



How and Why Does Financial Wellness Relate to Mental Health?

According to a 2015 survey, an estimated 9.8 million U.S. adults had a serious mental illness, with 2.5 million of those adults living below the poverty line.¹ Studies show that financial difficulty and poverty can put people at greater risk of developing a mental health condition.² In addition, the cost of care is the reason why 45.4 percent of adults with a perceived unmet need for mental health care did not receive mental health services in 2014—the most commonly reported reason for not receiving treatment.³

What is Financial Wellness?

Financial wellness involves the ability to have financial resources to meet practical needs, and a sense of control and knowledge of personal finances. Financial instability can result in emotional distress. Therefore focusing on financial and economic self-sufficiency is important.⁴

Financial Wellness Can Impact Physical Health

Adults living in poverty are more likely to have an inflammatory disease(s), like inflammatory bowel disease,⁵ and to smoke,⁶ which puts them at higher risk for respiratory conditions, such as lung cancer, as well as for heart attack and stroke.⁷ For individuals with mental health conditions, these chronic disease risks are made even more challenging, as individuals with serious mental illness who live in poverty are more likely to have greater overall health problems and healthcare costs.⁸

Financial wellness also impacts physical wellness as it relates to nutrition: individuals with mental health conditions who live in places lacking fresh food options likely have more access to fast food options, which are usually high in calories and fat and low in nutrients.⁹

Providers can work with those they serve to help find places to access healthy foods, like food pantries or community gardens. Providers can also collaborate with individuals to create healthful physical activity habits, like walking and smoking cessation. This support can help individuals with mental health conditions improve their well-being, both financially and physically.

Financial Wellness Domains

The Financial Wellness Framework identifies domains of financial wellness:

- “Economic citizenship: exercising economic rights and responsibilities
- Financial security: savings, assets, and financial planning
- Financial control: self-payeeship, financial decision-making
- Financial stability: income to meet needs, repay debts, and build assets
- Financial autonomy: self-sufficiency from public benefits”¹⁰

Achieving Financial Wellness

Almost twice as many individuals with mental health conditions have incomes below the poverty level (24.5 percent)¹¹ as compared to the general population (12.7 percent)¹² (in 2016). There is an identified need to help individuals with mental health conditions become more financially secure and to manage their finances.¹³ Some ways providers can help promote financial wellness among the individuals they work with include:

- Linking people to supported employment programs
- Using available financial self-sufficiency tools with individuals served
- Offering financial literacy education to individuals, or linking them to existing programs
- Connecting people with available community banking or savings resources

Supported Employment

Supported employment programs help anyone who wants to work living with a mental health condition.¹⁴ A systematic review found that supported employment is more effective than prevocational training, which operates with the pretense that individuals with mental health conditions, including serious mental illness, require a preparation period before securing competitive employment.¹⁵ Providers can work with organizations and resources in the community, such as vocational rehabilitation offices, to refer individuals served to local supported employment programs.

Financial Self-Sufficiency Tools

Programs like the New York Association of Psychiatric Rehabilitation Services’ WE Can Work and WE Can Save campaigns provide guidance and support toward achieving meaningful employment and financial wellness.¹⁶ These tools are available online for free access by providers and community organizations. They can support financial wellness for individuals with mental health conditions.

Financial Assistance and Literacy Programs

Programs like Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) can help people move toward financial security. Both of these disability programs also have insurance programs associated with them, which can support physical wellness with increased access to affordable care. SSI is connected to Medicaid, and SSDI is associated with Medicare.¹⁷ Providers can make referrals to the SAMHSA SSI/SSDI Outreach, Access, and Recovery (SOAR) TA Center, a national program designed to increase access to the disability income benefit programs administered by the Social Security Administration for eligible adults who are experiencing or at risk of homelessness and have a serious mental illness, medical impairment, and/or a co-occurring substance use disorder.¹⁸

Achieving a Better Life Experience (ABLE) savings programs offer financial assistance, resources, and support to individuals with significant disabilities. People can save up to \$15,000 a year for eligible expenses aimed at enhancing their quality of life, such as housing, transportation, and employment training and support. ABLE savings do not impact state or federal benefits (except for SSI when an account is over \$100,000), and earnings and money withdrawn from ABLE accounts are tax-free.¹⁹ Giving individuals served information on the ABLE National Resource Center allows them to connect with an ABLE advisor and start the journey of taking more control of their financial wellness.

Connecting Social Wellness and Financial Wellness

Studies identify six key functions for peer staff that can support the financial wellness of individuals with mental health conditions:

1. “engaging individuals in culturally meaningful conversations about life dreams and financial goals,
2. inspiring individuals to reframe self-defeating narratives by sharing personal stories,
3. facilitating a financial wellness action plan,
4. coaching to develop essential financial skills,
5. supporting navigation and utilization of financial and asset-building services, and
6. fostering mutual emotional and social support to achieve financial wellness goals.”²⁰

Helping the individuals you work with connect with peer supports, whether inside or outside of your practice or program, can help promote financial and social wellness.



Remember: the wellness approach to recovery offers a holistic framework in which people are viewed as whole human beings.²¹ Whether working toward effective prevention efforts, treatment planning, or service delivery, keep the Eight Dimensions of Wellness and the value of financial wellness in mind when serving individuals with mental health conditions.

Relevant Resources

[Supported Employment Evidence-Based Practice KIT](#) | Substance Abuse and Mental Health Services Administration (SAMHSA)

[We Can Work Campaign](#) | New York Association of Psychiatric Rehabilitation Services (NYAPRS)

[We Can Save Campaign](#) | NYAPRS

[Creating a Healthier Life Handbook](#) | SAMHSA

[SAMHSA SOAR Technical Assistance Center](#)

[ABLE National Resource Center](#)

[Benefits.gov](#)

[Consumer Information](#) | Federal Trade Commission

[Work Incentives for Those Who Receive SSI or SSDI](#) | Social Security Administration (SSA)

[Money Smart](#) | Federal Deposit Insurance Corporation (FDIC)

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Endnotes

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