

ABSTRACT

Aims: The goal of this project was to develop a more effective, reliable, and evidence-based method to assess the ability of disabled persons to manage federal disability payments without a representative payee or other fiduciary. This paper describes the development of the FISCAL (Financial Incapability Structured Clinician Assessment done Longitudinally) measure of financial capability.

Methods: The FISCAL was developed by an iterative process of literature review, pilot testing, and expert consultation. Independent assessors used the FISCAL to rate the financial capability of 118 people who received Social Security disability payments, had recently been in acute care facilities for psychiatric disorders, and who did not have representative payees or conservators. The instrument's psychometric properties, inter-rater reliability, and agreement with other measures were then assessed.

Results: Altogether, 48% of participants were determined financially incapable by the FISCAL, of whom 60% were incapable due to unmet basic needs, 91% were incapable due to spending that harmed them (e.g. on illicit drugs or alcohol), 56% were incapable due to both unmet needs and harmful spending, and 5% were incapable due to contextual factors. As expected, incapable individuals had been hospitalized significantly more often for psychological problems ($p < .05$) and scored higher on a measure of money mismanagement ($p < .001$) than capable individuals. Inter-rater reliability for FISCAL capability determinations was good ($Kappa = .77$) and inter-rater agreement was 89%.

Conclusions: In this population, the FISCAL had construct validity as a measure of financial incapability, demonstrated good reliability, and correlated with related measures. Potentially, it can be used to validate other measures of capability and to help understand how people on limited incomes manage their funds.

BACKGROUND

- In 2011, 3.7 million Americans with mental impairments received SSI and/or SSDI benefits to provide for basic needs
- When people are incapable of managing money in their best interest, conservators, representative payees, or other fiduciaries are mandated to ensure funds are used to support clients
- Frequencies of incapability determinations (i.e. payee assignment) vary by locale in ways not accounted for by patient characteristics (Rosen, 2007)
- An OIG audit of random SSA beneficiaries with mental impairments concluded that up to \$200 million/year had been directed to people who could not manage the money as intended (SSA, 2012)

Participants

- Adults receiving inpatient or intensive outpatient program psychiatric services at study sites
- Managed their own SSI/SSDI benefits
- Had a current or past diagnosis of substance abuse or dependence
- Had a clinician willing to complete study assessments

Of the 138 people who were screened and consented to study procedures, 118 people completed all study assessments and were included in analysis

METHODS

FISCAL Instrument

- Masters-level raters use all available information to rate beneficiaries on four capability criteria
- Algorithm generates determination of capability
- Classified as financially incapable if criteria A or B are met and misspending is at least as likely as not to continue (criteria C)
- Raters use contextual factors to determine capability after considering results of algorithm

Criteria	Justification
Criterion A1: Basic needs have not been met	-Disability payments intended to help disabled people meet their basic needs for food, clothing and shelter
AND	
Criterion A2: Funds needed for basic needs were spent on something else	-Capable individuals use funds on basic needs before spending on nonessential items

Criterion B: Substantial funds spent on something that harmed the client

-Substance use historically used as criterion for assigning conservators or representative payees

-Grounded on the principle that benefits are intended to help individuals and should not harm them

Criterion C1: Past misspending (not meeting basic needs) is likely to continue

-Weigh, primarily and most heavily, past behavior to predict future behavior

Criterion C2: Past misspending (on harmful things) is likely to continue

-Consider planned interventions that could affect future spending behaviors

Contextual factors

- Examples:
- Impaired judgment and disorganized behavior
 - Someone else recommended or opposed payee assignment
 - Physical limitation compromises capability
 - New intervention likely to improve the client's funds management

RESULTS

48% of participants found to be financially incapable by FISCAL

Incapability Criterion :	% Who Met Criterion
Unmet Basic Needs	59.6%
Harmful Spending	91.2%
Both Unmet Needs and Harmful Spending	56.1%
Contextual Factors Criteria	5.3%

Concurrent Validity

	Incapable	Capable	P value
Age (mean)	44.3	47.4	NS
Gender			NS
Male	26	24	
Female	31	36	
Ethnicity			NS
White	32	36	
None-white	25	25	
Marital status			NS
Not married	51	54	
Married	5	5	
Years education (mean)	12.1	11.9	NS
Lifetime months treated in psych hospital (mean rank)	59.15	54.89	NS
Psychiatric Diagnosis			NS
Psychotic disorder	13	17	
All other psychiatric disorders	44	44	
Monthly income (USD)	929.69	1230.21	NS
Money Mismanagement measure (mean)	9.4	4.7	$\leq .01$
Beck Depression Inventory (mean)	26.4	20.5	$\leq .01$
No. days homeless in past 60 days (mean)	3.7	1.1	$\leq .05$
No. times hospitalized for psychological problem (mean)	12.0	7.5	$\leq .05$

Inter-Rater Reliability

	Not Capable	Capable	Total
Not Capable	22	2	24
Capable	3	17	20

Kappa = .770

Percent agreement = 88.6%

Mean Substance Use by Capability

	Incapable: Did not meet basic needs (n=35)	Capable (n=61)	P-Value (Mann-Whitney or Chi-Square)
ASI Alcohol Composite	0.21	0.09	$\leq .01$
ASI Drug Composite	0.10	0.05	$\leq .01$
% Any Use (past 28 days)			
Alcohol	53	20	$\leq .01$
Marijuana	21	13	NS
Cocaine	41	5	$\leq .01$
Any Above Substances	68	30	$\leq .01$
Times Treated – Alcohol (lifetime mean)	7.69	3.03	NS
Times Treated – Drugs (lifetime mean)	9.63	2.39	$\leq .01$

DISCUSSION

- FISCAL had acceptable psychometric properties
 - Inter-rater reliability in "very good" range (Regier, 2013)
 - Kappa better than most DSM-5 diagnoses (Freedman, 2013)
- FISCAL had evidence of convergent validity
 - Highly correlated with measure of money mismanagement
 - Weaker relationship with other constructs
- Findings suggest a need for further support and screening of this population to identify individuals who need assistance managing their benefits
- Routine screenings might prevent deleterious consequences of financial mismanagement and preclude need for a fiduciary by identifying problems earlier
- FISCAL has potential to make the capability assessment process fairer and more likely to identify people who need assistance managing their finances

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