

‘\$8 more a day to stay in single-bed nursing home’

Study says it would mean \$19m more a year if applied to MOH's plans for 5,000 more beds

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Eight dollars a day. That is how much more it would cost for a person to spend his silver years in a single- or double-bedded nursing home, instead of in a ward-like or dormitory-style facility.

That would mean \$19 million more per year if applied to the Ministry of Health's (MOH's) plans for 5,000 more nursing-home beds by 2020, according to a new study released yesterday by global consultancy firm Oliver Wyman.

The cost per bed was derived from the median daily cost of five nursing homes here and how much it would cost if the nursing homes were to be converted to single- or double-bedded facilities.

The study was commissioned by the Lien Foundation to review the economics of nursing-home care, after a public discussion was sparked when its nursing-home project Jade Circle was aborted last year.

The Lien Foundation, Khoo Chew Neo Foundation and Salvation Army's Peacehaven home had hoped to pioneer a different model of care for dementia patients by doing away with the usual six- to eight-bed hospital-ward layout common in nursing homes here, and instead provide single or twin rooms with en suite toilets.

This would create a home-like environment and provide residents with more privacy, autonomy and well-being, they said. These rooms are the norm in countries such as Japan, Britain and the United States.

The \$15 million Jade Circle project was aborted after it failed to get government subsidies. This is because its single rooms were deemed by the Health Ministry to be similar to private or A-class ward configurations, making it difficult to subsidise as such parameters will be hard to scale or be financially sustainable, if applied to the rest of the aged-care sector.

The ministry has received a copy of the report. Its spokesman said: "We hope to discuss the findings with Lien Foundation and understand the assumptions behind the report's economic analysis."

The ministry said it constantly seeks to improve the infrastructure of nursing homes to make them more homely; it is piloting a four-bedded room "cluster concept" in a nursing home in Ang Mo Kio.

Researchers behind the latest study consulted nursing-home operators, architects and other experts to design a home-like environment that mirrors HDB rooms for residents. Then they tabulated the costs – from healthcare, living, administration and accommodation expenses – for each resident.

The number came to about \$114 per day for an elderly person to stay in a single or double room with en suite toilets and \$119 for a senior with dementia. The current cost for a resident of a regular nursing home is \$106 a day. The increase is due to the extra infrastructural, staff and housekeeping expenses.

Lien Foundation CEO Lee Poh Wah said: "The additional cost of \$19 million would be 0.2 per cent of MOH's budget of \$11 billion for the financial year of 2016."

MOH said it spent an estimated \$360 million for the nursing-care sector in the 2015 financial year.

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