

Toolkit: Evidence on interventions to increase take-up

What are they and what do they aim to do?

When a policy is effective but voluntary, or when trialling a new approach, it is important to encourage take-up. This briefing summarises the evidence on improving take-up.

Our review of the evidence identified seven evaluations of interventions aiming to increase take-up. All the evidence comes from the United States and covers policies targeted at low-income households, including food stamps, tax credits, cash transfers to disabled people, and unemployment insurance.

The most common interventions sent information to individuals who appeared eligible based on administrative screening or who were possibly in a target group. Information was generally provided about a programme's benefits and eligibility rules. Some interventions also offered help with the application process. One study examined whether the content and layout of the letter sent to eligible individuals mattered.

Things to consider

- Providing information to target groups can be an effective and straightforward way to improve take-up. In these studies, take-up increased by 10 to 20 percentage points.
- The information provided usually covered how to apply or the benefits of applying. Presenting information in a simple way may have a larger impact on take-up.
- In some cases, take-up increased more for some groups than others. It is important to monitor and evaluate how providing information affects take-up across groups.
- Helping people apply may increase take-up more than providing information only but will be more expensive.

- The evidence mainly considers take-up of benefits, financial aid and education by low-income households. A recent [report](#) suggests some positive effects from trials aimed at increasing the take-up of business support.¹
- How should information be communicated? In these studies, most of the information was provided by mail or phone. There is some [evidence](#) from other settings that text messages can effectively engage people in initiatives.

How effective are they?

The evidence suggests that interventions to increase take-up are effective, with all of the studies reporting positive findings.

- Six studies looked at the impact of providing information through a letter, notice or statement. All found that this increased take-up for some or all target groups. For groups where effects were positive, take-up increased by between 10 and 20 percentage points.
- One study examined whether the design of the letter mattered. It found that simpler messages resulted in more eligible individuals applying.
- Some studies compared take-up across different groups and found that the effects can vary. For example, one study – helping disabled people apply for benefits – found that the increase in take-up was amongst individuals with moderately severe conditions, low education levels, and low pre-programme earnings. Another study – focusing on tax credits – found that take-up was higher for those without children.
- Two studies looked at providing information *and* assistance. In both, information plus assistance increased take-up more than information only. One of the studies also looked at costs. While offering assistance as well as information increased take-up more than providing information alone, it was less cost-effective. Another study – looking at the closure of offices that provided support to complete benefit applications – found that applications from the affected areas fell, suggesting assistance increases take-up.
- One study found that where individuals did not apply after receiving information, this was because they had underestimated the benefits. This suggests that ensuring that benefits are effectively communicated could increase take-up further.

Are they cost effective?

Only one study examined cost effectiveness. The study reports that it costs \$1 to send a letter providing programme information. In that study, 11 per cent of eligible individuals enrolled in the programme compared to 6 per cent of the control group. That is, one additional eligible individual enrolled for every 20 letters, at a cost of \$20 per enrollee. This study also compared the effect of providing information with providing phone-based application assistance. The assistance was more effective – with 18 per cent of those in this group enrolling – but was more costly. Each additional enrollee cost \$60.

¹ We do not include these trials in our review because there is not enough information in the public domain to allow us to assess their methodological robustness.

Annex: Evidence on increasing take-up

We looked for evidence on interventions aimed at increasing take-up. We found seven studies, covering five policies, all from the United States: Supplemental Nutrition Program (SNAP), earned income tax credit (EITC), Free Application for Federal Student Aid (FAFSA), Social Security Disability Insurance (DI), Supplemental Security Income (SSI) and one intervention aimed at increasing post-secondary enrolment. Three studies are SMS5 following the [Maryland Scientific Methods Scale \(SMS\)](#),² and four are SMS3.

Study 1 (SMS 5) analyses the effects of an intervention aimed at increasing take-up of the Supplemental Nutrition Assistance Program (SNAP) in the US. SNAP is a means-tested programme aimed at ensuring a minimum level of food consumption for low-income households. The study involves a randomised controlled trial in Pennsylvania in 2016 to assess the effectiveness of a measure to increase take-up amongst eligible individuals aged 60 and over who are not currently enrolled in the programme. Individuals were assigned into two different treatment groups, one receiving information and one receiving information plus enrolment assistance by telephone. The study shows that 11 per cent of individuals who received information enrolled and 18 per cent of those who received information plus assistance enrolled. This compares to 6 per cent of the individuals in the control group. Results also suggest that eligible individuals who do not enrol seem to underestimate the expected benefits. The study also performs a cost-effectiveness analysis showing that the cost per enrollee was \$20 for those in the information-only group, and \$60 for those in the information-plus-assistance group.

*Finkelstein, A., and Notowidigdo, M. (2019). "Take-up and targeting: experimental evidence from SNAP", *The Quarterly Journal of Economics*, vol. 134(3), pp. 1505-1556.*

Study 2 (SMS 5) analyses the reasons for low take-up of the earned income tax credit (EITC). EITC is the largest mean-tested cash transfer programme in the US. It provides tax credits to workers with low- to moderate-income that decrease the amount of payroll taxes they pay. The study analyses three specific explanations of low take-up through a randomised control trial: low programme awareness, informational complexity, and stigma. The experiment involved modifying the content and layout of tax mailings sent to just over 35,000 tax filers from California who are presumed to be eligible but did not claim their EITC benefits in 2009 despite receipt of a reminder notice. In the experiment, all received a reminder notice that highlighted their eligibility for EITC and offered an additional opportunity to claim alongside a claiming worksheet and a return envelope. Individuals assigned to the treatment group received mails with varied content to test different hypotheses. Some individuals in the treatment group received a less appealing notice. Others received a notice that included information about the potential benefits and transaction costs of EITC, and a third group received a notice that aimed to reduce personal or social stigma, highlighting that receiving the programme's benefit is linked to working hard. Some individuals in the treatment group received a complex claiming worksheet (with or without indemnification message), while others received a simplified version of earlier worksheets (with indemnification message). Individuals in the control group received a simple notice and a simplified worksheet (without indemnification message). The study shows that low programme awareness and informational complexity are the main explanations of low take-up rate. Simplification of the information sent (simple worksheet plus displaying programme's benefits) leads to a 31 per cent take-up compared to 14 per cent in the complex mailing (complex notice and complex worksheet). The control mailing (simple worksheet and simple notice) has a response rate of 23 per

2 See <http://www.whatworksgrowth.org/resources/the-scientific-marylandscale/>

cent, while take-up was 22 per cent for the group receiving the social stigma notice (plus simple worksheet). The study also finds heterogeneous effects with responses being larger for single females, and low earners with dependants. The study concludes that reducing these barriers would enhance welfare.

Bhargava, S., and Manoli, D. (2015). "Psychological Frictions and the Incomplete Take-Up of Social Benefits: Evidence from an IRS Field Experiment", American Economic Review, vol. 105(11), pp. 3489-3529.

Study 3 (SMS 3) looks at the effect of sending reminder notices to low-income taxpayers that are eligible but have not claimed the earned income tax credit (EITC) on their tax return. The study exploits a computer glitch in 2005 that resulted in a group of eligible US taxpayers not receiving the notice to claim the credit. This was resolved the following year, allowing a natural experiment with those who received the notice in 2005 being the treatment group, and those who did not being the control group. Both groups could receive notices in subsequent years. Short-term and long-term effects are considered in a difference-in-differences study. The study found that notices have short-term effects that dissipate over the longer-term. The study shows that take-up increased nearly 80 per cent for those that received the notice and do not have children and almost 45 per cent for those with children. Amongst those without children, those in the treatment group were more likely to claim EITC on their 2006 tax return than those in the control group suggesting a 'learning' effect. However, this is much smaller than the 'nudge' effect of the notice – with only around 20 per cent of those in this group claiming in 2006. There was limited evidence of a learning effect amongst those with children with the proportions claiming EITC through their tax return similar for the treatment and control groups in later years.

Manoli, D.S., and Turner, N. (2014). "Nudges and learning: Evidence from informational interventions for low-income taxpayers", NBER Working Paper 20718.

Study 4 (SMS 5) examines the role of information and application assistance on take-up of the Free Application for Federal Student Aid (FAFSA) in the US. The FAFSA is an extensive federal application form that individuals seeking college financial aid must complete. The study involved a randomised controlled trial in Ohio and Charlotte, North Carolina in 2008. Participants in the treatment group were offered either information about applying for FAFSA or information plus assistance to apply, while those in the control group received a brochure that contained general information about going to college, costs, and financial aid. The study shows that individuals in the treated group who received both information and assistance with their application were 16 percentage points more likely to apply to the FAFSA, and eight percentage points more likely to enrol in college than those in the control group, with 40 per cent of those in this group submitting an application to FAFSA. Individuals who received information only did not experience an increase in either submission to FAFSA or college attendance.

Bettinger, E. P., Long, B. T., Oreopoulos, P., and Sanbonmatsu, L. (2012). "The role of application assistance and information in college decisions: results from the H&R block FAFSA experiment", The Quarterly Journal of Economics, vol. 127(3), pp. 1205-1242.

Study 5 (SMS 3) looks at the role of information on applications to the Social Security Disability Insurance (DI) in the US. DI provides cash transfers to disabled individuals. The study exploits the introduction in stages of the Social Security statement between 1994 and 2001, a document sent by mail that includes information about DI coverage status and potential benefit amount. The statement was introduced gradually by age group. The study uses a difference-in-differences method, controlling for cohort-specific time trends. Overall, the study finds that the statement had a mild to negligible effect on the likelihood of DI applications, with estimates ranging from 0.4 to 2.0 percentage points, with some not statistically significant. However, the intervention did have an impact on older workers with previous work-limiting health conditions, with an increase of in the likelihood of DI applications of 8.1 to 13.9 percentage points for this group. The study also found that the increase was mainly observed in successful applicants rather than in unsuccessful applicants, suggesting the intervention to increase take-up did not negatively affect the programme's targeting.

Armour, P. (2018). "The Role of Information in Disability Insurance Application: An Analysis of the Social Security Statement Phase-in", American Economic Journal: Economic Policy, vol. 10(3), pp. 1-41.

Study 6 (SMS 3) analyses the effect of application support on the take-up of Social Security Disability Insurance (DI) and Supplemental Security Income (SSI) in the US. These programmes provide cash benefits and Medicare to individuals with severe disabilities. To get the benefits individuals complete extensive paperwork, provide access to medical records, and the Disability Determination Services office determines if they meet the eligibility criteria. The study uses difference-in-differences, exploiting the variation in the timing of closings of Social Security Administration field offices between 2000 and 2014 across the US. Offices assist with and verify disability application forms, but do not take decisions regarding applications. The study finds that an office closing reduces (by 10 per cent) the number of disability applications and the number of beneficiaries in the ZIP code³ containing the office. The effects are larger for those individuals with moderately severe conditions (34 percent reduction), low education levels (almost 15 per cent reduction), and low pre-programme earnings (11 per cent reduction). When an office closes, applicants are redirected to the next closest office, thus leading to an increase in the demand for assistance in neighbouring sites. Higher travel or information costs represent another possible explanation, but the study finds that it does not play a role.

Deshpande, M., and Li, Y. (2019). "Who is screened out? Application costs and the targeting of disability programs", American Economic Journal: Economic: Economic Policy 2019, vol. 11(4), pp. 213-248.

Study 7 (SMS 3) analyses the effect of sending letters to Unemployment Insurance (UI) recipients with information about the process for and benefits of enrolling in post-secondary programmes in the US. In 2009, the US Government launched a programme to encourage post-secondary enrolment among UI recipients. The study exploits the phase-in of this intervention across states and over time, implementing a difference-in-differences strategy. The study shows that individuals who received the letter were four percentage points more likely to enrol in post-secondary programmes.

Barr, A., and Turner, S. (2018). "A letter and encouragement: Does information increase post-secondary enrollment of UI recipients?", American Economic Journal: Economic Policy, vol. 10(3), pp. 42-68.

³ In the 2000 Census, ZIP codes had an average population of 14,000 to 15,000.

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