

## Financial Wellness

Financial wellness involves having enough financial resources to meet basic needs as well as a sense of control over and knowledge of personal finances and affects wellness in all dimensions.

The conditions where you grow up, live, work, and age affect your mental and physical health and well-being. One such social determinant is poverty, which contributes to food insecurity, housing instability, financial stress, and poor health.

### *A Wellness Approach*

A wellness approach focuses on strengths and positive habits and routines, including creative and effective strategies people with extremely limited incomes use to make the most of the they have. This approach views how each wellness dimension affects the others. Financial wellness has far-reaching effects on emotional, social, physical, environmental wellness, and more, so supports should address and enhance multiple indicators of financial wellness.

*Objective* indicators are things you can measure, like income, debt, credit rating, and savings, as well as aspects of financial capability, such as knowledge about credit, financial products and services, financial planning, and budgeting.

*Subjective* indicators are more internal, so they're hard or impossible to measure: financial self-efficacy, a sense of control, satisfaction with one's current financial situation, and hope for the future, including a belief in the ability to reach personal financial wellness goals.

### *Financial Literacy*

Financial wellness is enhanced by financial literacy—the knowledge and skills needed to find, evaluate, understand, and use information to

manage personal funds and financial products. Having these competencies improves financial wellness and its effects on other dimensions of wellness and well-being. Money management is one component of financial literacy, but there's much more.

### **Check (✓) the items that you do often or always.**

- I have a good handle on my financial status.
- I have money on hand to meet my current expenses.
- I understand the issues of balancing my wants and needs, and balancing saving and spending.
- I balance my checkbook and audit my credit card statements.
- I pay my bills on time.
- I check my credit reports at least once a year.
- My savings are on track with my life goals.
- I have people I can turn to for good help with financial matters.

### **Tips**

Track what you spend! Remember: you can't make changes if you don't know where your money goes. Consider the difference between needs and wants. Start with categories, such as "I need to pay my rent" and "I want to get a new bicycle." Then look within categories: "I need to eat, especially foods for a healthy balanced diet, but I want to eat out, so I don't have to cook at home or pack my lunch." Reduce debt and improve your credit rating.



## Occupational Wellness

The definition of occupational wellness is having the opportunity to participate in activities that are meaningful and rewarding, providing meaning and purpose. This includes work, volunteer activity, leisure activities, hobbies and other activities that reflect personal values, interests, and beliefs while giving us pleasure and satisfaction.

For many adults, work is a large contributor to both wellness and identity and can be a critical step in the recovery process for people with mental health and/or substance use challenges.

Although most people diagnosed with a serious mental illness want to work, only 15% do. Paid work increases income and can improve financial wellness and wellness in many other dimensions.

### *Practical Tips*

If you are eligible, consider using a Supported Employment program for help finding a job. The workbook [Seeking Supported Employment](#) can help you decide.

If you provide behavioral health services, ask at every visit about the person's interest in working or what the person has been doing to make efforts to get a job, keep a current job, or find a more fulfilling job. Point out the negative effects of remaining in life-long poverty, just as you would for other risks to health.

Rather than asking "Do you want to work?" try asking, "If you were going to get a job, what would you like to do for work?"

Get or offer training on beneficial and effective strategies to encourage and support people to seek and succeed in an appealing job.

Advocate for policy and service changes to increase supports for employment, to eliminate barriers and disincentives, and to communicate a clear expectation that all service providers are responsible for reducing under / unemployment.

Remember that work is good medicine—it provides structure, purpose, something productive you do to earn an income enhancing financial wellness.

### References and Resources

Thanks to our colleagues and co-authors for their contributions, as represented in the reference citations below. Illustrations are listed online as free for reuse without attribution from pixabay.com

Some of the practical tips for financial wellness are part of a 6-session curriculum that is available for free: Nemeć, P. B., Swarbrick, M., Cook, J. A., Jonikas, J. A., & Jiménez-Solomon, O. (2019). *Building Financial Wellness (Facilitator's Guide and Participant Workbook)*. Freehold, NJ, Collaborative Support Programs of New Jersey, Inc. & University of Illinois at Chicago Center on Mental Health Services Research and Policy. Download from <https://www.center4healthandsdc.org/building-financial-wellness.html>

*Other references for the articles in this issue:*

- Brandow, C. L., Swarbrick, M., & Nemeć, P. B. (2020). Rethinking the causes and consequences of financial wellness for people with serious mental illnesses. *Psychiatric Services*, 71(1), 89-91. doi: 10.1176/appi.ps.201900323
- Brice, G., Jr. (2018). Wellness benefits of a Social Security exit plan. *Psychiatric Services*, 63(3), 257-258.
- Caplan, M. A. (2014). Financial coping strategies of mental health consumers: Managing social benefits. *Community Mental Health Journal*, 50, 409-414.
- Cole, M. B., & Nguyen, K. H. (2020). Unmet social needs among low-income adults in the United States: Associations with health care access and quality. *Health Services Research*, 00, 1-10. doi: 10.1111/1475-6773.13555
- Marrone, J., & Swarbrick, M. (2020). Long-term unemployment: A social determinant underaddressed within community behavioral health programs. *Psychiatric Services*, 71, 745-748. doi: 10.1176/appi.ps.201900522
- [https://soarworks.prainc.com/sites/soarworks.prainc.com/files/SOAR\\_and\\_Employment\\_Integration\\_Infographic.pdf](https://soarworks.prainc.com/sites/soarworks.prainc.com/files/SOAR_and_Employment_Integration_Infographic.pdf)
- <https://www.prainc.com/wp-content/uploads/2019/05/FinancialWellness-508.pdf>
- <https://www.center4healthandsdc.org/seeking-supported-employment.html>
- The "if you were going to get a job" question comes from Jennifer Thorson.

