



ILLINOIS FAMILIES STUDY

policy brief

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Mental health & welfare reform

What facilitates employment among those with depression?

Summary

Results of the 1999-2000 Illinois Families Study survey find that 23% of the current and former welfare recipients interviewed had symptoms of depression. Depressed respondents were less likely than non-depressed respondents to work. The following factors were associated with work among depressed respondents: good physical health; job skills and work experience; Downstate residence; Hispanic ethnicity; and older age (over 30). Improving access to quality health care and expanding opportunities for job skills and work experience to more low-income adults with depression may help to promote work among this population.

Introduction

High rates of mental health problems in low-income populations are well documented. Studies estimate that between one-quarter and one-third of welfare recipients suffer from depression, compared to 7% of the general population.¹ Depression is often seen as a “barrier” to work, although many depressed adults are employed and work has been shown to provide psychological, economic, and attitudinal benefits for mentally ill adults.² Given the emphasis on work in the 1996 welfare reform legislation, it is important to identify what *facilitates work* among depressed parents, rather than focus solely on what prevents people from working.

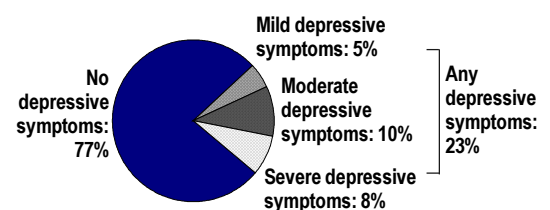
In this policy brief we: 1) describe rates of depression and mental health service use among current and former welfare recipients in Illinois; 2) assess the impact of depression on employment and earnings; 3) identify factors that facilitate work among current and former welfare recipients with depressive symptoms, including “human capital” and mental health service use. To do so, we draw upon the results of

the 1999-2000 Illinois Families Study (IFS) survey, which were linked to Medicaid claims data and Unemployment Insurance records for 1,225 adults who were receiving TANF at some point during the fall of 1998.³ Depressive symptoms were self-reported in the interview, using a set of questions about mood and functioning experienced in the past week.⁴

Depression and mental health service use

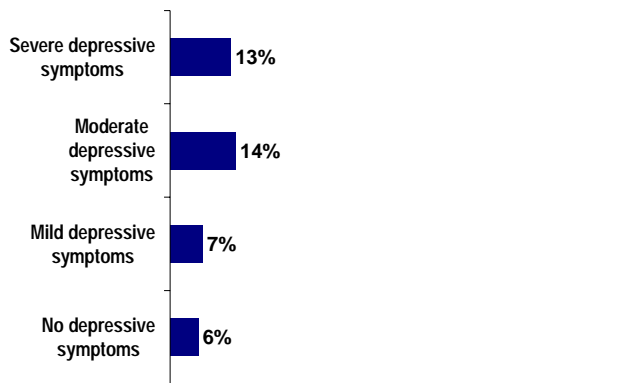
Nearly one-quarter (23%) of the IFS respondents reported symptoms of depression considered problematic (see Figure 1). Overall, 8% reported symptoms of severe depression, 10% moderate depression, and 5% mild depression.

Figure 1. **Depressive symptoms** (n=1,225, 1999-2000)



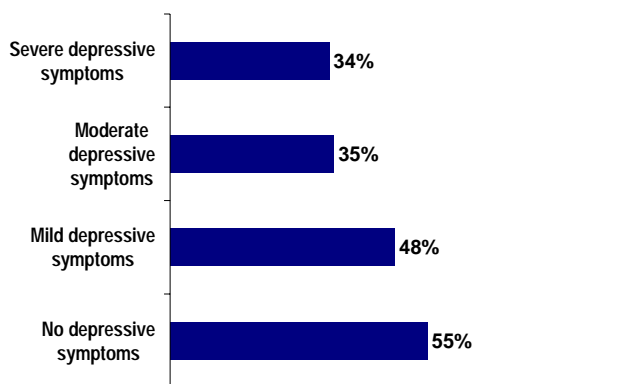
Source: IFS survey data

Figure 2. Use of Medicaid-paid mental health services, by type of symptom (1998-1999)



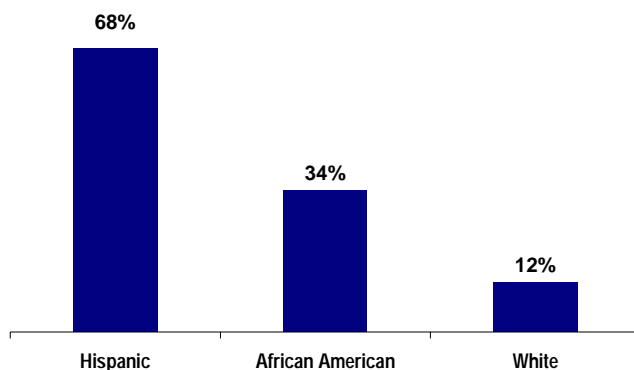
Source: IFS survey data and administrative data

Figure 3. Percent working at time of survey, by type of symptom (1999-2000)



Source: IFS survey data

Figure 4. Percent working among moderately and severely depressed, by race/ethnicity* (1999-2000)**



*** = $p \leq .001$

Source: IFS survey data

Although 75% of respondents were receiving Medicaid at the time of the interview, most of the depressed respondents did not receive any Medicaid-paid mental health services between January 1, 1998 and June 30, 1999. Depressed respondents (12%) were more likely than non-depressed respondents (6%) to receive outpatient services. However, only 13% of those with severe depressive symptoms and 14% of those with moderate depressive symptoms received these services (see Figure 2).

Depression, employment, and earnings

Depressed respondents (38%) were less likely than non-depressed respondents (55%) to work (see Figure 3). It is important to note, however, that more than a third of those with symptoms of depression were employed. There was a direct relationship between the severity of depressive symptoms and employment. Forty-eight percent of mildly depressed respondents were working, compared to 34% of the severely depressed.

Among all of the employed respondents, those with no symptoms earned more than those with depressive symptoms (not shown). Paralleling employment status, there was a direct relationship between severity of depressive symptoms and earnings. Those with no depressive symptoms earned an average of \$3,320 in the fourth quarter of 1999. The mildly depressed earned an average of \$3,308 within the same time period, while the severely depressed earned \$2,959.

What facilitates work for welfare recipients with depression?

Given that 38% of the depressed adults in this sample were employed at the time of the interview, we identify the characteristics of these depressed workers that distinguish them from the depressed non-workers. Among those with moderate and severe depressive symptoms, Hispanic respondents (68%) were significantly more likely than African American (34%) or white (12%) respondents to be working (see Figure 4). Health status and job skills also seem to matter. Those with poor or fair health (21%) were significantly less likely than those with good, very good, or excellent health (45%) to be working, while those with few job skills (23%) were significantly less likely to be working than those with some job skills (42%; see Figure 5).

In order to identify factors that uniquely determine which moderately and severely depressed respondents were more likely to work, we controlled for a wide variety of demographic and personal characteristics associated with employment: region, race/ethnicity, history of welfare use, respondent and child health status, history of domestic violence, and having a child

under age three. Indicators of “human capital” (job skills, work experience, and high school diploma), and receipt of Medicaid-paid mental health services were also examined.

After controlling for these factors, the following groups of moderately and severely depressed respondents were significantly *more likely to be working*:⁵

- Downstate residents (compared to those living in Cook County)
- Hispanic respondents (compared to African Americans)
- Respondents over age 30 (compared to younger respondents)
- Those in good, very good, or excellent health (compared to those in fair or poor health)
- Those with some job skills (compared to those with few skills)
- Those with some work experience since age 18 (compared to those who had worked less than 20% of their adult life)

It is important to note that in this analysis, receipt of outpatient mental health services did not appear to affect employment. Two key indicators of human capital—job skills and work experience—were, however, associated with work, although having a high school diploma was not.

Conclusions and policy implications

Depression is a problem that affects many current and former welfare recipients in Illinois and it appears that most of those who suffer from depression do not receive mental health services. Given the high rates of depression in this population, mental health providers and welfare program administrators should work together to ensure integrated service delivery and early detection of mental health problems.

Although the depressed are less likely to be working than the non-depressed, a sizable minority is employed. It is beyond the scope of this analysis to determine whether work has positive effects on the depressed due to higher income and greater social support, or negative consequences that may exacerbate already precarious situations for families living with mental health problems. Additional research with longitudinal data is needed to determine the effects of employment on depressed low-income parents.

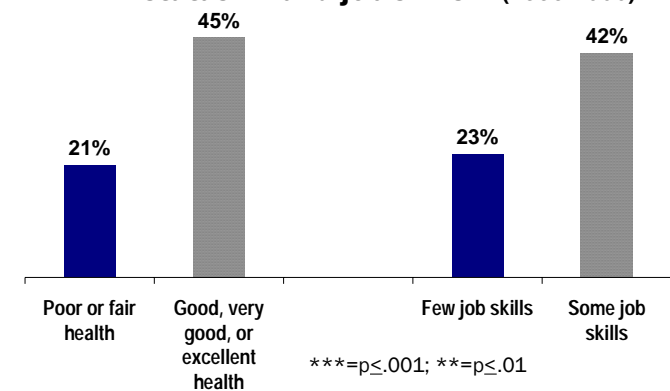
Given the work requirements brought about by the welfare reforms of 1996 and recent efforts to integrate the mentally ill into mainstream society, it is important to identify the strengths that help some depressed

adults to enter the workforce. Among the predictors of work we identified, health status and human capital appear to be the factors most amenable to policy interventions. Improving access to quality health care, and expanding opportunities for job skills and work experience (e.g., supported work programs) to more low-income adults with symptoms of depression may help to promote work among this population.

Notes

1. Refers to major depression. Derr, M.K., Hill, H., and Pavetti, L. (2000). *Addressing mental health problems among TANF recipients: A guide for program administrators*. Washington, DC: Mathematica Policy Research.
2. Van Dongen, C.J. (1996). Quality of life and self-esteem in working and nonworking persons with mental illness. *Community Mental Health Journal*, 32(6), 535-548.
3. Medicaid claims data were available for January 1, 1998 through June 30, 1999. Unemployment Insurance data (earnings) are from the fourth quarter of 1999.
4. Depressive symptoms were measured using a 12-item version of the Center for Epidemiological Studies-Depression (CES-D) scale. *The CES-D indicates depressive symptoms, not a clinical diagnosis of depression*.
5. Results of logistic regression. All results listed were found to be statistically significant at the 0.05 level.

Figure 5. **Percent working among moderately and severely depressed, by health status*** and job skills** (1999-2000)**



This policy brief summarizes a paper by Dan A. Lewis (Institute for Policy Research, Northwestern University), Bong Joo Lee (Chapin Hall Center for Children, University of Chicago), and Lisa Altenbernd (Institute for Policy Research, Northwestern University).

The paper is available from the authors at l-altenbernd@northwestern.edu.

About this study

The goal of the Illinois Families Study (IFS) is to inform policymakers about how Illinois families have been faring since the implementation of welfare reform. The study is being conducted by a consortium of researchers from five Illinois universities: Northwestern University, Roosevelt University, Northern Illinois University, University of Illinois at Chicago, and the University of Chicago. The interviews are conducted by Metro Chicago Information Center (MCIC).

A total of 1,363 current and former welfare recipients from nine Illinois counties were interviewed at Wave 1 of the study (November 1999 - September 2000). The response rate was 72%. All analyses are weighted to adjust for regional stratification and non-response. The study will continue to follow these families for a total of six years.

For more information about the study:

www.northwestern.edu/ipr/research/IFS.html

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