Individual support services help people with serious mental illness find employment

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Approximately 5% of working-age adults in the United States are impaired by a serious mental illness such as psychotic and severe mood disorders. While about two-thirds of clients with mental illness in community mental health agencies want to work, only about 15% are employed.

Despite these sobering statistics, many people with a psychiatric disability could find work through individual placement and support services, but a lack of funding and disability policies which de-incentivize employment are hampering them from achieving their goals, according to a new study led by Dartmouth researchers and published in the June issue of Health Affairs.

"Working leads to increased self-esteem, social integration and community participation. So it's no surprise that many people with mental illness view finding and being able to hold a job as a primary treatment goal. Supported employment can help them achieve this goal. But the opportunities to get that type of support, for the most part, they just aren't there," said Robert Drake, MD, a professor of psychiatry at The Dartmouth Institute for Health Policy and Clinical Practice and the study's lead author.

Under the individual placement and support model, a specialist, who usually works within and is paid by a community health agency, helps the client find a job, coordinates closely with mental health professionals, and offers support to help maintain employment. This approach, developed at the Dartmouth Psychiatric Research Center in the 1990s, has proven effective across many populations and in many different countries. In controlled trials in which more than 5,000 people with serious mental illness both in and outside of the U.S. were followed for an average of 19 months, most individual placement and support clients attain competitive employment within 9 months, work half time or more, and earn above minimum wage.

It's also cost effective. Individual placement and support services average about $3,000-$5,000 per client in the first year of enrollment, with costs decreasing substantially after placement.

But, despite the growing recognition of its effectiveness, funding remains problematic. As the study's authors state, "no government agency at the national or state level has either the mandate or sufficient dedicated funding to provide individual placement and support to even a significant minority of adults with serious mental illnesses."

Medicaid, which is now the nation's largest source of funding for mental health care, does not pay for employment services. Under the Affordable Care Act, states can amend their Medicaid plans to provide individual placement and support services for those with serious mental illnesses. However, most states don't yet use these mechanisms to fund individual placement and support.

A further complication is that even when employed, people with severe mental illnesses rarely leave the disability rolls entirely. Social Security disability programs involve a host of disincentives for employment including the requirement of an extended period/s outside of the workforce as a first step in eligibility. However, studies have shown that individual placement and support clients who achieve steady employment use fewer health services than those who don't—a factor which may have a long-term impact on government expenses.

The federal government has recently taken steps to encourage individual placement and support services, largely through a new competitive grant program awarded to seven states. But, scavenging for multiple payment sources to fund individual placement and support services has been “too complicated for most mental health centers, especially in the context of other health care
changes and uncertainties," according to the study's authors.

"This is an intervention which has proven successful, and which could increase quality of life for a significant number of people in the country," Dr. Drake said. "It's long overdue that we solve this problem by finding a way to fund the expansion of individual placement and support services."


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