costs in early adulthood from childhood conduct disorder





**Impatience**

# Don't judge an intervention only by its short-term effects and costs

Know the **time profiles** of prevention, treatment, etc – in many cases these will be **life-long**.

Gather evidence to persuade decision-makers to **invest long**.

**Prevention** and **early intervention** have never been so important.

## Examples from my groups:

- Early intervention for psychosis (3 yrs)
- Early detection of psychosis (2 yrs)
- Anti-stigma campaign (1 yr)
- Social engagement, older people (1 yr)
- Falls prevention (3 yrs)
- Health screening for adults with learning disabilities (1yr)
- Health visitors, PND (30 yrs)

Plus **currently** looking at pre-school and school-based interventions (finish Apr/May)



**Inequity**

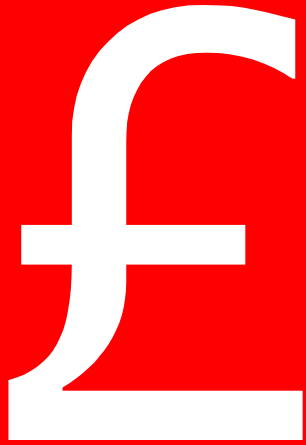
# Every child is different ...

... and so we would expect their **costs and outcomes** to be different.

Moreover, different families have **different strengths, resources etc** – and publicly supported services are supposed to address such variations.

As budgets get tighter and jobs get fewer, is there a risk that the most disadvantaged lose out?

At a time when **efficiency** is uppermost in the minds of decision-makers, **equity** needs to be a priority objective



**Misplaced  
frugality**

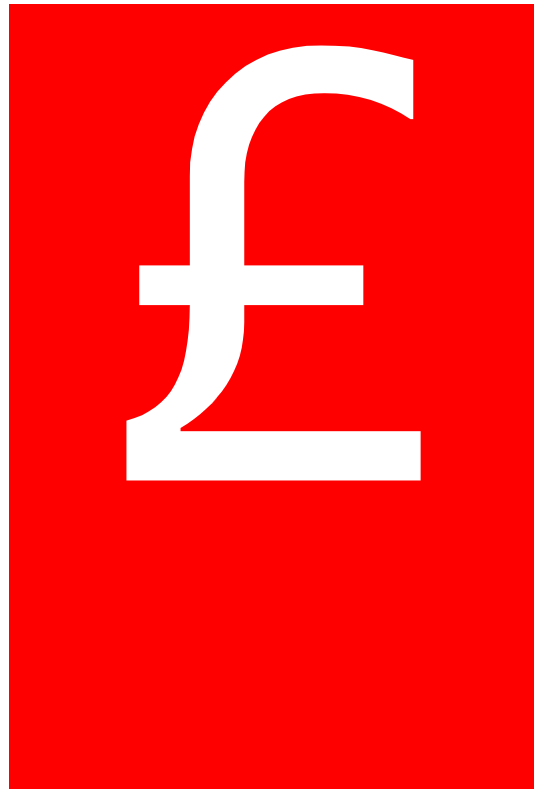
# Why do we deliver 'interventions'?

- because there are **needs** that should be met; and
- because this will improve quality of life and other **outcomes**

So if we **cut spending** we will not be able to meet as many needs, or achieve such good outcomes.

Sure, we need to be frugal (economical) in the use of resources, but in an **informed** way.

Decision-makers need to ask **"Is it worth it?"**, not "How quickly can we cut it?"



**Take-home  
messages  
from this 1  
non-leading  
economist**

# Take-home messages

**Ignorance** → Know your costs

**Neglect** → Families are precious resources and incur costs too

**Selfishness** → Don't fixate on your own targets to the detriment of outcomes and wider efficiencies

**Myopia** → Make sure you take the long view

**Impatience** → And try to persuade decision-makers to *invest* long

**Inequity** → Efficiency may be a priority, but this is exactly the time to emphasise equity

**Misplaced frugality** → Ask "Is it worth it?", not "How quickly can we cut it?"