

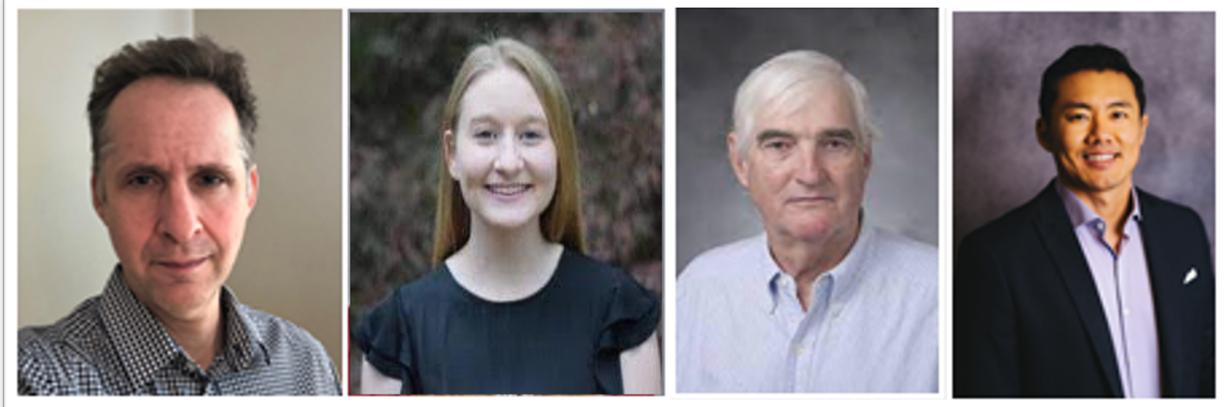


RESEARCH BRIEF

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Financial Strain, Severe Mental Illness, and Homelessness: Results from a National Longitudinal Study

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What do We Know?

Homelessness is a multifactorial problem and some homeless-related factors have been researched more than others. In particular, researchers have identified consistent links between homelessness and severe mental illness, including psychotic, bipolar, and depressive disorders. At the same time, however, there is need to explore pathways that might connect mental illness to homelessness in order to inform treatment and programming. In this regard, although psychiatric symptoms and substance abuse are frequently studied, financial strain is more often overlooked, even though adults with severe mental illness have lower income, worse employment, and greater financial barriers compared to adults without severe mental illness. As a result, greater financial strain accompanying severe mental illness could contribute to risk of homelessness.

To our knowledge, relatively little empirical research has examined the intricate links between financial strain, severe mental illness, and homelessness. Additionally, few studies on homelessness examine various types of financial strain variables together. This analysis is important because homelessness, unemployment, financial debt, and low income do not occur in a vacuum but exist within the context of an individual's socio-economic circumstances. Finally, we are unaware of any studies that have examined the extent to which financial strain may mediate the relationship between severe mental illness and homelessness.

New Information Provided by The Study

Using data on nearly 35,000 participants in a longitudinal survey called the National Epidemiologic Survey on Alcohol and Related Conditions (NESARC), which enrolled a nationally representative sample of the non-institutionalized population of the United States aged 18 years and older, Dr. Elbogen and colleagues analyzed financial strain as a predictor of homelessness on its own and in combination with severe mental illness. Responses to a baseline survey conducted from 2001 to 2002 were analyzed to identify factors associated with homelessness at a follow-up survey conducted from 2004 to 2005.

All types of financial strain analyzed – financial crises and debt, lower income and unemployment – were associated with an increased risk of future homelessness in the following three years. Of note, this result was found in multi-variable analyses that statistically controlled for severe mental illness, substance abuse/dependence, history of criminal arrests, history of homelessness and other demographic factors (age, education, sex, race/ethnicity, and marital status).

In addition, there was a significant “mediating effect” of financial strain, which explained 39 percent of the link between homelessness and severe mental illness. Homelessness risk was lowest for participants with none of the four types of financial strain – whether or not they had severe mental illness.

The findings offer a fresh perspective on homelessness prevention efforts. These interventions could proactively target improving an individual's financial literacy and well-being to prevent situations that may contribute to future homelessness.

The finding that financial strain accounts for part of the interrelationship between severe mental illness and homelessness suggests that addressing severe mental illness without consideration of financial strain may not lead to optimal reduction in homelessness risk. This study supports efforts to financially help adults experiencing homelessness through employment, increased financial knowledge, and money management skills.

Does Financial Strain Affect the Impact of Mental Illness on Homelessness?

The relationship between severe mental illness and homelessness is well-established



Adults with severe mental illness are also known to have lower incomes, worse employment, and greater financial barriers than adults without severe mental illness

To what extent does financial strain mediate the relationship between severe mental illness and homelessness?

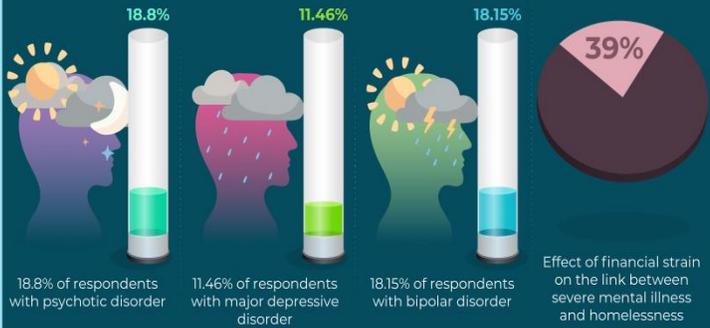
National epidemiologic survey on alcohol and related conditions

34,653 participants representative of the US population

Four financial strain variables (low income, worse employment, debts, history of homelessness)

Longitudinal study of 3 year period

Percentage of participants with severe mental illness reporting homelessness



Financial strain significantly mediates the link between severe mental illness and homelessness, and adults with severe mental illness experiencing homelessness may benefit from programs aimed at achieving financial literacy and well-being

Financial Strain, Mental Illness, and Homelessness: Results from a National Longitudinal Study
 Elbogen et al. (2021) | *Medical Care* | DOI: 10.1097/MLR.0000000000001453

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Graphic Representation. The left side displays a visual depiction of the interrelationships between homelessness, severe mental illness, and financial strain as composed of lower income, worse employment, and greater financial barriers. The top right side displays the methodology used in the study, specifically analysis of financial strain and homelessness of 34,653 participants in a national longitudinal study called the National Epidemiologic Survey on Alcohol and Related Conditions. The bottom right side displays the percentage of individuals with severe mental illness who reported homelessness. The pie chart on the right depicts that 39% of the link between severe mental illness and homelessness was mediated by financial strain.

Reference

1. Elbogen, E. B., Lanier, M., Wagner, H. R., & Tsai, J. (2021). Financial Strain, Mental Illness, and Homelessness: Results from a National Longitudinal Study. *Medical Care*, 59, S132-S138.