



# SOUTHERN AREA CONSORTIUM OF HUMAN SERVICES

## CalWORKs Work Participation Rates *Employment and Mental Health* Literature Review

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## INTRODUCTION

Over the past several years, CalWORKs caseloads have diminished as many clients left welfare and became employed (Moore, 2003). The remaining caseloads consist of the so-called “hard to serve” – those clients who have barriers to employment, such as a lack of education, limited job skills, and mental health issues (Kramer, 1999; Lee & Curran, 2003; Moore, 2003).

As many as 42% of participants enrolled in the federal Temporary Assistance for Needy Families (TANF) program have mental health issues, and as many as 32% have very poor mental health (Moore, 2003). The main mental health issues seem to be depression, bipolar disorder, post-traumatic stress disorder that is usually associated with domestic violence, anxiety disorder, agoraphobia, and mild mental retardation (Kramer, 1999; Moore, 2003). However, in the general population such mental health issues do not seem to prevent individuals suffering from mental illness from working in a variety of jobs, from the low skilled and low paid to the high skilled and high paid (Moore, 2003).

The literature does not seem to have a prescribed list of best practices for helping welfare clients with mental health issues to find and maintain employment, due to a limited amount of rigorous research, especially studies focusing on California and CalWORKs. However, several themes of promising practices have started to emerge, including:

- **Screening and assessment** (Brown, 2001; Derr, Hill, & Pavetti, 2000; Kramer, 1999; Moore, 2003; Stromwall, 2001)
- **Training welfare staff on common mental health issues and training mental health staff on the needs of welfare recipients** (Brown, 2001; Derr, Hill, & Pavetti, 2000; Goodwin et al., 2001; Kramer, 1999; Stromwall, 2001)
- **Co-location of mental health services (MHS) with alcohol and other drug (AOD) services, as well as with vocational rehabilitation** (Goodwin et al., 2001; Kramer, 1999)
- **Supported employment** (Blitz & Mechanic, 2006; Bond et al., 2001; Brown, 2001; Crowther, 2001; Kramer, 1999)
- **Multidisciplinary teams and/or multidisciplinary approaches** (Goodwin et al., 2001; Kramer, 1999)
- **Referrals to other programs, such as SSI or vocational rehabilitation** (Kramer, 1999; Moore, 2003; Stromwall, 2001)

- Blitz, C. L., & Mechanic, D. (2006). Facilitators and barriers to employment among individuals with psychiatric disabilities: A job coach perspective. *Work*, 26(4), 407-419.
- Bond, G. R., Becker, D. R., Drake, R. E., Rapp, C. A., Meisler, N., Lehman, A. F., et al. (2001). Implementing supported employment as an evidence-based practice. *Psychiatric Services*, 52(3), 313-322.
- Brown, R. (2001). Addressing substance abuse and mental health problems under welfare reform: state issues and strategies. National Governors Association Center for Best Practices – Social, Economic & Workforce Development Division. *Issue Brief*, 6/30/2001. Retrieved on September 6, 2006 from <http://www.nga.org/portal/site/nga/menuitem.9123e83a1f6786440ddcbeeb501010a0/?vgnnextoid=473c5aa265b32010VgnVCM1000001a01010aRCRD>
- Crowther, R. E., Marshall, M., Bond, G. R., & Huxley, P. (2001). Helping people with severe mental illness to obtain work: Systematic review. *British Medical Journal*, 322, 204-208.
- Danziger, S. K., Kalil, A., & Anderson, N. J. (2000). Human capital, physical health, and mental health of welfare recipients: Co-occurrence and correlates. *Journal of Social Issues*, 56(4), 635-654.
- Derr, M. K., Hill, H., & Pavetti, L. (2000). Addressing mental health problems among TANF recipients: A guide for program administrators, final report. Mathematica Policy Research, Inc. Retrieved on September 6, 2006 from <http://www.mathematica-mpr.com/publications/PDFs/addressmental.pdf>
- Goodwin, S. N., et al. (2001). The CalWORKS project: Overcoming mental health, alcohol and other drugs and domestic violence barriers to employment, six county case study, report #2, moving beyond implementation to identification and service. Retrieved September 6, 2006, from [http://www.cimh.org/downloads/calworks\\_sixcounty2.pdf](http://www.cimh.org/downloads/calworks_sixcounty2.pdf)
- Hamilton, G., et al. (2001). National evaluation of welfare-to-work Strategies: How wffective are different welfare-to-work approaches? Five-year adult and child impacts for eleven programs. MDRC. Retrieved September 6, 2006 from <http://www.mdrc.org/publications/64/overview.html>
- Jayakody, R., & Stauffer, D. (2000). Mental health problems among single mothers: Implications for work and welfare reform. *Journal of Social Issues*, 56(4), 617-634.

- Kessler, R. C., McGonagle, K. A., Zhao, S., Nelson, C. B., Hughes, M., Eshleman, S., et al. (1994). Lifetime and 12-month prevalence of DSM-III-R psychiatric disorders in the United States: Results from the National Comorbidity Survey. *Archives of General Psychiatry*, 51(8), 8-19.
- Kramer, F. (January 1999). Serving welfare recipients with disabilities. *Welfare Information Network*, 3(1). Retrieved September 13, 2006 from <http://www.financeproject.org/Publications/disabilitiesissue.htm>
- Lee, R., & Curran, L. (2003). Serving the "hard-to-serve": The use of clinical knowledge in welfare reform. *Journal of Sociology and Social Welfare*, 30(3), 59-78. Retrieved September 13, 2006, from Sociological Abstracts database.
- Moore, E. (2003). Responding to mental health concerns of people transitioning from welfare to work. In Moxley, D. P., & Finch, J. R. (Eds.). *Sourcebook of Rehabilitation and Mental Health Practice* (p. 433-444). New York: Springer.
- Stromwall, L. K. (2001). Mental health needs of TANF recipients. *Journal of Sociology and Social Welfare*, 28(3), 129-137. Retrieved September 13, 2006, from Sociological Abstracts database. Retrieved September 13, 2006 from <http://search.epnet.com/login.aspx?direct=true&db=aph&an=5473274>
- Stromwall, L. K. (2002). Mental health barriers to employment for TANF recipients. *Journal of Poverty*, 6(3), 109-120.
- Sullivan, M. K., & Larrison, C. R. (2003). Income barriers faced by individuals in receipt of temporary assistance for needy families (TANF). *Journal of Health & Social Policy*, 17(4), 15-35.

Blitz, C. L., & Mechanic, D. (2006). Facilitators and barriers to employment among individuals with psychiatric disabilities: A job coach perspective. *Work, 26*(4), 407-419.

- supported employment programs can help individuals with psychiatric disabilities to attain and maintain employment
- Job coaching is effective when support is ongoing

Bond, G. R., Becker, D. R., Drake, R. E., Rapp, C. A., Meisler, N., Lehman, A. F., et al. (2001). Implementing supported employment as an evidence-based practice. *Psychiatric Services*, 52(3), 313-322.

- This study is a literature review, not a systematic review
- Supported employment programs can help individuals with psychiatric disabilities to attain and maintain employment
- Does not talk about job coaching
- Supported employment is an evidence-based practice (existing RCTs & quasi-experimental studies show evidence)
- Need more research on long-term outcomes & cost effectiveness
- Components of successful supported employment:
- Competitive employment as an attainable goal for clients with severe mental illness
- Rapid job search to help clients get jobs directly, rather than a long pre-employment process (i.e., assessment, training, counseling, etc.)
- Ongoing support, indefinitely
- Supported employment program integrated with mental health treatment
- Client has to have employment as a goal – supported employment may not work otherwise.
- 60-70% of people with severe mental illness want competitive employment

Brown, R. (2001). Addressing substance abuse and mental health problems under welfare reform: state issues and strategies. National Governors Association Center for Best Practices – Social, Economic & Workforce Development Division. *Issue Brief*, 6/30/2001. Retrieved on September 6, 2006 from <http://www.nga.org/portal/site/nga/menuitem.9123e83a1f6786440ddcbeeb501010a0/?vgnnextoid=473c5aa265b32010VgnVCM1000001a01010aRCRD>

- Sponsored by NGA Center for Best Practices, funded by Robert Wood Johnson Foundation.
- Strategies recommended for screening, assessment, and referral processes (includes examples of other states that use these strategies):
  - Use trained specialists to conduct assessments and develop treatment plans.
  - Train TANF caseworkers and supervisors.
  - Develop aggressive outreach initiatives and opportunities for identification at other entry points.
  - Take timing into consideration.
  - Investigate sanctioned cases.
- Strategies for Helping Individuals Enter and Follow Through with Treatment Successfully (including a list of recommended screening/assessment instruments)
  - Reduce wait times between screening, assessment, and referral.
  - Monitor client's participation in treatment.
  - Use peers to extol benefits of treatment.
  - Ensure the availability of wraparound support services.
  - Offer the client incentives and rewards
  - Use the sanctioning process to identify clients needing additional services.
  - Expand slots in residential treatment programs that allow children to remain with parents.
- Strategies for Determining Appropriate Combinations of Work Activities and Treatment
  - Engage individuals in supported employment, part-time jobs, or other work experience.
  - Enhance treatment programs to include a work component and other services.
  - Adjust outpatient treatment services (and scheduling) to support work.
- Aligning Work and Time Limit Policies to Support Treatment
  - Consider treatment a "job readiness" activity for federal work requirements.
  - Count some or all time spent in treatment as a state work activity.

Crowther, R. E., Marshall, M., Bond, G. R., & Huxley, P. (2001). Helping people with severe mental illness to obtain work: Systematic review. *British Medical Journal*, 322, 204-208.

- This is a systematic review, examines randomized controlled trials that look at supported employment vs. standard community care
- Supported employment works better than prevocational training for people with severe mental illness for obtaining and maintaining competitive employment
- Supported employment works with diverse populations: women, ethnic minorities, and people with schizophrenia
- It works will for clients who have a desire to work

Danziger, S. K., Kalil, A., & Anderson, N. J. (2000). Human capital, physical health, and mental health of welfare recipients: Co-occurrence and correlates. *Journal of Social Issues*, 56(4), 635-654.

- Study of female welfare recipients, examined the prevalence of mental health disorders, substance abuse, and physical health or disability, and the co-occurrence of these issues with having insufficient education and work experience, and the relationship of these factors to employment
- Mental health and problems with insufficient education/experience are isolated about half the time, and are co-occurring with mental health issues the other half of the time
- Women who had insufficient education/experience, mental health issues and physical health problems had the lowest employment outcomes
- Female welfare recipients who were diagnosed with major depression had poorer employment outcomes than those who were not depressed
- Causation is unclear, due to multiple factors that can lead to depression, such as job loss and unemployment

Derr, M. K., Hill, H., & Pavetti, L. (2000). Addressing mental health problems among TANF recipients: A guide for program administrators, final report. Mathematica Policy Research, Inc. Retrieved on September 6, 2006 from <http://www.mathematica-mpr.com/publications/PDFs/addressmental.pdf>

- Recommends tools for identifying a clients employability – info beyond a mental health assessment
- Lists 5 factors associated w/successful mental health treatment: medication, community support/case management, self-will/self-monitoring, vocational activity (including school), and spirituality.
- Lists resources available for mental health clients in employment programs, with examples from other states.
- Does not make specific recommendations for screening & assessment, but does list some ways that many agencies do so. Recommends factors for agencies to take into consideration when deciding which clients get screened/assessed, who does the screening/assessing, & which instruments they use.
- Suggests mental health staff get trained on specific needs of welfare recipients, and welfare-office staff get trained on mental health issues.

Goodwin, S. N., et al. (2001). The CalWORKS project: Overcoming mental health, alcohol and other drugs and domestic violence barriers to employment, six county case study, report #2, moving beyond implementation to identification and service. Retrieved September 6, 2006, from [http://www.cimh.org/downloads/calworks\\_sixcounty2.pdf](http://www.cimh.org/downloads/calworks_sixcounty2.pdf)

- Six-county study by California Institute for Mental Health (CIMH). Counties studied: Alameda, Kern, Los Angeles, Monterey, Shasta, and Stanislaus.
- Best practices for identifying CalWORKs participants with AOD, MH, and DV issues:
  - Co-location of AOD/MH/DV staff at welfare sites
  - Presentations on AOD/MH/DV issues and services to CalWORKs participants
  - Training of CalWORKs and AOD/MH/DV staff
  - Enhancing back-door referrals
- Best practices that would be appropriate for any CalWORKs service system
  - Using multidisciplinary approaches
  - Providing case management
  - Providing childcare and transportation
  - Maintaining contact and providing services when specific AOD, MH, or DV services are refused
  - Providing clean and sober living environments for AOD and DV clients
- Promising practices (not “best practices” d/t lack of empirical data and the general newness of the area) for children in CalWORKs families
  - Using multi-disciplinary staff to address the multiple needs of CalWORKs/child welfare cases
  - Supporting general programs for CalWORKs children
  - Providing assistance to children of CalWORKs adults receiving AOD/MH/DV services

Hamilton, G., et al. (2001). National evaluation of welfare-to-work Strategies: How wffective are different welfare-to-work approaches? Five-year adult and child impacts for eleven programs. MDRC. Retrieved September 6, 2006 from <http://www.mdrc.org/publications/64/overview.html>

- MDRC is a nonprofit, nonpartisan social policy research organization with headquarters in New York City and a regional office in Oakland, California. This research was funded by a U.S. Department of HHS contract.
- Describes the long-term effects of 11 different mandatory welfare-to-work programs for single parents and their children, from the National Evaluation of Welfare-to-Work Strategies (NEWWS), a multiyear random assignment study focused on the question “What works best, and for whom?”
- One program — the Portland (Oregon) one — by far outperformed the other 10 programs in terms of employment and earnings gains as well as providing a return on every dollar the government invested in the program.
  - Initially assigned some clients to short-term education/training and others to job search. The majority of participants were in the job-search group.
  - Job-search clients were advised to wait for a good job, versus taking the first offered job
  - Mixed approach: blended job search with education or training
- This research project did not specifically state anything about mental health services in regards to welfare-to-work.

Jayakody, R., & Stauffer, D. (2000). Mental health problems among single mothers: Implications for work and welfare reform. *Journal of Social Issues*, 56(4), 617-634.

- Mental illness is a barrier to employment, especially when combined with low socioeconomic status
- A poor single mother with a psychiatric disorder is 25% less likely to be employed than one without a psychiatric disorder
- This study implies that individuals who have mental-health issues are also more likely to be unemployed or underemployed

Kessler, R. C., McGonagle, K. A., Zhao, S., Nelson, C. B., Hughes, M., Eshleman, S., et al. (1994). Lifetime and 12-month prevalence of DSM-III-R psychiatric disorders in the United States: Results from the National Comorbidity Survey. *Archives of General Psychiatry*, 51(8), 8-19.

- Prevalence rates of mental illness tend to decline with higher socioeconomic status

Kramer, F. (January 1999). Serving welfare recipients with disabilities. *Welfare Information Network*, 3(1). Retrieved September 13, 2006 from <http://www.financeproject.org/Publications/disabilitiesissue.htm>

- Reviews welfare-to-work programs in other states, and gives phone numbers to contact people running those programs.
- **Common problems faced by many states:**
  - **20-40% of TANF recipients have a chronic disability** that interferes with activities of daily living (ADLs) and/or instrumental activities of daily living (IADLs), and therefore impede their ability to work – these are the “hard to place” or “difficult” clients. Such disabilities include mental illness (not necessarily severe MI, but often untreated and/or misdiagnosed as noncompliance, and therefore debilitating); substance abuse; domestic violence (listed as a disability in this article, due to its debilitating effect); learning disabilities; developmental disabilities; and physical disabilities (i.e. muscular, skeletal, respiratory, etc.). Many states refer such clients to wraparound programs where multiple services are co-located, or to vocational rehab programs. Other states refer such clients to SSI (unclear as to how long they’re on SSI).
  - Sick leave and paid vacations were far less likely (sometimes only half as likely) to exist at jobs where a welfare-to-work mothers were employed, as opposed to employed mothers who had never been on welfare.
- **What other states are doing** (unfortunately, there is scant information on whether these initiatives are actually working):
  - TANF programs and Vocational Rehab programs **co-location** (or under the same umbrella agency), with **staff sharing resources** (i.e., assessment tools, professional expertise, client information, and sometimes funding). Other services that are sometimes also co-located include counseling, mentoring, substance-abuse rehab, and sometimes housing (where all of these services take place on-site).
  - **More training for case managers**, so they are more likely to recognize various disabilities early in the process.
  - **Contracting with private nonprofit agencies**, so that each agency covers a different portion of the county or state. Such agencies tend to have a greater ability to sustain one-on-one interaction with clients over a longer period of time than the often-overburdened County.
  - **Multidisciplinary teams:** social workers, case managers, psychologists, and job developers, with access to local medical, drug treatment and psychiatric facilities for services. Members of the teams do aggressive outreach, as well as home visits.

- **Creating a vocational rehab as a component of TANF**, for hard-to-place clients. Vocational rehab would then meet TANF requirements.
- **Screening every TANF applicant for potential referral to SSI** (requires training the case workers). Those who qualify for SSI can be referred to a contracted agency to help them apply for SSI.
- **Collaboration between vocational rehab and mental health agencies**, to refer individuals with severe mental illness to a non-profit Supported Employment contractor.

Lee, R., & Curran, L. (2003). Serving the "hard-to-serve": The use of clinical knowledge in welfare reform. *Journal of Sociology and Social Welfare*, 30(3), 59-78. Retrieved September 13, 2006, from Sociological Abstracts database.

- “States largely equate non-work with psychiatric disability and construct continued employability as an indicator of psychological health.”
- Some states, such as California, allow mental-health services to partially fulfill the mandated work participation rate requirements
- TANF population includes an underclass of participants with mental illness who have lower access to economic resources, especially if the participants are women, than their counterparts who do not have mental illnesses
- The so-called “hard-to-serve” TANF participants include many individuals with mental illness
- There is little research on the effectiveness of clinical interventions in moving such individuals from welfare to work

Moore, E. (2003). Responding to mental health concerns of people transitioning from welfare to work. In Moxley, D. P., & Finch, J. R. (Eds.). *Sourcebook of Rehabilitation and Mental Health Practice* (p. 433-444). New York: Springer.

- Over the past several years, welfare-to-work caseloads have diminished as many clients left welfare and became employed
- The remaining caseloads consist of the so-called “hard to serve” – those clients who have barriers to employment, such as a lack of education, limited job skills, and mental health issues
- As many as 42% of participants enrolled in the federal Temporary Assistance for Needy Families (TANF) program have mental health issues, and as many as 32% have very poor mental health
- The main mental health issues seem to be depression, bipolar disorder, post-traumatic stress disorder that is usually associated with domestic violence, anxiety disorder, agoraphobia, and mild mental retardation
- Mental health issues do not seem to prevent individuals suffering from working in a variety of jobs, from the low skilled and low paid to the high skilled and high paid
- Many states give exemption status to TANF recipients with mental health issues, or are referred to SSI in cases of severe mental illness
- In welfare-to-work programs, clients with mental health issues tend to get deferred or exempted.
- Recommends “immediate, concentrated support services not deferral and/or permanent exemption” for clients w/mental health issues, in a 3-step process within 30 days of determining eligibility (p. 441):
  1. Individual assessment
  2. Individual Responsibility Plans for those individuals ineligible for SSI, tailored to alleviate barriers to employment, and move the client toward employment. (Individuals with severe mental illness are eligible for SSI, and are therefore not included in this plan)
  3. Non-subsidized employment

Stromwall, L. K. (2001). Mental health needs of TANF recipients. *Journal of Sociology and Social Welfare*, 28(3), 129-137. Retrieved September 13, 2006, from Sociological Abstracts database. Retrieved September 13, 2006 from <http://search.epnet.com/login.aspx?direct=true&db=aph&an=5473274>

- TANF recipients are more likely to have mental health issues than nonrecipients
- Compared TANF recipients vs. nonrecipients for women ages 18-40 in rural Southwest who were receiving behavioral health services, and found increased likelihood for severe mental illness among the TANF recipients (i.e. a significant barrier to employment).
- Suggestions for addressing this issue:
  - Public welfare workers need extensive education on the dynamic of psychiatric disorders (training for case managers)
  - Case workers need to screen TANF clients for depression and other mental-health issues and make timely referrals for behavioral health treatment. Such clients may need assistance in following through with the referral.
  - Refer mentally ill TANF clients to SSI, if eligible, based on income and psychiatric disorder. The client may need extensive assistance in the SSI application process. Children of such clients may continue to receive TANF payments based on family income.
  - Clients need to receive supportive counseling throughout their stay on TANF, due to the extra stress of remaining TANF-eligible.

Stromwall, L. K. (2002). Mental health barriers to employment for TANF recipients.  
*Journal of Poverty*, 6(3), 109-120.

- Compared mental-health quality of life of TANF recipients vs. nonrecipients
- Identified barriers to employment for the TANF group
- Study of 487 women, aged 18-40.
- TANF recipients tend to have more mental-health issues than nonrecipients: more distress and functional limitations
- "TANF recipients who are psychiatrically disabled commonly experience specific barriers to employment that include ongoing psychiatric symptoms, psychotropic medication side effects, social stigma, and employer discrimination."

Sullivan, M. K., & Larrison, C. R. (2003). Income barriers faced by individuals in receipt of temporary assistance for needy families (TANF). *Journal of Health & Social Policy, 17*(4), 15-35.

- some mental health issues, such as depression, were not strong predictors of earned income