



Supported Employment Policy Bulletin - #2

For many people with a mental illness, employment is part of their recovery.

✓ The majority of people with severe mental illness want to work. Studies indicate that approximately 2 out of every 3 people with mental illness are interested in competitive employment, but less than 15% are currently employed.

Individual Placement and Support (IPS) supported employment is evidence-based.

✓ IPS, also known as evidence-based supported employment, helps clients in community mental health services to become a part of the competitive labor market. IPS is nearly three times more effective than other vocational approaches in helping people with mental illness to work competitively.

IPS is cost-effective.

✓ Severe mental illness is a leading contributor to the global burden of disease and constitutes the largest and fastest growing group of participants in Social Security disability programs. IPS is an excellent investment, with an annual cost of \$4000 per client in 2010 dollars.

✓ IPS is cost-effective when the costs of mental health treatment are considered. Several studies have found a reduction in community mental health treatment costs for supported employment clients, while other studies have found a reduction in psychiatric hospitalization days and emergency room usage after enrollment in supported employment. Service agencies that have replaced their day treatment programs with IPS have reduced service costs by 29%.

✓ Another promising line of research has examined the long-term reduction in mental health treatment costs when clients return to work. A 10-year follow-up study of clients with co-occurring severe mental illness and substance abuse disorder found an average annual savings of over \$16,000 per client in mental health treatment costs for steady workers compared to clients who remained out of the labor market.

✓ An enormously promising area for cost savings concerns young adults who are experiencing early psychosis. If supported employment were available, the nation could save \$368 million annually in Medicaid, Social Security and other federal and state programs.

IPS has a positive long-term impact on overall well-being.

✓ People who obtain competitive employment through IPS have increased income, improved self-esteem, improved quality of life, and reduced symptoms. Approximately half of clients who enroll in IPS become steady workers and remain competitively employed a decade later.

For references please refer to the: <http://www.dartmouth.edu/~ips/page40/page97/page142/files/ips-policy-brief-2.pdf>

For more information and resources about IPS supported employment please refer to: <http://www.dartmouth.edu/~ips/>