

HERU Briefing Paper

HEALTH ECONOMICS RESEARCH UNIT

Briefing paper

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THE ECONOMIC CONSEQUENCES OF MENTAL HEALTH PROBLEMS IN OLDER PEOPLE ON OTHER FAMILY MEMBERS

An older family member with a mental health problem living with other family members below state retirement age adversely affects men's employment, their labour income and household labour income, with no adverse effects for women in Scotland.

The effects for Scotland are based on relatively small sample sizes that may not be representative of similar groups in the general population, and so some caution is required in drawing firm conclusions from these results.

The addition of the older persons' incomes to household income offsets a much smaller proportion of the economic losses amongst men in comparison to women in the remainder of the UK.

Key Messages

Background

There is increasing recognition that mental health problems have severe consequences for individuals and wider society (1). Recognition of these problems is evidenced in Scotland and the rest of the UK by the number of policy initiatives underway in mental health. For example, within Scotland, Building a Health Service Fit for the Future (2) signalled a move towards prevention and management of long term conditions, reflecting the needs of older populations, while Delivering for Mental Health (3) set out a new vision for service delivery in the form of integrated care pathways for mental health conditions.

However, little is known within Scotland or elsewhere on the wider effects imposed on the family members of those with mental health problems. Knowledge of such impacts is important for policy; for example, if the outcomes felt by such family members are large in magnitude, it may also lead them to experience mental health problems. We addressed this research gap and considered the economic impact of mental health problems amongst older people on younger family members living in the same household.



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Methods

We used seven years of data (1999-2006) from the British Household Panel Survey (BHPS). We focused on households with at least two members where at least one adult household member was of pre-retirement age (between 16 and 64 years for men and 16 and 59 years for women) and resided with an older family member in the same household. This gave 1,935 observations of 621 older respondents (men 65 years of age or older and women 60 years of age or older), and 2,146 observations of 800 younger respondents.

Health was measured in three ways. First, to represent mental health, a variable was derived from the older person's score on the General Health Questionnaire (GHQ) 12 item version, where a higher score indicated greater morbidity (minimum 0, maximum 36). We created an indicator variable with a value of one if GHQ was in the top quartile of scores. Second, an alternative indicator variable was calculated to represent presence of depression, anxiety or other mental health problem. Finally, to represent physical health, an indicator variable was used to show if a respondent reported that health limits their daily activities.

Key Results

Descriptive data showed that, within Scotland, there was a relationship between mental health, labour force participation and household income (Figures 1 & 2). Figure 1 revealed that in Scotland a high GHQ or mental health problem was associated with a sharp drop in the percentage of those of working age who were in the labour force. These effects appeared less pronounced in the rest of the UK. Figure 2 indicates that these effects fed through into income losses.

Controlling for other effects through statistical analysis, we found that in Scotland, the presence of an older family member with a mental health problem adversely affected men's employment, their labour income and household labour income. A high mental health score, as measured by score in the top quartile of GHQ scores, led to a six percent reduction in the probability of being in the labour force, a ten point drop in the probability of full-time employment, and a reduction of over 8% in work hours. In contrast, no significant adverse effects were observed for women in Scotland; on the contrary, a high GHQ score was associated with an increase of 13% in the probability

Figure 1 Relationship between mental health and labour force participation

Percent Labour Force Participation for Younger Respondents with Older Family Members in Household

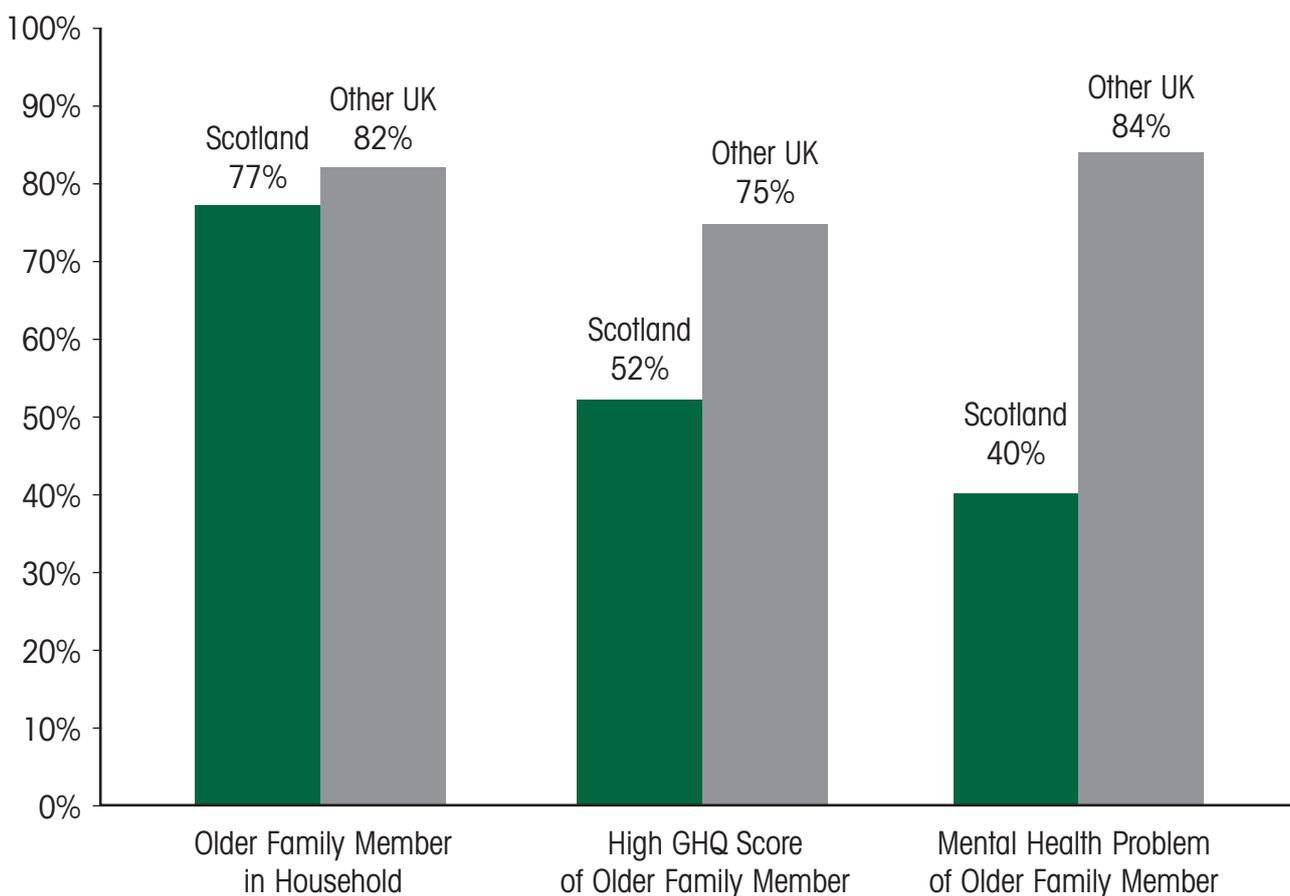
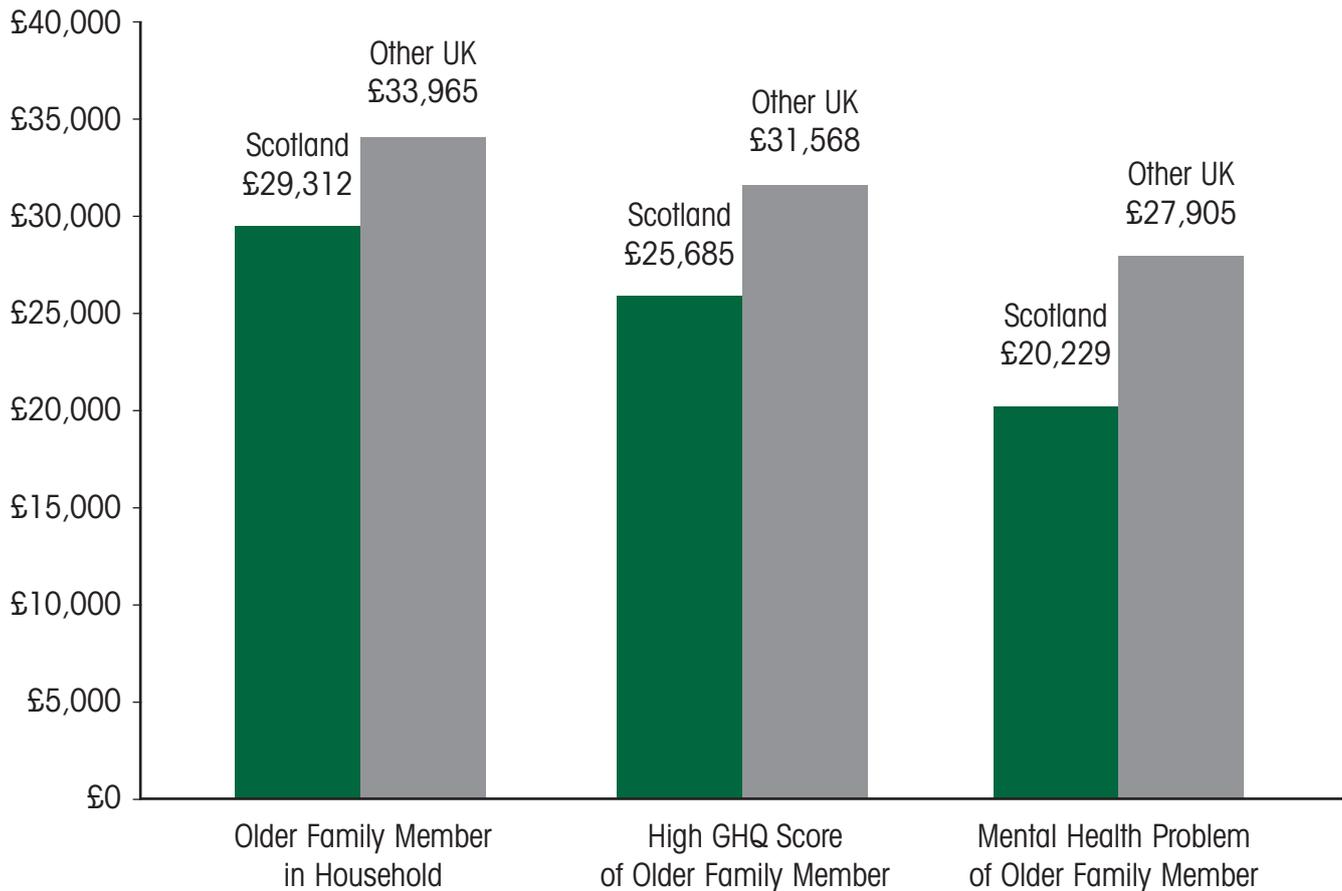


Figure 2 Relationship between mental health and annual household total income

Annual Household Total Income for Younger Respondents with Older Family Members in Household



of being in the labour force, an increase of 12% in the probability of employment, and a 28% increase in the probability of full-time employment.

Supporting the effects in labour supply, income losses were observed amongst men in both Scotland and the rest of the UK, and amongst women in the rest of the UK. Due to small sample size, losses only reached statistical significance among the sample in the remainder of the UK, where the loss of £2,422 for men represented almost 15% of average annual labour income. Amongst Scottish women however, the presence of an older family member with a high GHQ score was associated with a significant increase in personal earnings of £1,810 and an increase in family earnings of £4,947 per year. The addition of the older persons' incomes to household income offset some losses, although in the non-Scottish sample a much smaller proportion of income losses were offset amongst younger men (10%) than amongst younger women (50%).

Conclusions

Mental health problems among older family members impose significant labour market losses on male younger family members. To reduce the economic consequences, better assessment of mental health among older people may be warranted. Further employment support for younger family members, in the form of more flexible work policies, might also serve to limit economic losses.

Future Research

Further research investigating the extent, and effect, of differences in measurement of mental health within care assessment processes and subsequent service provision would provide information on whether better assessment of mental health should be developed. Investigation of the reasons for the differences observed between men and women is also indicated.

Research Team

This briefing paper describes work conducted by the Preference Elicitation and Assessment of Technologies (PEAT) Programme of HERU. Further information about this topic can be obtained by contacting Dr Paul McNamee, HERU, University of Aberdeen, Foresterhill, AB25 2ZD (tel: 01224 553733; email: p.mcnamee@abdn.ac.uk).

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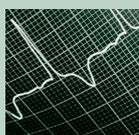
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