Welcome!

This is an email blast about behavioral economics and the Behavioral Interventions to Advance Self-Sufficiency (BIAS) project, which is funded by the Administration for Children and Families’ Office of Planning, Research and Evaluation. The goal of BIAS is to adapt and apply tools from behavioral science to improve the well-being of low-income children, adults, and families.

Behavioral Insight

Use Visual Cues

While providing people with information is important, in many cases it is not enough to ensure that they make the best decisions, even by their own standards. Changes to the environment may be needed to promote good choices, and to make the consequences of bad choices more apparent. This is called changing a situation’s choice architecture.

Studies in cafeterias and grocery stores have investigated ways of getting people to make healthier food choices by altering the choice architecture. One recent study in a hospital cafeteria combined new labeling with rearranging the physical location of healthy items. Researchers used the traffic light color system to communicate the nutritional value of foods to customers. They labeled foods in which the main ingredient was a fruit, vegetable, whole grain, or low fat protein as “green,” and foods that were high in saturated fat or calories as “red.” Moderately healthy foods were labeled “yellow.” The new labeling was combined with a strategy of placing green foods in prominent, convenient locations. The intervention resulted in statistically significant increases in the number of green, healthy items.
purchased, and reductions in the number of red, unhealthy items purchased. These effects were still detected two years after the intervention ended.

Administrators of human services programs may be able to help clients make better choices by applying choice architecture principles. For example, they could revise a letter so that critical information (like a deadline or mandatory action) is displayed in a large box in the center of the page. They could go a step further by changing the color of the box to red when the client is at risk of missing a critical deadline or needs to do something immediately. The advantage of this approach is that it can be used in mass communications, reducing the burden on staff of preparing individualized messages, while still giving clients important feedback about their actions.

**Accomplishments**

Using “Traffic Light Colors” as a Cue to Act

The BIAS team is working with the Oklahoma Department of Human Services (DHS), which oversees Oklahoma’s child care subsidy program. BIAS is collaborating with DHS administrators to include traffic light colors as one of several new components in program communications. The goal is to increase the proportion of parents who submit their child care subsidy redetermination paperwork on time. Data suggest that only about a third of families in Oklahoma renew on time. A comparable number renew after their subsidy ends, during a 30-day grace period.

The BIAS team has developed behaviorally-informed modifications to the recertification process for both clients and child care providers.

For clients, new BIAS materials include an early alert postcard (featuring the color green), a redesigned renewal notice (printed on yellow paper), and a late reminder postcard (with red lettering). The early postcard directs clients to begin collecting the documents needed to renew. Both the early postcard and the renewal notice include a timeline graphic (see below) that highlights the client’s current step in the process and uses the tri-color alert scheme.
In addition, some providers will receive behaviorally-designed materials that explain and provide ongoing reminders about the renewal process and ways they can assist parents, and list the names of clients coming up for renewal with their deadlines. Each month providers will receive color-coded lists of clients – a green list of clients coming up for renewal in two months, a yellow list of clients coming up for renewal in one month, and a red list of clients who have less than three weeks to renew. In short, as the deadline for recertification approaches, the color scheme shifts to signal the increasing risk of missing the deadline.

These color-coded materials are designed to help clients and providers overcome the *psychological and temporal distance* between the present and a deadline in the future. The redetermination deadline is made salient through a series of color-coded reminders. The reminders also address *procrastination* by repeatedly drawing attention to the need to act. They also address *inattention* and *cognitive load* by simplifying the description of the renewal process and emphasizing key actions on which clients can focus.

BIAS is conducting a random assignment evaluation of these modifications. Two groups of parents will receive either the client- or provider-side intervention. A third group of parents will receive both interventions. A fourth, control group of parents will get the materials DHS normally sends out. Thus, the study design is as follows:
The pilot test in Oklahoma began in April 2014, and will run for four months.

**What's Next**

- The first BIAS report, *Behavioral Economics and Social Policy*, was published in April 2014. The report provides an overview of behavioral science, explains the process by which BIAS project teams diagnosis behavioral bottlenecks and design interventions, and describes three case studies from the project’s early work.

- A short report will be published this summer that shares the results of the BIAS pilot with the Texas Office of the Attorney General that aimed to increase requests for child support modifications by incarcerated non-custodial parents.

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3. The red late reminder postcard is not mentioned in the prior two communications to avoid triggering clients to procrastinate completing the renewal process until they receive this final notice.