

Applying Behavioral Science to Human Services Programs

The Behavioral Interventions to Advance Self-Sufficiency (BIAS) Project

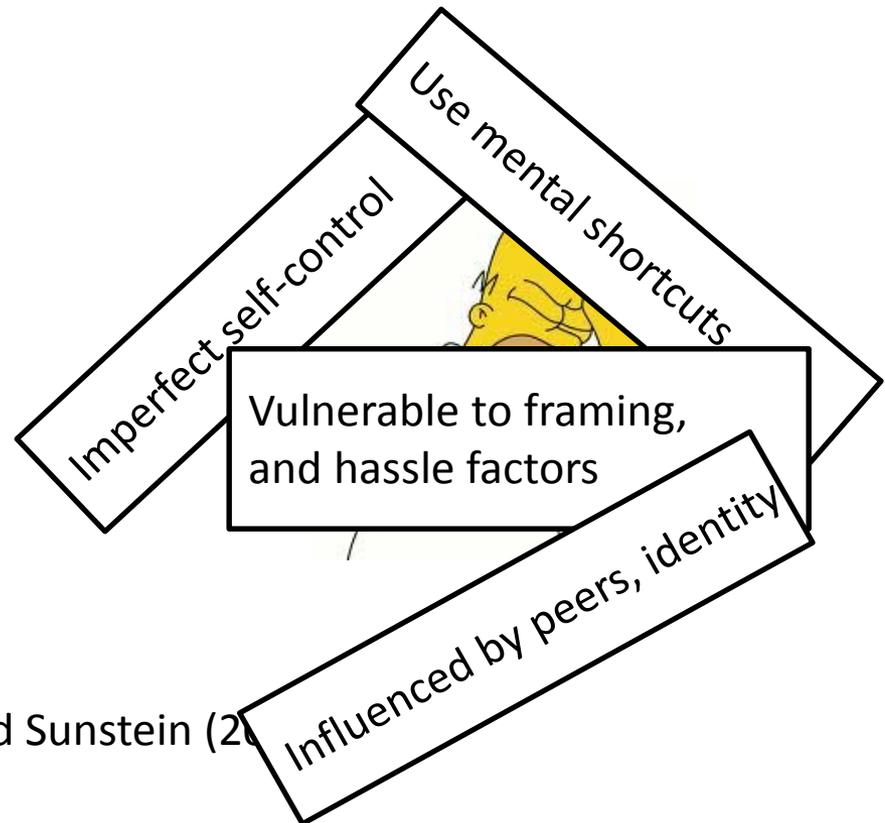
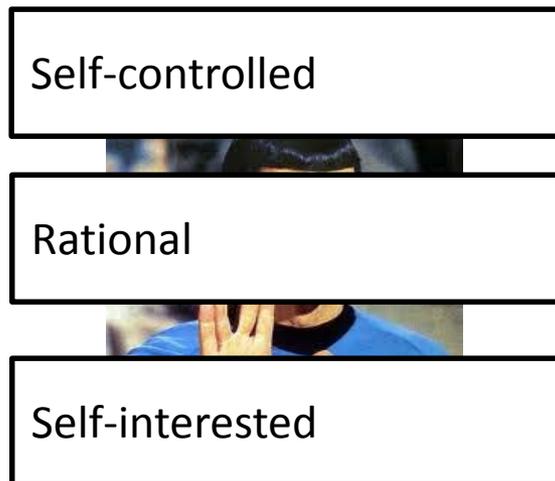
Nadine Dechausay, MDRC
October 15, 2015

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What is Behavioral Economics?

- A mix of psychology and economics that challenges the “traditional” view of human behavior

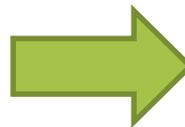


Thaler and Sunstein (2008)

Why it matters

- Behavioral bottlenecks may interfere with people doing things that are in their self-interest and the interest of society

The image shows a portion of the FAFSA form, specifically the 'Step One' section. It includes questions 1 through 30, covering personal information, contact details, and financial aid eligibility. The form is titled 'FAFSA FREE APPLICATION FOR FEDERAL STUDENT AID' and includes the FAFSA logo and the text 'START HERE TODAY! FEDERAL STUDENT AID ONLINE @ FAFSA.EDU'. The questions are numbered and include checkboxes and input fields for various pieces of information.



The image shows a simplified 'STUDENT AID SHORT FORM'. It is divided into two main sections: 'STUDENT INFORMATION:' and 'FINANCIAL AID QUESTIONS:'. The 'STUDENT INFORMATION:' section includes fields for Last Name, First Name, MI, Street address, City/State/ZIP code, Date of birth (Month, Day, Year), and Social Security Number. The 'FINANCIAL AID QUESTIONS:' section includes 'FAMILY SIZE' and 'INCOME IN 2012 \$'. The form is designed to be a quick and easy way to provide basic information for financial aid purposes.

- 10 pages
- 100 questions + 72 pages of instructions

- 2 questions
- Will save families more than 100 million hours a year!

The BIAS Project

Sponsored by the Federal Office of Planning, Research and Evaluation in the Administration for Children and Families

Applies behavioral principles to large-scale, human services programs

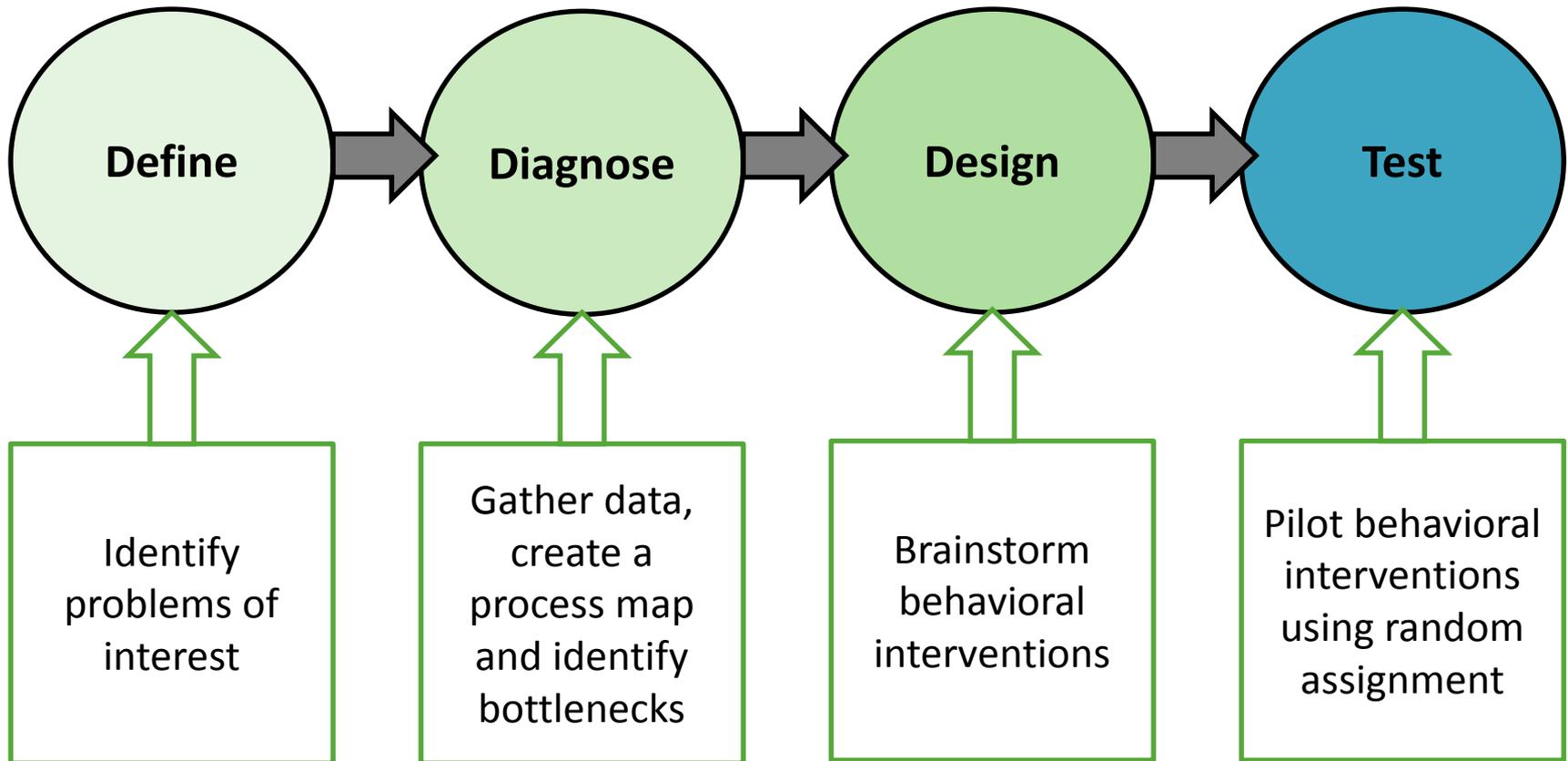
Investigates problems using a method of Behavioral Diagnosis and Design

Develops quick, sustainable, inexpensive changes focused on immediate outcomes

Overview of BIAS Pilots

	Site	Problem Focus
Child Support	Texas	<ul style="list-style-type: none"> Order modification for incarcerated parents
	Ohio (Franklin County)	<ul style="list-style-type: none"> Payments on current support
	Ohio (Cuyahoga County)	<ul style="list-style-type: none"> Payments on current support Early payment behavior
	Washington	<ul style="list-style-type: none"> Order modification for incarcerated parents
Child Care	Indiana	<ul style="list-style-type: none"> Selection of quality-rated providers Improved CCDF redetermination process
	Oklahoma	<ul style="list-style-type: none"> On-time redetermination of CCDF voucher
TANF	Los Angeles	<ul style="list-style-type: none"> Reengagement
	Paycheck Plus*	<ul style="list-style-type: none"> Engagement in supplemental meeting

Behavioral Diagnosis and Design



Source: ideas42 worked with MDRC in the early stages of the project to create the behavioral diagnosis and design framework used in the project.

Using Behavioral Strategies to Increase Reengagement into LA's Welfare-to-Work Program

Background

- ❖ In 2009, California temporarily exempted from its welfare-to-work program TANF families with: 1) One young child 12 to 23 months old; or 2) Two or more children under age 6
- ❖ In 2013, this exemption ended and counties had until December 2014 to “reengage” those formerly exempted
- ❖ Reengagement process
 - 60 days prior to meeting: sent participants a 3-page notice
 - 30 days prior: sent 10-page packet with appointment date and time
 - 10 days prior: Automated reminder call
 - 3 days prior: Case manager attempts call

Step 1: Define the Problem

- ❖ For early cohort of participants invited in for reengagement appointment:
 - Only about half eventually showed up for appointment
 - 60% entered noncompliance
 - 15% were sanctioned
- ❖ Questions:
 - Can LA County increase the rate who show up?
 - Can County reengage participants sooner?
 - Can County reduce sanction rate?

Step 2: Diagnose

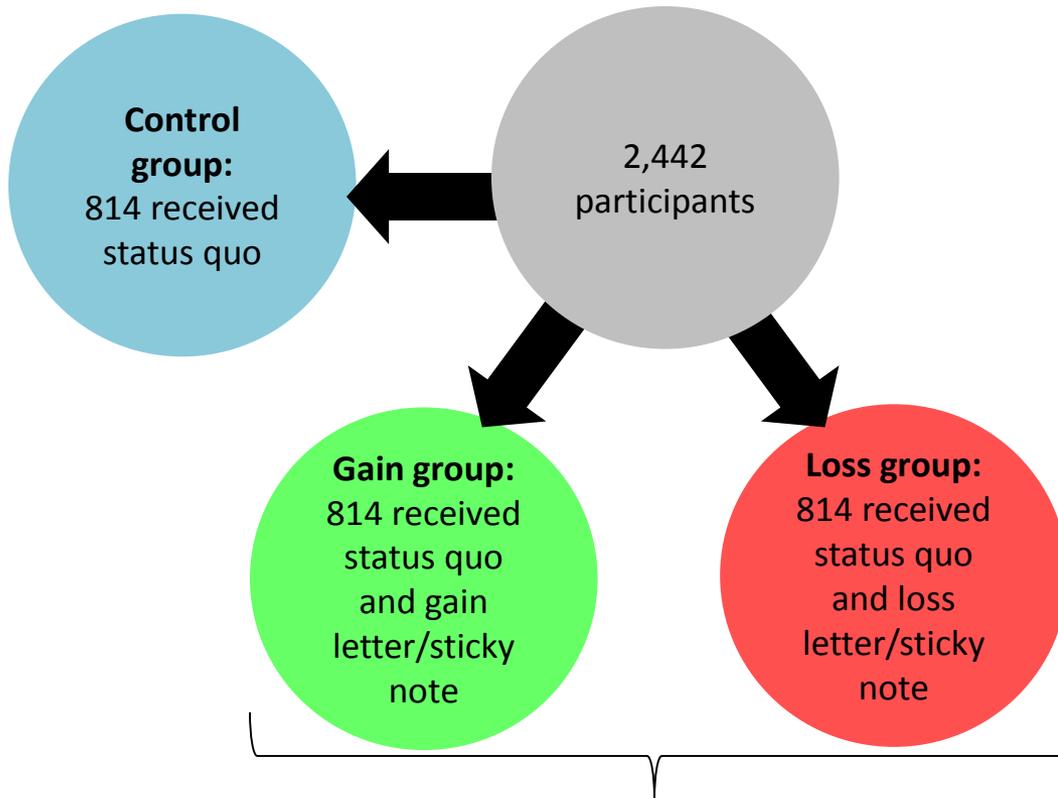
Bottleneck	Behavioral Concept
May not understand complicated, detailed materials	<ul style="list-style-type: none">• Cognitive Load• Limited Attention
Is accustomed to receiving TANF with no mandate to participate	<ul style="list-style-type: none">• Status Quo Bias• Ostrich Effect
May have planned to attend, but forgot or changed mind	<ul style="list-style-type: none">• Prospective Memory Failure• Procrastination
May have wanted to attend, but had problems getting to meeting	<ul style="list-style-type: none">• Hassle Factors• Limited Information
Faced more pressing concerns	<ul style="list-style-type: none">• Psychology of Scarcity

Step 3: Design

- ❖ Created two behavioral [simplified, salient] letters
 - Gain notice: highlighted benefits of attending meeting
 - Loss notice: highlighted losses of not attending
- ❖ Created personalized sticky notices (post-its) from case manager [established sense of reciprocity]
 - Gain sticky notes: highlighted benefits
 - Loss sticky notes: highlighted losses

Step 4: Test

The Los Angeles pilot was evaluated using a three-way random assignment design...

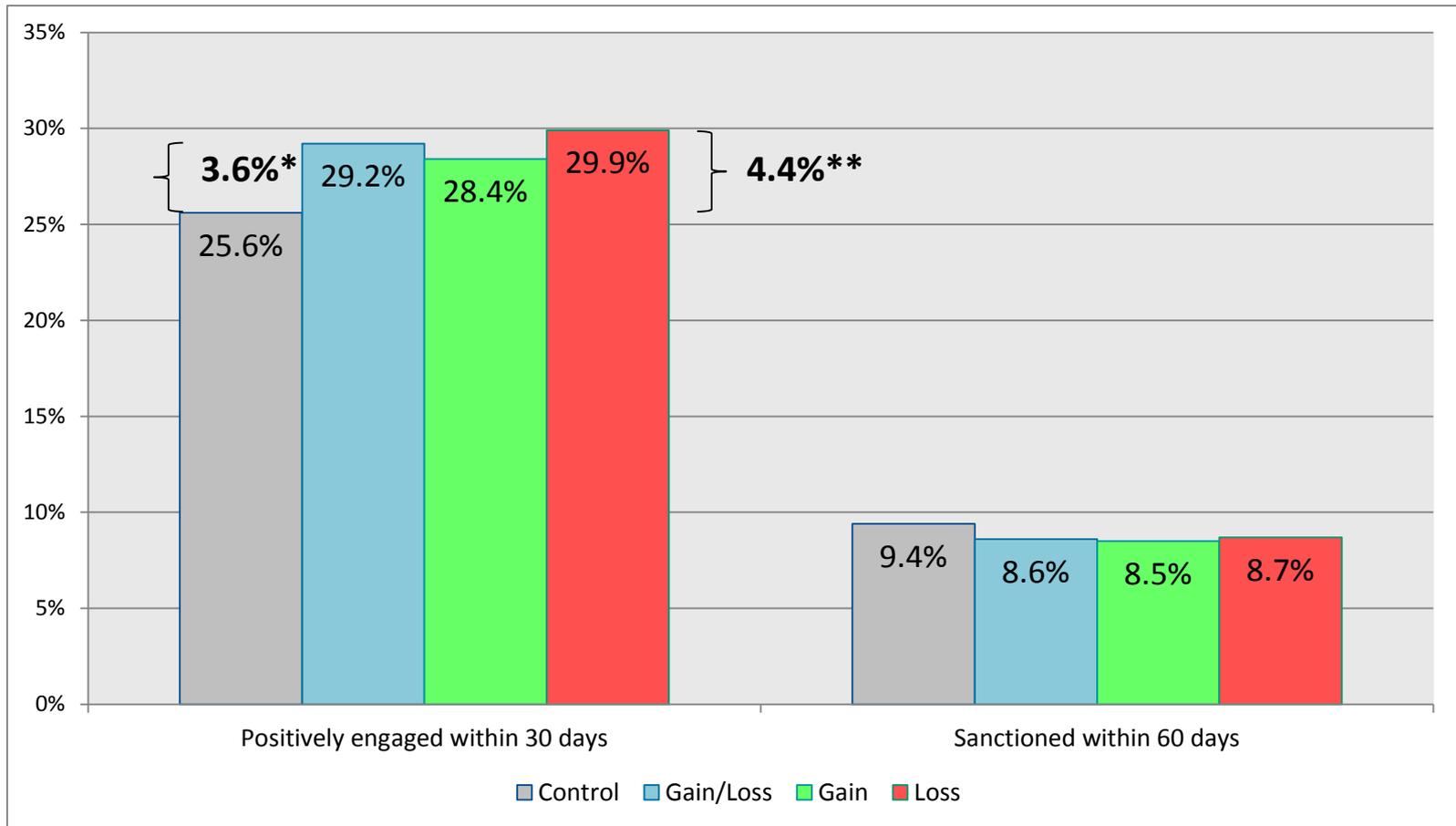


Sample size: Any behavioral notice = 1,628

Primary outcomes of interest

- Rate positively engaged in welfare-to-work program
- Rate of sanction

Findings

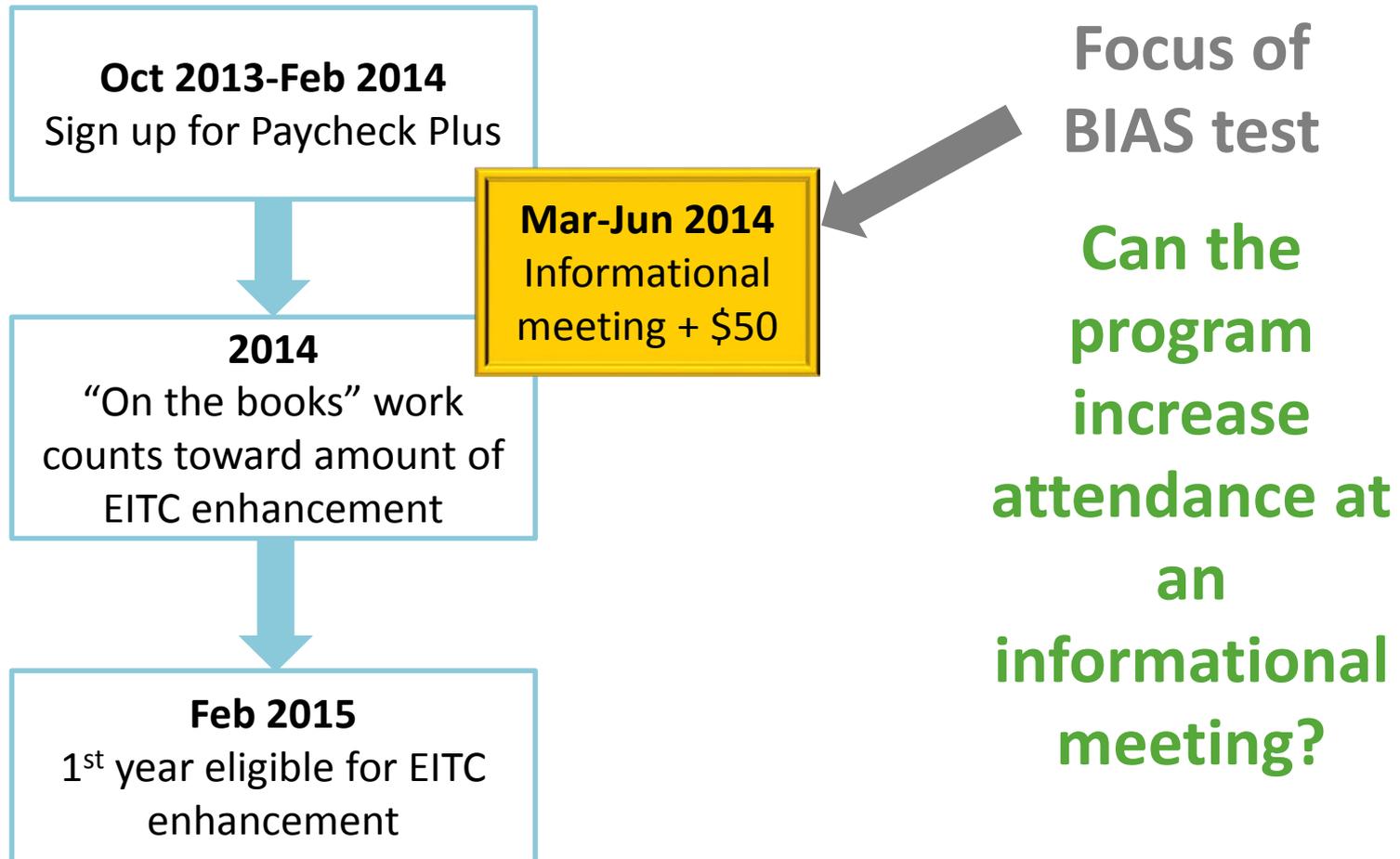


The Power of Prompts: Using BE to Encourage Participation

The Paycheck Plus Demonstration

- ❖ **Paycheck Plus — evaluating an EITC-like earnings supplement in New York City**
 - ❖ Offers a more generous maximum benefit — \$2,000 rather than \$496 — to single workers making up to \$18,000
 - ❖ Extends benefit eligibility from single workers making less than \$15,000 up to those almost making \$30,000
- ❖ **Random Assignment evaluation**

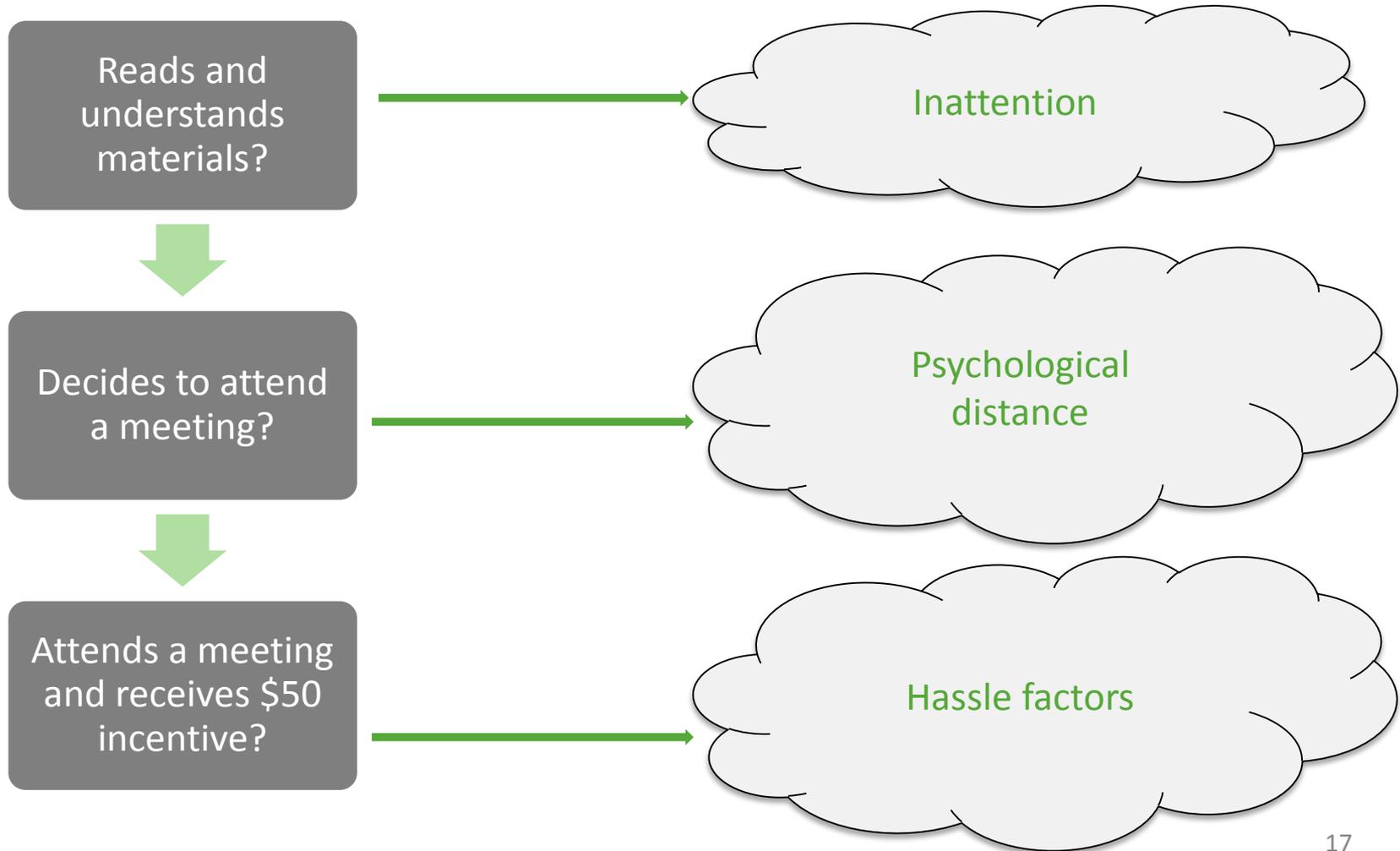
Step 1: Define Problem



Program group members may not understand the incentive or may forget.

Step 2: Diagnose

Steps to attending an informational meeting



Step 3: Design (1)

Eligible to receive EITC supplement in 2015-2017
N=2,978

<u>RESEARCH DESIGN</u>		
	Text message	No text
Behavioral	Group 1 Two Behavioral Postcards and Weekly Text Messages N=737	Group 2 Two Behavioral Postcards Only N=740
Standard	Group 3 Two Standard Postcards and Weekly Text Messages N=745	Group 4 (control) Two Standard Postcards Only N=756



39 Broadway, 10th floor
New York, NY 10006

Non-Profit
Org.
U.S. Postage
PAID
Syracuse, NY
Permit #1550

Standard Postcard

PAYCHECK PLUS JUST GOT BETTER

Stop by a Food Bank office to get information about Paycheck Plus a

\$50 GIFT CARD!

It only takes a few minutes!

Si desea esta información en español por favor llame al 212-340-4480



FOOD BANK FOR NEW YORK CITY LOCATIONS NEAR YOU

COME TO FOOD BANK OFFICES listed here between March 11 and April 9 to receive

- More information about the Paycheck Plus bonus
- And a \$50 gift card

COME IN TODAY TO LEARN MORE!

For other locations or questions call
646-981-6111

- Capital One Bank**
356 Fulton St., 2nd Fl., Brooklyn, NY 11201
Tue-Wed, 10am-7pm | Thu, 10am-8pm | Sat, 9am-5pm
- Bed-Stuy Restoration Plaza**
1392 Fulton St., Brooklyn, NY 11216
Tue-Wed, 10am-5pm | Thu, 10am-6pm | Sat, 9am-2pm
- St. George Santander Bank**
15 Hyatt St., 3rd Fl., Staten Island, NY 10301
Tue-Thu, 12pm-7pm | Sat, 9am-5pm
- Northern Manhattan Improvement Corp.**
76 Wadsworth Ave., New York, NY 10033
Tue-Thu, 12pm-7pm | Sat, 9am-5pm
- Community Kitchen and Pantry of West Harlem**
252 W. 116th St., New York, NY 10026
Tue-Thu, 9am-3pm | Sat, 9am-3pm

Endowed progress effect

Implementation prompt

Limit choices



SIGN UP FOR PAYCHECK PLUS – DONE!

Follow these 3 easy steps to get your \$50 gift card and much more...



Choose a location and time to visit by March 29

Check off one location:

Community Kitchen & Pantry of West Harlem
252 W. 116th St., New York, 10026

Northern Manhattan Improvement Corp.
76 Wadsworth Ave., New York, 10033

MON	TUES	WED	THU	FRI	SAT
closed	9-3	9-3	9-3	closed	9-3

MON	TUES	WED	THU	FRI	SAT
closed	12-7	12-7	12-7	closed	9-5

Write down when you will go: Date Time AM/PM



Stop by and have a short conversation with Food Bank staff to learn how you can earn a \$2000 bonus next year



Get your \$50 gift card!

For other locations or questions call 646-981-6111



39 Broadway, 10th floor
New York, NY 10006

**PAYCHECK PLUS MEMBERS:
WITH THIS POSTCARD
\$50 IS YOURS**

All you need to do is come to a Food Bank office by **MARCH 29, 2014.**

Don't miss out!

Si desea esta información en español, por favor llame al 212-340-4480

Activate loss aversion

Highlighted deadline

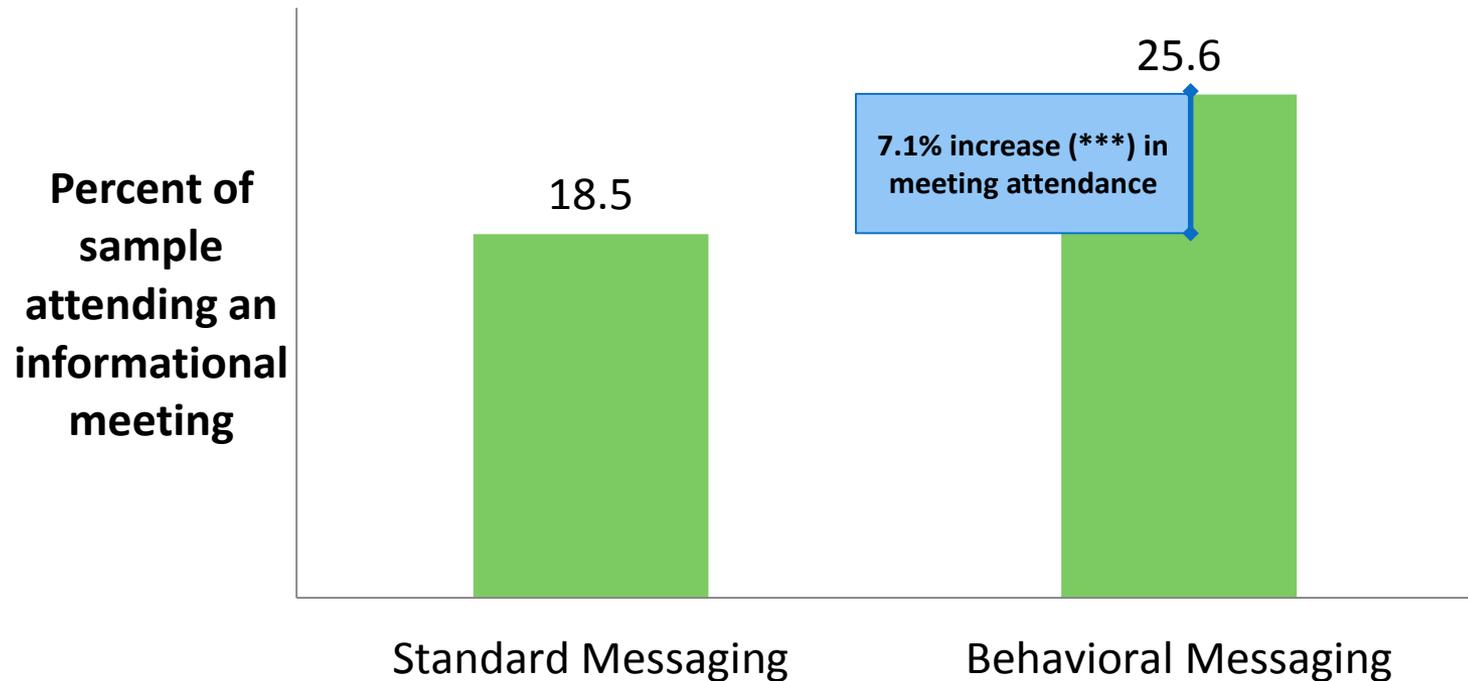
Behavioral Postcard

Step 4: Test (1)

- ❖ Factorial design used to explore the impact on meeting attendance for messaging type, delivery mode, and the two in combination
 - Does behavioral messaging increase the percentage of participants who completed an informational meeting, relative to the standard messaging?
 - Does “postcards with text messages” perform better than postcards alone?

	Text message	No text
Behavioral	Group 1	Group 2
Standard	Group 3	Group 4 (control)

Step 4: Test (1)



Step 4: Test (1)



BIAS Next Generation has launched

- Awarded September 2015
- Led by MDRC in collaboration with MEF Associates and Dr. Larry Katz of Harvard and J-PAL North America
- Build on lessons of BIAS and go beyond BIAS by:
 - Working with additional ACF programs
 - Moving beyond changing communications, greater emphasis on changing the choice architecture of program and policy design
 - Focusing on translating findings into practical lessons for human services practitioners

For More Information

- ❖ **Contact MDRC's Center for Applied Behavioral Science with questions or comments**
 - be.info@mdrc.org
- ❖ **Read our published reports:**
 - Behavioral Economics and Social Policy: Designing Innovative Solutions for Programs Supported by the Administration for Children and Families
 - Taking the First Step: Using Behavioral Economics to Help Incarcerated Parents Apply for Child Support Order Modifications
 - Reminders to Pay: Using Behavioral Economics to Increase Child Support Payments
 - Power of Prompts: Using Behavioral Insights to Encourage People to Participate
- ❖ **Sign up for the Behavioral Buzz at MDRC's website!**

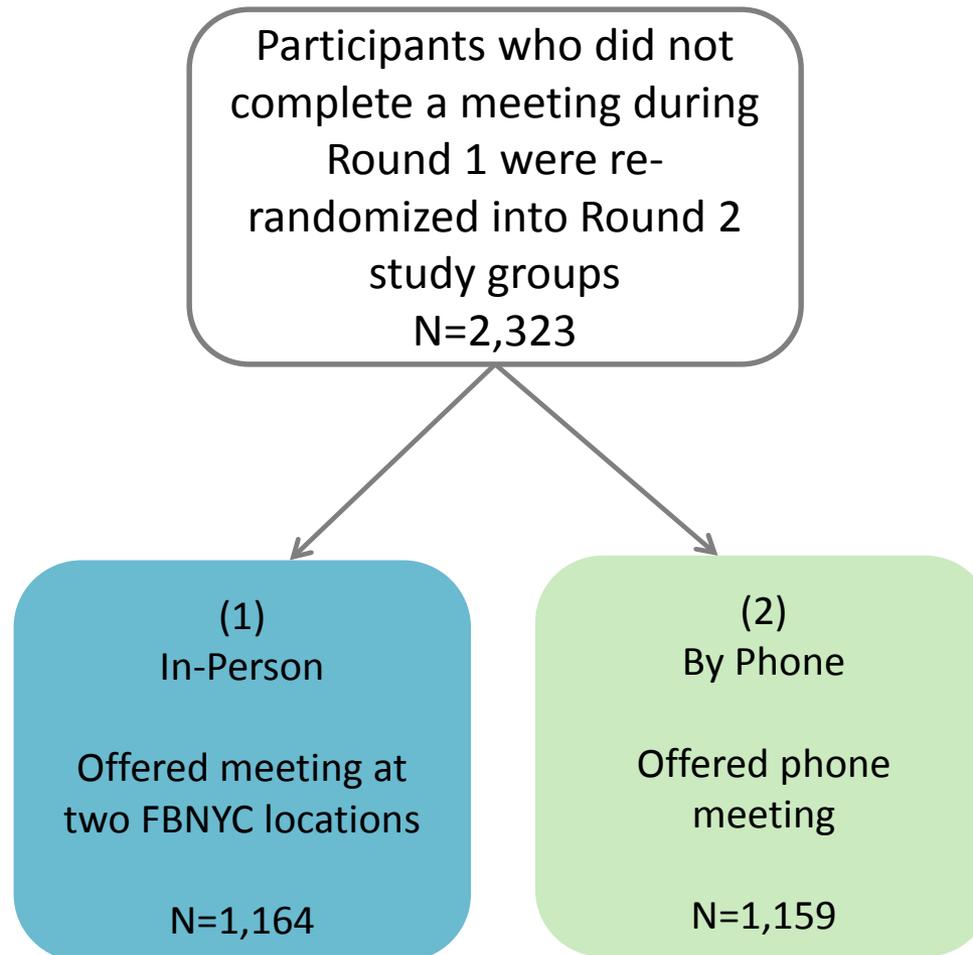
Supplementary Slides

Iterate!

Step 2: Diagnosis (2)

- ❖ Re-examine bottlenecks by looking at the process we created with the first intervention, as well as pre-existing factors
- ❖ Main re-design decision: remove hassle factors associated with attending meeting in person
- ❖ Created identical materials and scripts for email, text, letter, and robocall outreach that use behavioral concepts- only difference is whether participant invited to **call in** for the meeting, or **attend in person**

Step 3: Design (2)



Step 4: Test (2)

- ❖ Sent outreach two times per week

➤ Example:

Week 1	Tuesday: Email	Friday: Letter
Week 2	Tuesday: Text	Saturday: Robocall

- ❖ Randomly assigned remaining program group members- 50% to each condition

Step 4: Test (2)

