### Supplementary Table 1. The construction and values of the study variables.

| Construction | Values | Register |
|--------------|--------|----------|
| **Diagnosis** | Schizophrenia (International Classification of Diseases 10th Revision, ICD-10 code F20) or bipolar disorder diagnosis (ICD-10-codes F30-F31) during years 2006–2013. | Schizophrenia / Bipolar disorder | The National Patient Register and Micro-Data for Analysis of the Social Insurance System (MiDAS) register |
| **Main activity of the year** | Statistics Sweden categorized people as employed when they received income from work above a limit, which approximates whether one has been working at least one hour in a week. People who were unemployed, on parental leave, on sick leave (as gross days), on disability pension (as gross days) or on old-age pension over half of the year, who received more than half of their disposable income from student benefits or from social assistance and the remaining individuals (categorized as “other”) were categorized as such. | Employed / Student / Parental leave / Unemployed / Social Assistance / Other / Sick-leave / Disability Pension / Old-age Pension | Longitudinal Integration Database for Health Insurance and Labour Market Studies (LISA) |
| **Employment** | Employment was defined based on the main activity of the year (see preceding row). | Employed / Not Employed | LISA |
| **Age** | Age reached 31/12 each year. | For the Tables categorized as 18–24 / 25–34 / 35–44 / 45–54 / 55–64. In the GEE analysis, age was used as a continuous variable. | LISA |
| **Gender** | | | LISA |
| **Education** | The highest level of education reached was put into three categories: Low (compulsory school, 9 years of education or less), Middle (upper secondary education, 10–12 years of | Woman / Man Low / Middle / High | LISA |
| **Marital Status** | For marital status, people were divided into the categories married or cohabiting and others. | LISA |
|-------------------|------------------------------------------------------------------------------------------|-----|
| **Immigration Status** | Immigration status was defined as whether the person was born in Sweden. | LISA |
| **Municipality Employment Rate** | Municipality employment rate was defined as the percentage of people in each municipality whose main activity of the year was defined as employed. | LISA |
| **Age at First Diagnosis** | The age of first diagnosis of F20–F29 in the schizophrenia cohort or F30–F31 in the bipolar disorder cohort as the main diagnosis | The National Patient Register and the MiDAS register |
| **Substance Use Disorder Diagnosis** | Register diagnosis of ICD-10 codes F10–F19 since the year 2001 and until the year in question (2006–2013) | The National Patient Register and the MiDAS register |
| **Psychiatric Hospitalizations** | Hospitalizations with a main diagnosis of F01–F99 starting from five years before the beginning of the follow-up (from the year 2001) until the year in question | The National Patient Register |

- Married or Cohabiting / Other
- Born in Sweden / Born in another country
- Lowest 25% of municipalities / Middle / Highest 25% of municipalities.
- In the GEE analysis, used as a continuous variable.
- < 25 years / 25–34 years / > 35 years
- Yes / No
- No hospital care / 1–2 hospitalizations / 3–5 hospitalizations / > 6 hospitalizations