New Tool May Help Psych Patients Manage Finances
Pauline Anderson | May 12, 2014

NEW YORK — Almost half of psychiatric patients at 2 representative day programs who were receiving disability payments and who had no help with managing their finances were actually in need of such assistance, according to a new study.

But what is the best way to determine who needs this type of service?

Researchers believe they have come up with an improved assessment tool and have been testing this instrument's capability of identifying beneficiaries incapable of handling their finances.

The new research was presented here at the American Psychiatric Association's 2014 Annual Meeting.

Underidentified Population

Currently, the Social Security Administration provides financial support to adults disabled by psychiatric conditions to provide for their basic needs. Beneficiaries deemed incapable of managing their funds are assigned a representative payee.

However, studies show that the current method of determining capability may underidentify beneficiaries needing this assistance.

"There's lot of effort given to determine who gets Social Security; there's not nearly as much effort given to determine whether patients who get Social Security can manage their own money," said Marc Rosen, MD, associate professor of psychiatry, Yale University School of Medicine, New Haven, Connecticut, and director of substance abuse treatment programs at Veterans Affairs Connecticut Healthcare System, who presented the poster.

"After Social Security is awarded, capability is not systematically reassessed," said Dr. Rosen. "Beneficiaries don't have a lot of extra money to begin with and can be badly hurt when misspending causes them to be homeless, hungry, or addicted to drugs they have bought. Clinicians don't really know how to judge capability to manage funds and may not report someone as incapable because they don't understand how capability is judged."

A proposed new tool called the Financial Incapability Structured Clinician Assessment done Longitudinally (FISCAL) could better capture those who may be falling through the cracks, said Dr. Rosen.

The investigators looked at the ability of FISCAL to rate the financial capability of 118 patients who were receiving Social Security disability payments, who had recently been in acute care facilities for psychiatric disorders, and who did not have a representative payee or conservator (similar to a trustee who manages the affairs of someone judged incapable of managing their own), so they were all managing their own money.

Dr. Rosen acknowledged that because the patients in the sample had recently been in acute care facilities, the sample may not be representative. "People are generally admitted to day programs because of a recent problem."

According to Dr. Rosen, 3.5 million Americans currently receive Social Security payments because because of an inability to work due to schizophrenia, bipolar disorder, or other serious psychiatric disorders. Of these, 1 million have been mandated to have a payee because of being incapable of managing their funds.

FISCAL walks the rating clinician through several criteria used to determine whether a beneficiary is incapable of
taking care of his or her disability income. The 2 main criteria include having failed to meet basic needs — for food, clothing, and shelter — because funds needed for basic needs are spent on something else; and having spent substantial amounts of funds on something harmful (such as alcohol or drugs).

Using FISCAL, raters found that 48% of the sample was incapable of overseeing their finances. Of these, 91% were incapable because of spending on harmful things such as illicit drugs and alcohol, just under 60% were incapable due to unmet basic needs, and 56% were incapable due to both harmful spending and unmet needs.

As expected, incapable individuals had been hospitalized significantly more often than capable patients for psychological problems, had been homeless more often, and had more severe substance use problems.

The researchers concluded that FISCAL is a valid tool to measure financial incapability, that it has very good interrate reliability, and that it correlates with related measures.

It is difficult enough dealing with a psychiatric condition, but to also have to be responsible for allocating limited resources can be stressful, commented Dr. Rosen.

"If you have schizophrenia or bipolar disorder and you have been determined unable to work and you're getting $1100 or $1200 a month, chances are you live in a neighborhood that's hard to navigate, and you have to make all sorts of complicated financial decisions."

And making a money-related error in judgment can get these patients into deep trouble.

"Since they have so little of a financial cushion, there's little margin for error," said Dr. Rosen. "If you drink or use drugs and spend money on that, you might get evicted from your apartment. It's not a surprise that what we are finding is that a lot of people who are getting the money directly are having trouble managing it and are winding up homeless, substance using, and in debt."

A system of routine screening of psychiatric patients receiving subsidies to identify those in need of help managing their benefits might not only prevent the negative consequences of financial mismanagement but, by identifying problems earlier, may even avoid the need for a fiduciary altogether, said Dr. Rosen.

*The study was funded by grants from the National Institute on Drug Abuse.*


Medscape Medical News © 2014  WebMD, LLC

Send comments and news tips to news@medscape.net.

Cite this article: New Tool May Help Psych Patients Manage Finances. *Medscape.* May 12, 2014.