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Pathways to Assignment of Payees

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Abstract

How clients come to be assigned representative payees and/or conservators to manage their funds is not well understood. We compared clients assigned a payee during a clinical trial of a money management-based intervention to those not assigned payees and examined antecedents to payee assignment. One year after randomization, significantly more clients assigned to the ATM money management intervention were assigned payees than participants in the control condition (10 of 47 vs. 2 of 43; $p=.02$); those assigned payees had lower baseline GAF scores and participated more in study therapies. Several ATM clients were assigned payees after third parties paid more attention to clients' finances, and others after having negotiated storage of their funds with the ATM money manager during the study. Assignment of payees appears to be influenced by whether third parties critically attend to how clients' manage funds and by clients' receptiveness to having a payee.

Keywords

Dual diagnosis; case management; substance abuse; Social Security

Introduction

A representative payee is assigned to clients who are judged to be incapable of managing their funds by the Social Security Administration. Using similar criteria for incapability, probate judges may mandate that a conservator be appointed to manage a client's funds (Rosen & Rosenheck, 1999). Clinicians may initiate payee or conservator assignment by identifying clients as incapable but how and when clinicians do so is not well understood. In one study, the concordance between clinician judgment of capability and a semi-structured interview was only 71%, and 24% of participants who did not have a payee were rated as incapable of managing their funds by their treating clinicians (Black et al., 2008).

Rates of payee assignment vary widely across sites (Hanrahan et al., 2002; Rosen, McMahon, & Rosenheck, 2007). The most important site feature determining assignment of payees appears to be the availability of someone to serve as a payee. In a survey of Illinois facilities, clients were three times more likely to be assigned a representative payee if they were treated at a mental health center with a payee program than if their mental health center did not have one (Hanrahan et al., 2002). In an organizational survey of ACT programs in Indiana, rates of payee assignment were not associated with staff pessimism about client outcomes or by fidelity to an Assertive Community Training model; among organizational

measures, only having less educated staff was associated with more assignment of representative payees (Moser & Bond, 2009).

The demographic factors associated with assignment of a representative payee have been quantitated. Use of agency control, including payee assignment, has been associated with the proportion of clients with a schizophrenia spectrum disorder (Moser & Bond, 2009). In a large multisite cohort, having experienced coerced financial management was associated with being male, and with having a psychotic diagnoses, lower overall functioning and less insight (Monahan et al., 2005). In a large survey of homeless mentally ill clients, those with payees were more likely to have schizophrenia and higher clinician-rated drug and alcohol abuse severity (Rosen et al., 2007).

One client level factor that might influence payee assignment is the extent to which clients want, or at least are not vehemently opposed to, the assignment of a payee. In a survey of clinicians treating Veterans in psychiatric hospitals, approximately twice as many clinicians endorsed a statement favoring assignment of a payee *if the Veteran agreed* than endorsed payee assignment *regardless of whether the Veteran agreed* (unpublished data from study Rosen et al., 2003). Surprisingly, the role of client willingness to accept payee assignment has not been emphasized in the literature on how clients come to be assigned payees. The predominant narrative, summarized in a description of case managers' and clients' perspectives on payeeship, has been that most clients are assigned a payee against their will but nevertheless come to like having a payee better over time (Dixon, Turner, Krauss, Scott, & McNary, 1999). This mixture of feelings of coercion but also satisfaction with payee assignment has been described in ongoing payee relationships too (Rosen, Desai, Bailey, Davidson, & Rosenheck, 2001), with other reports separately emphasizing satisfaction (Rosen et al., 2003) and others emphasizing conflict and violence (Elbogen, Swanson, Swartz, & Van Dorn, 2005).

In order to understand the client-level processes at the critical time when clients come to be assigned representative payees, we conducted a quantitative and qualitative analysis of data from a published study in which 90 clients with substance use and psychiatric disorders were randomly assigned to a money management-based intervention or a workbook control. In that study, 12 of the 90 clients randomized went on to be assigned a representative payee a year after randomization. In this analysis, we compared the clients assigned payees to those not assigned payees and examined the specific circumstances around payee assignment in individual clients.

Methods

Parent Study Design

The parent study has been published (Rosen et al., 2010) and will be briefly summarized here. Participants were in treatment at a community agency, had a history of cocaine and/or alcohol abuse, at least \$450/month income and GAF scores below 65. Clients were excluded who had a payee or conservator or for whom there was a plan to assign one.

Ninety clients were randomly assigned to nine months of treatment with a money management-based intervention called ATM (Advisor Teller Money Manager) or to a control condition that involved completing a financial workbook. ATM is described in detail on the website "Financial Approaches to Behavioral Change" (www.behaviorchange.yale.edu) and involves weekly meetings at which clients plan and review budgets, receive counseling to avoid spending money on drugs and alcohol, and plan activities for the week.

Clients in ATM have the option of arranging for their funds or their checkbooks to be stored by the money manager in an account that can only be accessed by the money manager. Although the arrangement has some similarity to a representative payee arrangement, it differs in that it is voluntary, temporary, and the client can have his/her funds withdrawn from the account and dispensed within two working days. The ATM money manager shares information with the primary treating clinician, including information about the client's substance use and financial affairs. ATM is intended to benefit clients by restricting access to their funds (Shaner et al., 1995), encouraging budgeting for expenditures that facilitate abstinence from substances (Thaler, 1999), and providing substance abuse counseling. In the main published analysis, clients randomized to ATM used less cocaine over time than those assigned to the control condition (Rosen, Rounsaville, Ablondi, Black, & Rosenheck, 2010) and were more likely to wait for a delayed larger reward on a delay discounting task (Black & Rosen 2010).

Measures and Analysis

Study assessments collected prior to randomization included a Structured Clinical Interview for DSM IV-R (First, Spitzer, Gibbon, & Williams, 1996) to determine psychiatric diagnoses and the Global Assessment of Functioning Scale (GAF) (Spitzer, Gibbon, & Endicott, 2000). The sections of the Addiction Severity Index Version V (McLellan et al, 1992) needed to compute composite scores indicating psychiatric, drug and alcohol use severity were completed (Alterman, Brown, Zaballero, & McKay, 1994; McGahan, Griffith, Parente, & McLellan, 2009). A year after randomization, at the final study assessment, clients were asked whether they had been assigned a payee and/or conservator.

Clinical information about the circumstances surrounding payee assignment was obtained from research staff who oversaw the study intervention. The participants described in the vignettes have been substantially disguised to prevent an individual from being identified. The study was approved by the Yale School of Medicine Institutional Review Board, and participants provided informed consent.

Differences between participants who went on to be assigned payees and those who were not were determined by t-tests and chi-square, with alpha set at .05 for determining statistical significance.

Results

Differences Between Participants Assigned Payees and Those Not Assigned Payees

The twelve participants assigned payees did not significantly differ from those not assigned payees in most measures. Overall, mean age was 42.5 years; exactly half were male. With regard to race, 38% described themselves as Caucasian and 49% as African American. Most were poor with 86% receiving SSI or SSDI. There were no differences by payee assignment in the composite scores in the legal (overall mean =.06), drug (mean =.09) and alcohol (mean =.14) domains of the Addiction Severity Index.

The only measure of psychiatric condition that differentiated the two groups was the GAF score (mean of 39.7 among those assigned payees vs 45.6 in controls, $t = 2.17$, $p = .03$). There were no between-group differences in ASI psychiatric composite score, proportion with Schizophrenia (43%), Bipolar Disorder (19%) or Depression (32%).

Altogether, 10 out of 47 clients assigned to ATM were assigned a payee within a year, and only 2 of 43 in the control condition were ($\chi^2(1)=5.37$, $p=.02$). Assignment seemed related to amount of participation in ATM, as the ten ATM clients assigned payees were

significantly more likely to attend therapy sessions than the ATM clients not assigned payees (mean 36 sessions vs 18.8, $t=2.6$, $p = .025$).

Circumstances Around Payee Assignment After Limited Participation in ATM Therapy

Three participants in ATM were assigned payees after third parties became aware of how their funds were spent. One had changed her address several times, at one time having the ATM program pay her rent and subsequently changing to another address. She had reported that she had not received a check which in fact she had received one and cashed it. The Social Security office assigned her a representative payee because of the difficulty seeing that her check had been received. A second participant had accumulated substantial funds during a stay in a rent-free facility and during a subsequent hospitalization, told the ATM therapist that she planned to use her accumulated funds to travel extensively. This planned travel concerned her clinical providers who initiated conservatorship so her funds would not be misspent. A third participant had money management initiated by the Housing Authority after failing to pay his rent.

Circumstances Around Payee Assignment in Patients with Sustained Psychosis

Two participants in ATM were assigned payees after severe and persistent psychosis necessitating sustained hospitalizations. One of these participants was hospitalized following aggressive behavior related to his money management.

Circumstances Around Payee Assignment After Active Participation in ATM Therapy

Participant One: A young woman living in the park stopped using cocaine during the first three months of ATM and saved several hundred dollars. She used some of the savings for things she enjoyed and was saving to move into an apartment. She began depositing funds with the ATM account that she had obtained from a friend, but did not tell the ATM therapist the source of these funds. She eventually had to give her friend his money back, and without this money, she could not afford to move to an apartment. She and her treaters decided to have a local agency serve as her representative payee.

Participant Two: A young man had a sister who supplemented his Social Security income with deposits to his ATM account. However, the young man spent his money on alcohol, drugs and other things. His sister did not like the way he was spending his money. The young man felt pressured by a pending eviction from his apartment, and agreed to have this sister serve as his representative payee.

Participant Three: An older client with a psychotic disorder and daily crack use enrolled in ATM when threatened with eviction from his apartment. The ATM therapist made several financial interventions including paying the client's bills, storing his food stamp card, directly making purchases for him, and limiting his access to unspent funds. However, the client continued to use cocaine and was evicted from his apartment. A new apartment was found but the client was evicted from that one too. At a meeting with his clinicians, the client agreed to have his case manager assigned to be his payee.

Participant Four: A young man used his money to buy cocaine, and dinner and gas for his friends. He started depositing money with the ATM program when threatened with eviction from his apartment. He wanted to save his money for schooling. He wanted to go to school and manage his own affairs, and did not like the idea of being assigned a payee, but eventually decided that having a local agency serve as his payee gave him the best chance to stay housed.

Participant Five: A middle-aged woman enrolled in ATM after having given several thousand dollars to a store as a down payment on a purchase she could not afford. The ATM therapist helped her recover the money and deposit it in the ATM program account. However, over the next four months, the money was spent on drugs, and other impulsive purchases. During the subsequent months, restricted to her Social Security payments, the client lamented having dissipated several thousand dollars and the toll her lifestyle was taking on her. The client concluded she needed more restrictions on her spending and arranged for a local agency to serve as her payee.

Comment About Five Clients Assigned Payee After Active Participation in ATM Therapy

There are several noteworthy features of the paths clients who stored funds in ATM took to representative payee assignment. One is that because of their poverty, misspending very quickly led to the concrete and painful prospect of homelessness, providing motivation to accept a payee. Another noteworthy feature is that clients' experience with the voluntary money management experience in ATM was not wholly pleasant, but it was tolerable and promising enough for several clients to accede to having a payee assigned. Our impression was that some clients had the hope that with a more restrictive representative payee managing funds, their clinical situation could be improved. A third noteworthy feature of these cases is that in each instance, there was no substantial delay in finding a payee; there was a readily available representative payee or payee program available.

Discussion

The disproportionate assignment of payees to clients assigned to ATM suggests that the well-documented inconsistency in payee assignment (Ries & Comtois, 1997; Hanrahan et al., 2002; Rosen et al., 2002) is mutable and responsive to intervention. This is remarkable in that payee assignment was not a goal of the ATM intervention and had not been conceived as part of it.

ATM appeared to facilitate assignment of payees in two main ways: by involving third parties and by giving clients experience with money management. ATM clients' finances were discussed with third parties: clinicians, the local Social Security office, and staff involved in housing programs. This appeared to heighten third parties' awareness of financial transactions (changes of address, loss of checks, worrisome expenditures) that might not otherwise have received as much attention. It is likely the extra attention to financial matters had a kind of Hawthorne effect, in that studying the problem increased efforts to address it.

Another way ATM facilitated payee assignment was that ATM appeared to make clients more willing to accept payee assignment. Clients' discussion of finances in ATM makes them more aware of the financial implications of their day-to-day transactions (Serowik, Bellamy, Rowe, & Rosen, In Press) and can motivate clients to have their finances managed better. The finding that clients assigned payees were more likely to have had their funds stored suggests that the experience of having someone else store funds was, at least in this context, not unpleasant. In surveys of clients who have representative payees, clients generally rate their money managers as being helpful around budgeting and controlling spending (Rosen, et al., 2001; Rosen, Bailey, Dombrowski, Ablondi, & Rosenheck, 2005). ATM also involves a less coercive intervention than payee assignment, and may give clients more of a sense that payee assignment is something they have had a part in selecting instead of seeing it as a decision imposed on them. These findings highlight the importance of how financial interventions, including payeeship, are initiated. More controlled research is needed to determine the best way to initiate clients to payeeship and other financial interventions.

The findings with such a small sample are only preliminary. There is considerable heterogeneity in clients' paths to payee assignment, ranging from a client who assaulted the money manager to several who negotiated a transition to a payee after having a relatively positive experience of ATM. Findings in this small sample may not generalize to other locations, or to therapies other than the specific money management therapy ATM. The differential assignment of payees to ATM clients might be accounted for by other aspects of ATM such as pressure from the ATM therapist or overall psychiatric worsening, although other analyses suggest this was unlikely. There was no significant difference in ATM participants psychiatric functioning or self-reported symptoms over time compared to those of controls and ratings of feeling coerced by the money manager were very low.

Further research is needed to elucidate the process of payee assignment in routine clinical settings, and to determine the impact of payee assignment on dually diagnosed beneficiaries. These findings suggest that voluntary money management interventions may more generally raise awareness of clients who need additional money management help, and make some clients more ready to accept that help in the form of a representative payee.

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