

## **SCAF/15/02 – Understanding the impacts of welfare policy on health: A novel data linkage study**

Government policies, including those that are not related to the NHS, have major impacts on health. The recent global economic downturn has illustrated that when employment conditions change, a range of negative and positive impacts are possible. For example, infectious diseases and suicides increased rapidly in Greece after economic recession and austerity policies. Disadvantaged communities are often most adversely affected by these changes, creating 'health inequalities'. Decisions made about employment policy and the welfare state, such as the amount of money you can receive from the state upon becoming unemployed, have large effects on health. These effects can be lifelong - for example, by influencing lifestyle behaviours that are adopted (such as smoking) or through the direct 'scarring' effect on mental and physical health. The relationship between work and health is complicated - unemployment (or poor quality jobs) can cause poor health, but poor health may itself act as a barrier to employment.

An improved understanding of the different health barriers to work is required to develop interventions which keep people with long-term health conditions in work if appropriate, or help them return-to-work if they lose their job. Recently, there has been considerable concern about how reforms to the welfare state, such as limiting eligibility to disability-related benefits, may be damaging to health but evidence is lacking. Research is therefore needed to study the impacts of the UK government's welfare policy on health and health inequalities.

To date, studying the effects of welfare policy on health in the UK has been difficult. The ideal study would collect information on the health, work and welfare benefits of a large number of people (including unemployed and other 'hard-to-reach' people) over time. However, carrying out such a study using traditional methods, where individuals are recruited into a research study, would be prohibitively expensive and time-consuming. This fellowship will therefore use the approach of 'data linkage', to bring together anonymised information that is routinely collected for administrative purposes by the NHS and the Department for Work & Pensions (DWP). This will allow a better understanding of how people's employment status (for example if they are employed, unemployed, or are out of work due to ill-health) and receipt of welfare benefits affect their health.

There will be three phases to the fellowship. In the first phase, the Work and Pensions Longitudinal Study, which has information on all types of benefits administered by the DWP (e.g. job seekers allowance), will be linked to health information (e.g. dates and causes of death, reasons for hospital attendance, medications prescribed) for residents of Scotland. The health needs of people claiming different types of benefits and how employment changes over time following the onset of a long-term health condition will be assessed. In the second phase, the pathways between welfare benefits, employment and health will be investigated - for example, by studying the effects of 'zero hours' contracts on health. The third phase will evaluate the health impacts of specific recent UK welfare reforms. Throughout the analyses, rigorous and innovative statistical methods will be used to allow the

effects of specific policy reforms themselves (such as the replacement of incapacity benefit with employment and support allowance) to be determined.