

Behavioral Insights for Child Support: Lessons from the BIAS Project

Research in behavioral science has shown that small changes in the environment can make it easier for people to act and make decisions that support their goals. The Behavioral Interventions to Advance Self-Sufficiency (BIAS) project, launched in 2010, was the first major project to apply behavioral insights to the human services programs that serve poor and vulnerable families in the United States. The project was sponsored by the Office of Planning, Research and Evaluation of the Administration for Children and Families in the U.S. Department of Health and Human Services, and led by MDRC. The goal of the project was to learn how tools from behavioral science could be used to deliver program services more effectively and, ultimately, improve the well-being of low-income children, adults, and families. The BIAS project targeted three domains: child support, child care, and work support.

In child support programs, parents must often make complicated decisions with little information in a context where emotions can run high. Such situations can affect both the quality and speed of decision making. Behavioral science can ameliorate some of the impact that such environments might have on decision making, while also providing a new way of thinking about questions that child support staff often confront, such as: Why do some parents fail to attend order establishment hearings (where a child support amount can be set), or forget to bring paperwork that would help with the calculation of an accurate child support order? Why do noncustodial parents who have fallen on hard times sometimes fail to contact the child support office to apply for an order modification to which they may be entitled, or fail to access employment referral services?

The BIAS team worked with three states to design eight tests related to child support. The interventions focused on two issues: child support order modifications and collection of payments.

Problem Focus 1: Order Modifications

When parents with child support orders are incarcerated, they often have a limited ability to make payments, which may lead to a high accumulation of debt. In many states, incarceration is considered a valid reason for reducing the amount of child support owed, but many par-

ents do not apply for a modification of their child support order. The BIAS sites in Texas and Washington focused on encouraging these parents to submit a modification application to lower their child support order amounts while incarcerated.

Problem Focus 2: Collections

Some noncustodial parents who owe child support do not make their monthly payments, incurring debt for themselves and decreasing the financial support that the child and the custodial parent receive. Federal child support regulations require that, for parents who are employed, payments be automatically deducted from their paychecks through income withholding; in all states, this method yields the majority of collections. However, some parents who owe child support are not working, are self-employed, or are not in the formal labor market and, therefore, do not have paychecks from which payments can be automatically deducted. Those parents need to submit a payment each month proactively. The BIAS team aimed to improve payment rates among this group of parents in two Ohio counties.

The following pages describe each site's problem of interest, behavioral intervention design, and findings. The first two site descriptions are about tests related to order modifications in Texas and Washington, and the next two are about tests related to collections in Ohio.

BEHAVIORAL INTERVENTIONS TO ADVANCE SELF-SUFFICIENCY



Child Support: Texas

DEFINE.

When parents who owe child support are incarcerated, they have limited ability to make payments, which can lead to the accumulation of significant child support debt. In Texas, these parents can apply for a modification to their child support order, which may reduce the amount they owe. The Texas Office of the Attorney General (OAG) Child Support Division had previously mailed information about this option to parents, but less than a third of them applied for a modification. The goal of the BIAS intervention was to increase the number of incarcerated parents owing child support who applied for a modification.

DIAGNOSE & DESIGN.

In order to successfully apply for a modification, parents need to open and understand the letter from the OAG, fill out an application and get it notarized by the law librarian, and submit the application. Participation can drop off at every step of the way. The BIAS team focused on several key bottlenecks early in the process: parents may avoid materials from the agency, believing they contain negative information; may be overwhelmed by

the complexity of the information; or may intend to respond but forget.

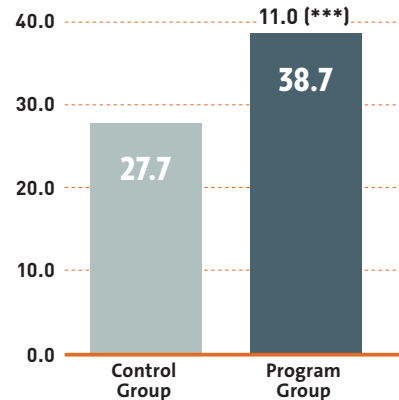
In order to address the identified bottlenecks, the team designed several changes to Texas's outreach. First, the OAG mailed a postcard to parents to increase their awareness about modifications, before they received the full packet of information. Second, the existing packet of information was drastically simplified and pre-populated with information the OAG had on file. Third, the OAG sent another postcard a few weeks after the packet was sent to remind those who had not yet responded.

TEST & FINDINGS.

Participants were randomly assigned to either the program group, which was sent the packet of behaviorally informed materials (n = 941), or to the control group, which was sent the standard OAG materials (n = 963).

The redesigned outreach increased the application completion rate to 38.7 percent, a statistically significant 11 percentage point increase over the control group's completion rate of 27.7 percent. The added

SUBMITTED COMPLETE APPLICATIONS (%)



NOTE: Statistical significance levels are indicated as: *** = 1 percent; ** = 5 percent; * = 10 percent.

behavioral components cost less than \$2 per program group member.

CONCLUSION.

The redesigned materials produced a statistically significant increase in the number of completed applications at relatively low cost. Program administrators hope that this is an important first step in a causal chain hypothesized to increase the likelihood that, on release, formerly incarcerated parents will resume supporting their children financially. A later BIAS study in Washington was conducted to partially replicate and build upon these findings.

FOR MORE DETAILS, SEE THE FULL REPORT:

Taking the First Step: Using Behavioral Economics to Help Incarcerated Parents Apply for Child Support Order Modifications



The Behavioral Interventions to Advance Self-Sufficiency (BIAS) project was the first major opportunity to use a behavioral economics lens to examine programs that serve poor and vulnerable families in the United States.



Child Support: Washington

DEFINE.

When parents who owe child support are incarcerated, they have limited ability to make payments, which can lead to significant accumulation of child support debt. In Washington, these parents can apply for a modification to their child support order, which may reduce the amount they owe. However, the state does not have a systematic, agency-wide policy to inform incarcerated parents that they may be eligible for a modification. In collaboration with the Washington State Division of Child Support (DCS), this intervention aimed to increase the number of incarcerated parents owing child support who applied for and received modifications to their child support orders.

DIAGNOSE & DESIGN.

In order to successfully receive a modification, parents need to request the paperwork from DCS, fill out the application correctly, and submit the application to DCS. The BIAS team identified a few potential factors preventing a successful application: (1) parents may not know that a modification is possible; (2) parents may not understand the costs of inaction and thus consider the request for a modification a low priority; and (3) they may

struggle to complete and submit the required paperwork, given the complexity of the forms and up-front costs in money and effort.

The team designed a sequence of behaviorally informed materials that provided incarcerated parents with a series of supports at different points in time to make them aware that they may be eligible for an order modification and to move them from intention to action. The materials included notifications and reminders through electronic messages, all the paperwork and a postage-paid return envelope needed to request a modification, and a tip sheet providing clear and succinct guidance on how to fill out the modification request.

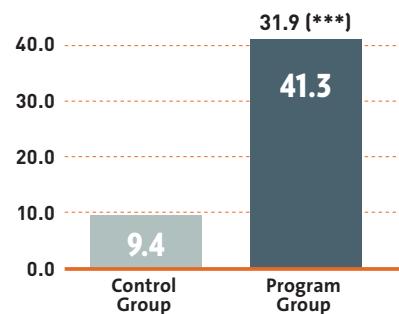
TEST & FINDINGS.

Participants were randomly assigned to either the program group, which was sent the sequence of behaviorally informed materials (n = 411), or the control group, which continued receiving the status quo level of sporadic outreach (n = 416).

The intervention increased the percentage of parents requesting a modification from 9.4 percent to 41.3 percent, a statistically significant 31.9 percentage points. The intervention also resulted in a statistically significant 16 percentage point

increase, from 2.3 percent to 18.3 percent, in the number of incarcerated parents actually receiving a modification to their child support orders within a three-month observation period. The estimated cost of sending the BIAS materials to the program group was \$10.46 per program group member.

SUBMITTED APPLICATIONS (%)



NOTE: Statistical significance levels are indicated as: *** = 1 percent; ** = 5 percent; * = 10 percent.

CONCLUSION.

The statistically significant impact on requests for modifications echoes the results of a prior BIAS child support study in Texas, which also found impacts on requests for modifications. Furthermore, it builds on those results by demonstrating that behaviorally informed messaging can also increase the percentage of parents who actually receive modifications to their child support orders.

FOR MORE DETAILS, SEE THE FULL REPORT:

Simplify, Notify, Modify: Using Behavioral Insights to Increase Incarcerated Parents' Requests for Child Support Modifications



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Child Support: Franklin County, Ohio

DEFINE.

For some parents who owe child support, a portion of their employment income is withheld automatically to cover part or all of those payments. But among parents whose income is not withheld, some do not make regular payments. The BIAS team, in collaboration with the Franklin County Child Support Enforcement Agency (Columbus, OH), evaluated interventions that aimed to increase the percentage of parents who made a payment on their own (among those whose income was not withheld), and to increase the dollar amount of total collections per parent.

DIAGNOSE & DESIGN.

The BIAS team identified several major bottlenecks that were potentially limiting payments: (1) parents may not be sent a reminder to pay; (2) if they are, they may not open or understand the reminder; (3) they may decide not to pay; and (4) they may decide to pay but fail to budget effectively, forget to pay, or encounter other obstacles.

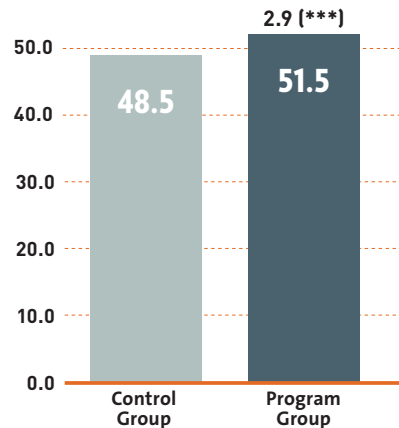
The team developed a variety of payment reminders that incorporated behavioral principles, including mailed notices and robocalls.

TEST & FINDINGS.

The team conducted two random assignment evaluations, of four months each. First, parents not already being sent reminders were split into five program groups, each given different combinations of reminders (total n = 13,095), and a control group that received no reminder (n = 2,620). The second evaluation targeted parents who were already being mailed monthly payment reminders. A new, behaviorally informed notice was sent to parents in a program group (n = 1,480), and the state's existing notice was sent to parents in a control group (n = 9,261).

The reminders in the first evaluation, on average, increased the number of parents who made at least one payment to 51.5 percent, a statistically significant increase of 2.9 percentage points over the 48.5 percent rate of the control group. However, there was no significant increase in total collections per person, suggesting that these additional payments were small. There were also no significant differences in the effectiveness of the various reminders that were evaluated. In the second evaluation, the redesigned payment reminder notice did not significantly increase the number of parents paying or the dollar amount of payments, compared with the existing state

TEST 1: PARENTS MAKING A CHILD SUPPORT PAYMENT (%)



NOTE: Statistical significance levels are indicated as: *** = 1 percent; ** = 5 percent; * = 10 percent.

reminder notice. All of the reminders were low cost.

CONCLUSION.

Low-cost reminders produced a statistically significant increase in the percentage of parents making a child support payment. However, the additional payment amounts were not statistically significant, perhaps because some parents have a limited ability to pay and as a result would need more intensive interventions. Each reminder produced a similarly sized impact, suggesting that the form of the reminder in this case had little or no effect. A later BIAS study in Cuyahoga County, OH, was conducted to partially replicate and build upon these findings.

FOR MORE DETAILS, SEE THE FULL REPORT: Reminders to Pay: Using Behavioral Economics to Increase Child Support Payments



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Child Support: Cuyahoga County, Ohio

DEFINE.

For some parents who owe child support, a portion of their employment income is withheld automatically to cover part or all of those payments. But when income is not withheld, some parents do not make regular payments. The BIAS team, in partnership with the Cuyahoga County Office of Child Support Services (Cleveland, OH), evaluated four interventions designed to increase the percentage of parents who made a payment (among those whose income was not withheld), and to increase the dollar amount of total collections per parent.

DIAGNOSE & DESIGN.

The BIAS team confirmed that the diagnosis from the BIAS study in Franklin County also applied in Cuyahoga County. The major bottlenecks were: (1) parents may not be sent a reminder to pay; (2) if they are, they may not open or understand it; (3) they may decide not to pay; or (4) they may decide to pay but fail to budget well, forget to pay, or encounter other obstacles.

The team developed a variety of notices and text messages that incorporated behavioral insights.

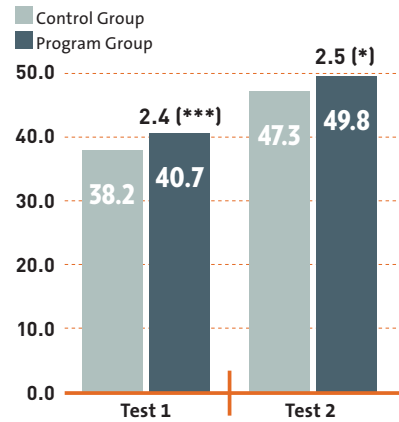
TEST & FINDINGS.

The team conducted four random assignment evaluations, each lasting four or five months. First, parents without a cell phone number on

file were either mailed a payment reminder notice (program group; n = 5,224) or continued to receive no reminder (control group; n = 5,180). Second, parents with cell phone numbers on file were sent text message reminders (program group; n = 3,156) or were mailed reminders (program group; n = 1,562), or received no reminder (control group; n = 1,604). The third evaluation targeted parents who were already being mailed monthly reminder notices. Parents were sent a new, behaviorally informed notice (program group; n = 4,668) or the state's existing notice (control group; n = 4,649). In the fourth evaluation, parents with newly established child support orders were sent a behaviorally informed welcome letter and payment reminders (program group; n = 536) or the county's existing materials (control group; n = 542).

In the first evaluation, reminders increased the number of parents who made a payment to 40.7 percent, a statistically significant increase of 2.4 percentage points over the control group's 38.2 percent. In the second evaluation, text messages increased the number of parents who made a payment to 49.8 percent, a statistically significant increase of 2.5 percentage points, over the control group's 47.3 percent, and were just as effective as the more costly reminders. But there was no significant increase in total collections per parent for either evaluation, and the interventions in the third and fourth evaluations had

PARENTS MAKING A CHILD SUPPORT PAYMENT (%)



NOTE: Statistical significance levels are indicated as: *** = 1 percent; ** = 5 percent; * = 10 percent.

no significant impacts. All the interventions were low cost.

CONCLUSION.

Low-cost reminders produced statistically significant increases in the percentage of parents making a child support payments but the extra payment amounts were not statistically significant. There were no significant differences in impacts from using different reminders, although the optimal method may be text messages since they are the lowest cost. The findings reinforce those from the BIAS evaluation in Franklin County. While low-cost behavioral interventions such as reminders can improve some child support outcomes, more intensive interventions may be necessary to increase overall collections, perhaps because some parents have a limited ability to pay.

FOR MORE DETAILS, SEE THE FULL REPORT: Nudges for Child Support: Applying Behavioral Insights to Increase Collections



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