

Social and Behavioral Sciences Team

Annual Report

September 2016

Executive Summary

On September 15, 2015, President Obama issued Executive Order 13707, “Using Behavioral Science Insights to Better Serve the American People.” The Order directs Federal Government agencies to apply behavioral science insights—research insights about how people make decisions and act on them—to the design of their policies and programs.¹ The Order also charges the Social and Behavioral Sciences Team (SBST), a cross-agency group of applied behavioral scientists, program officials, and policymakers, with providing policy guidance and advice to Federal agencies in pursuit of this directive.²

This second annual report highlights SBST’s progress in supporting the President’s directive over the past year. SBST’s work tracks three major themes:

- *Addressing some of the most important policy challenges facing the Nation*, such as ensuring access to affordable health insurance for the millions of Americans who still lack coverage, expanding economic opportunity for workers and their families, and reducing U.S. greenhouse gas emissions to help protect Earth’s climate. SBST also applied a behavioral science perspective to the development of policy responses to the lead-contamination crisis in Flint, Michigan, and to the implementation of the recom-

mendations of the President’s Task Force on 21st Century Policing.

- *Leveraging an ever broader set of strategies to maximize impact*, from changing how programs communicate with individuals, to modifying the way programs are administered, to informing the design of policy. For example, SBST’s early efforts to promote military service member enrollment in the Thrift Savings Plan (TSP), the Federal Government’s workplace savings plan, began with sending informational messages to service members designed using behavioral science insights. Since then, SBST’s efforts have evolved to require that service members make choices about TSP enrollment as part of their routine orientation at pilot military bases. And most recently, SBST advised the Department of Defense on the implementation of a policy change that will automatically enroll service members into TSP starting in 2018.
- *Drawing on the best available evidence and rigorously testing the impact of its projects* to inform recommendations about what to scale and what to improve. In this spirit, SBST reports the results of all completed projects, including projects that did not yield statistically significant improvements.³

1 Executive Order 13707 of September 15, 2015, Using Behavioral Science Insights to Better Serve the American People, *Code of Federal Regulations*, title 3 (2015): 56365–56367, <https://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23630.pdf>.

2 For more about the Social and Behavioral Sciences Team (SBST), see: <https://sbst.gov>.

3 Unless otherwise noted, all impact estimates reported below are statistically significant at the 5 percent level; forthcoming abstracts on <https://sbst.gov> also report the 95 percent confidence interval on reported impact estimates.

The report that follows presents the results of completed projects and describes ongoing efforts in eight key policy areas: promoting retirement security, advancing economic opportunity, improving college access and affordability, responding to climate change, supporting criminal justice reform, assisting job seekers, helping families get health coverage and stay healthy, and improving the effectiveness and efficiency of Federal Government operations.

The following summary highlights key efforts in each area. The results of completed projects continue to demonstrate the power of applying behavioral science insights to policy, and the works in progress provide a sense of future promise.

Promoting Retirement Security

- **Increasing retirement security for service members through automatic enrollment, active choices, and email prompts.** Enrollment in TSP by service members remains relatively low at approximately 44 percent, compared with over 87 percent for civilian Federal employees. To boost TSP participation, DOD and SBST piloted having service members make an active “Yes” or “No” choice about whether to contribute to TSP upon their arrival at a new military base, which led to an 8.3 percentage point increase in TSP enrollments. If scaled up to military bases across the country, this intervention could help promote retirement security for the service members and their families who undertake more than 640,000 transfers to new bases each year. DOD and SBST also sent emails about TSP designed using behavioral science insights to nearly 700,000 service members, which led to 4,831 new enrollments and over \$1 million in additional savings in the first month of the pilot. Finally, SBST advised DOD on a policy change that will automatically enroll all new service members into TSP starting in 2018.
- **Encouraging *myRA* enrollment for workers who lack access to workplace savings plans through timely prompts at tax time.** Roughly 68 million workers lack access to employer-sponsored retirement savings plans. In response to this need, the Department of Treasury (Treasury) created *myRA*, a

starter retirement savings account. To promote enrollment, Treasury and SBST inserted prompts about *myRA* into online tax-preparation software near the point at which filers choose how to receive their income tax refund. Preliminary findings show that highlighting the potential tax benefits of *myRA* was a more effective tool for encouraging tax filers to open a *myRA* account than highlighting other benefits.

- **Assisting the public with making informed decisions about when to claim Social Security retirement benefits through improved information presentation.** Social Security retirement benefits are the foundation of retirement security for tens of millions of Americans and represent 85 percent of total income on average for all lower-income individuals over 65. Individual choices—including the age at which individuals claim Social Security benefits, whether and how much to work during retirement, and how to manage claiming decisions jointly with their spouse—play an important role in how well these benefits protect against the risks of outliving one’s savings. The Social Security Administration (SSA) and SBST are piloting opportunities to help the public make more informed decisions about claiming Social Security retirement benefits.

Advancing Economic Opportunity

- **Ensuring low-income children obtain, and retain, access to free or reduced-price school meals through expanded automatic enrollment and improvements to the application process.** Every year, eligible low-income students are at risk of missing out on free or reduced-price school meals offered under the National School Lunch Program (NSLP). To help ensure access to the program, the White House and the Department of Agriculture’s (USDA) Food and Nutrition Service (FNS) have launched a new round of pilots that will allow states to use Medicaid data to automatically enroll students who qualify for either free or reduced-priced meals. To help eligible students retain access to school meals, FNS and SBST collaborated with over 70 school districts in the 2015–2016 school year to better communicate school-meal verification requirements to households—for example, by personalizing com-

munications and encouraging households to take pictures of their documentation with their mobile phones for electronic submission. For the 2016–2017 school year, FNS and SBST are initiating a process change that will provide families with more time to complete their verification requirements.

- **Expanding access to credit for family farms through targeted outreach.** Since farming often produces irregular income and requires large capital investments, the USDA’s Farm Service Agency (FSA) runs a program that offers small-dollar loans, known as microloans, to farmers. These loans are intended to benefit farmers who may have difficulty obtaining credit from a commercial source. To promote microloan take-up, FSA, USDA’s Economic Research Service, and SBST sent outreach letters to farmers detailing customized steps for applying for a microloan and personalized contact information for their local loan officers. Letters increased the percent of farmers who obtained a microloan by 63 percent.

Improving College Access and Affordability

- **Helping student loan borrowers manage their debt by prompting the choice of more-affordable repayment plans and promoting annual recertification among those already in plans.** The Department of Education (ED) and SBST sent student loan borrowers information about income-driven repayment plans (IDR), which link monthly payments to income. A single email significantly increased IDR application rates, with more than 6,000 additional applications generated during the pilot period by borrowers with approximately \$300 million in outstanding debt. To help borrowers already enrolled in IDR plans avoid monthly payment increases, ED and SBST also sent a series of messages to nearly 300,000 borrowers reminding them to recertify their IDR plans. Indicating the exact amount by which borrowers’ monthly payments would increase if they did not recertify led to an 8 percent increase in recertification rates, relative to simply indicating average payment increases.
- **Encouraging borrowers in default to rehabilitate their loans by highlighting the consequences of**

inaction and providing borrowers with call-in times. Each month, roughly 125,000 Federal student loan borrowers who have not made a payment in 360 days enter into default on their loans. If defaulted borrowers fail to take action, they face serious penalties including a collections fee, damage to their credit, wage garnishment, and forfeiture of Federal tax refunds. To avoid these penalties, ED offers borrowers the chance to enter into a loan-rehabilitation agreement. SBST and ED encouraged rehabilitation by sending messages to borrowers in default. Emphasizing the consequences of inaction generated 41 percent more calls to default-resolution representatives than emails emphasizing the benefits of taking action. Moreover, scheduling borrowers to call in at a specific appointment time increased the call-in rate 61 percent compared to the email emphasizing consequences of inaction.

- **Reducing the burden of student debt for individuals with disabilities through data matching and streamlined application processes.** ED offers Federal student loan relief—the Total and Permanent Disability discharge—for borrowers with certain types of disabilities. ED and SSA shared administrative data to identify around 400,000 student-loan borrowers receiving Social Security Disability Insurance who potentially qualify for a discharge of their debt. ED and SBST notified these borrowers of their potential eligibility and informed them of a streamlined version of the application form.

Responding to Climate Change

- **Supporting consumer adoption of renewable energy sources through active choices and other decision-support tools.** Adoption of green-power plans remains low at roughly 700,000 customers nationwide. SBST has initiated a dialogue with the Department of Energy’s (DOE) Office of Energy Efficiency and Renewable Energy to identify the potential behavioral barriers underlying low take-up of clean energy, as well as a suite of behavioral tools that can be used to address these barriers. For example, behavioral science research indicates that

prompting consumers to select a power plan from among clean and non-clean options (rather than defaulting them into a standard electricity plan) and presenting plan options in ways that facilitate informed decision-making can improve take-up. SBST will work to identify voluntary state and private-sector partners to test and evaluate these approaches on a wide scale in the coming years.

- **Improving understanding of climate change and climate patterns among non-scientists.** To help households, communities, and decision-makers better understand and adapt to the effects of rising global temperatures, SBST, the National Oceanic and Atmospheric Administration, and the University of Maryland have worked to help the United States Global Change Research Program improve their “climate indicators,” which convey important information about climate patterns to non-scientists. This pilot yielded mixed results. For example, simplifying a graph showing changes in the Annual Greenhouse Gas Index increased successful interpretation of the indicator by 18 percentage points, but did not significantly increase how well people were able to draw inferences from the indicator.

Supporting Criminal Justice Reform

- **Empowering the re-entry population to thrive in their communities by developing a handbook that articulates concrete steps for individuals to take before and after their release.** To help the 40,000 inmates who are released from Federal prison each year successfully reintegrate into their communities, the Bureau of Prisons (BOP) designed a prisoner re-entry handbook. SBST contributed to the content and structure of this handbook using insights from behavioral science. For example, BOP and SBST developed checklists of action steps inmates and former inmates can take before and after their release, as well as accompanying resources to support these actions. In many cases, the timing and proper sequencing of actions are important for preventing setbacks. For example, encouraging individuals to obtain a birth certificate prior to release

can accelerate their getting a government-issued photo ID and applying for work upon release. SBST also recommended that individuals be addressed as “community members” and provided ideas for how to de-stigmatize subjects such as mental health. The handbook has already been distributed to 20,000 individuals due to be released from prison.

- **Strengthening community policing and trust between law enforcement officers and the communities they serve.** The President’s Task Force on 21st Century Policing published a comprehensive report in 2015 with concrete recommendations for law enforcement, local governments, community organizations, and other stakeholders. SBST distilled the report’s recommendations into specific actions community members, including parents, youth, and researchers, can take. SBST is now developing an interactive “Community Action Deck” to facilitate community-level dialogue and advocacy. The deck will articulate concrete steps communities can take toward different goals—for example, creating a community advisory board to engage law enforcement pro-actively on issues about which the community cares.

Assisting Job Seekers

- **Helping unemployed individuals return to work more quickly through changes to the way unemployment insurance benefits are administered.** The Department of Labor (DOL), the State of Oregon, and SBST are developing a pilot that would modify how unemployment insurance benefits are paid, offering workers benefits over the course of their unemployment spell that are initially higher than the standard amount, but step down over time. This pilot would build on a current Oregon-SBST pilot that is helping job seekers create and follow through on personalized work-search plans and on a Utah-SBST pilot that is waiving retrospective work-search reporting requirements in favor of submitting a prospective work-search plan. In addition, SBST and Utah have worked together to begin addressing unemployment insurance recipi-

ents as “job seekers” rather than as “claimants.”

- **Facilitating the development of modern jobs and skills data platforms to effectively support labor market outcomes for workers.** DOL, the University of Chicago, and SBST are collaborating to support the *DataAtWork* project, which pools skills and jobs data, employs advanced analytical techniques to generate an understanding of what kinds of skills are being supplied and demanded, and makes the results available to workers and the organizations that support them. SBST has been conducting research to help understand labor market needs of both employers and job seekers. This research will facilitate the development of tools that can better match people to training opportunities and job openings given their unique needs and skills.

Helping Families Get Health Coverage and Stay Healthy

- **Supporting health insurance plan choice through streamlined plan presentation and decision-support tools.** Tens of millions of Americans now choose health insurance coverage within Federal programs that offer a selection of private plans, including the Medicare Part D prescription drug program and the Health Insurance Marketplace created by the Affordable Care Act. The Department of Health and Human Services (HHS) and SBST are working to streamline plan presentation and facilitate choices within the Federal Health Insurance Marketplace; the Center for Medicare & Medicaid Services and SBST are working to assist beneficiaries with the selection of their Medicare Part D prescription drug plan; and SBST and the Office of Personnel Management are updating the tools available to Federal employees for choosing health insurance plans in the Federal Employees Health Benefits program. In addition, SBST and HHS are designing direct outreach to the roughly 8 million families who paid a penalty for lack of coverage in 2014 to ensure they are aware of their options in future years.
- **Helping to keep families safe from the health risks when lead is found in drinking water through evidence-based communications.** As part of the Administration’s response to the high levels of lead in Flint, Michigan’s public water supply, the Environmental Protection Agency (EPA) and SBST designed outreach and educational materials to get clear, actionable information on reducing lead exposure and accessing free bottled water and filters into the hands of Flint residents quickly. Building on this work, SBST is exploring a broader collaboration with EPA to evaluate and improve the effectiveness of information about lead in water nationwide.
- **Minimizing the risks of foodborne illness by re-designing a food handling safety label.** Approximately 48 million cases of foodborne illness occur in the United States each year, resulting in roughly 128,000 hospitalizations and 3,000 deaths. To reduce foodborne hazards, the USDA’s Food Safety and Inspection Service (FSIS) has developed a Safe Handling Instructions label that is required on all raw meat or poultry products. SBST is partnering with FSIS to redesign the Safe Handling Instructions label using evidence from behavioral science about the most effective ways to communicate instructions and motivate subsequent action.
- **Addressing child- and maternal-health issues world-wide through form redesign, text-message reminders, and personalized counseling.** Since 2014, USAID and SBST have been collaborating to improve child and maternal health, which has included launching and evaluating a mobile-based vaccination platform in Mozambique that allows officials to keep track of vaccine supply and remind caregivers who have missed appointments to attend upcoming ones. In 2016, selected USAID Missions joined SBST Fellows and academic experts for the first ever USAID International Behavioral Design Workshop. Projects emerging from this workshop include: increasing the number of pregnant women who receive preventive treatment for malaria by redesigning referral forms with USAID/Nigeria; increasing HIV medication adherence among high-risk populations using text-message notices and transportation subsidies with USAID/Ethiopia; and offering personalized and simplified counseling on healthy pregnancies

with USAID/Nigeria and its partners.

Improving Government Effectiveness and Efficiency

- **Promoting compliant participation in refundable tax credits through timely, simplified notices.** Together with the Department of Treasury's Office of Tax Policy, tax-software developers, and academic researchers, the Internal Revenue Service (IRS) is using data-driven methods to guide its administration of refundable credits. The Earned Income Tax Credit (EITC) sent over \$66 billion in income assistance to more than 27 million working families in 2015, but millions of individuals, many without children, do not claim the credit each year—either by filing a return and failing to claim the credit, or by not filing at all. One project tested the impact of mailing notices with information about tax filing and EITC participation to potentially eligible individuals who did not file a tax return in recent years. The notices resulted in a modest, but statistically significant, higher rate of tax filing, which in turn increased EITC claims. Conditional on filing, there was no significant difference in the fraction of individuals claiming the EITC, which suggests that the primary barrier to increasing EITC claims for this population is getting individuals to file a return.

- **Strengthening Federal managerial performance through a new professional-development tool.** Improving employee morale and engagement is a priority across Government. The Performance Improvement Council, DOL, DOE, and SBST developed and evaluated a new professional-development tool for Federal managers. The tool consists of an eight-module course to help managers develop eight specific traits that research shows are present in successful managers. SBST also designed a “growth mindset” intervention, which emphasized that managerial abilities are not fixed, but can be learned and strengthened over time. Research demonstrates that managers with a growth mindset are more engaged and support a culture that leads to increased worker productivity. The program concluded in early September 2016 and results will be made available soon.

For the complete SBST 2016 Annual Report, please visit <https://sbst.gov>