How do we help families survive and thrive in the State of Michigan?

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Financial Capability… More than just Financial Education

In a typical month, how difficult is it for you to cover your expenses and pay all your bills?

Michigan Results:
- Somewhat Difficult: 39%
- Very Difficult: 11%

How confident are you that you could come up with $2,000 if an unexpected need arose within the next month?

Michigan Results:
- Probably Not: 15%
- Certainly Not: 23%

Have you set aside emergency or rainy day funds that would cover your expenses for 3 months, in case of sickness, job loss, economic downturn, or other emergencies?

Michigan Results:
- No: 49%

When is the right time for Education?

“Just in Time” Financial Education

• Situationally appropriate
• Interest by the participant

Is education alone enough?

However… it negates the opportunity for planning and preparation.
“Financial Resilience in Families” - Research

Identified Family Protective Factors:
- Role of Family Support
  - Source of Strength
  - Living for Others
  - Importance of Healthy Relationships Prior to Crisis
- Importance of Faith
- Importance of Income Supports
- Importance of Positive Attitude/Motivation

Income Supports…
“[It’s like] you have a family member in the hospital, and that person was in the hospital for a very long time. And come to find out there was a miracle cure for that person... And then all of a sudden that person got a shot and they were healthy.”

Findings
- Importance of Understanding Reason
- Importance of Family Composition and Family Support
- Importance of Income and Income Supports
- Age as a Factor

Implications for Practitioners

The Experience of Families
- Navigating a New Normal Reality
- The Element of Time
- Role of the “System”

“[Families] have to understand what happened... do some reflection...[it is important to] understand what the situation is now. And also... how can we create an alternative future here.”

Importance of Information and Social Support for Families
- Importance of a Financial Check-Up, Identifying Family Goals, and Improving Credit and Debt-Management
- Providing Access to a Diverse Network of Community Resources
- Need for Post Transition Support

“[we need] to follow up with families to find out what happened.”

**Other Strategies: Role of a “Nudge”**

What are behavioral insights?
Focus on the way staff and clients actually make decisions and behave, rather than relying on traditional economic assumptions of “rational” behavior.
- Apply insights and tools from decades of behavioral science research to influence real-world decisions and actions.

The BIAS project explored behavioral interventions to tackle problems in three primary domains — child support, child care, and work support — across agencies in a dozen states. 15 randomized trials in 7 states, with nearly 100,000 participants. Exploratory research and pilots in 5 states.

**BIAS Snapshot of Findings**

In 11 of the 15 randomized controlled trials, behavioral “nudges” like reminders or simplified, personalized letters had a statistically significant impact on at least one primary outcome (shown below).

<table>
<thead>
<tr>
<th>Problem Area</th>
<th>State</th>
<th>Intervention ($%$)</th>
<th>Sample Size</th>
<th>Added Cost for Intervention per Person (est.)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Child Support</strong></td>
<td></td>
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<tr>
<td>Increase child support payments received by incarcerated noncustodial parents</td>
<td>Texas</td>
<td>38.7</td>
<td>27.7</td>
<td>11.0***</td>
</tr>
<tr>
<td></td>
<td>Washington</td>
<td>41.3</td>
<td>9.4</td>
<td>11.0***</td>
</tr>
<tr>
<td>Increase payment rates on existing child support orders</td>
<td>Ohio</td>
<td>51.5</td>
<td>48.5</td>
<td>2.0***</td>
</tr>
<tr>
<td></td>
<td>Ohio</td>
<td>40.7</td>
<td>38.2</td>
<td>2.4***</td>
</tr>
<tr>
<td></td>
<td>Ohio</td>
<td>39.5</td>
<td>47.3</td>
<td>3.2**</td>
</tr>
<tr>
<td><strong>Child Care</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Increase group of providers rated high quality</td>
<td>Indiana</td>
<td>14.7</td>
<td>12.6</td>
<td>2.1*</td>
</tr>
<tr>
<td>Increase attendance at first scheduled renewal appointment</td>
<td>Indiana</td>
<td>52.6</td>
<td>50.0</td>
<td>2.0*</td>
</tr>
<tr>
<td></td>
<td>Indiana</td>
<td>54.7</td>
<td>44.4</td>
<td>10.6***</td>
</tr>
<tr>
<td>Increase on-time renewal renewals</td>
<td>Oklahoma</td>
<td>36.7</td>
<td>34.4</td>
<td>2.4**</td>
</tr>
<tr>
<td><strong>Work Support</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase meeting attendance for tax credit program</td>
<td>New York</td>
<td>28.5</td>
<td>16.5</td>
<td>12.0***</td>
</tr>
<tr>
<td>Increase engagement in temporary assistance for energy panels</td>
<td>California</td>
<td>29.2</td>
<td>25.6</td>
<td>3.6*</td>
</tr>
</tbody>
</table>

*Notes: $\%$ is in one or more counties in each state.
**Statistical significance levels: *** p < 0.001, ** p < 0.01, * p < 0.10.

**What’s Next?**

The BIAS project was funded by the federal Office of Planning, Research and Evaluation (OPRE) of the Administration for Children and Families in the U.S. Department of Health and Human Services, and led by MDRC.

**BIAS — Next Generation**

OPRE is continuing its partnership with MDRC to expand the use of behavioral science to a wider range of programs, go beyond “nudges” to include more implementation research, and develop tools for program administrators.

**Center for Applied Behavioral Sciences (CABS)**

This new initiative combines MDRC’s expertise in social and education programs with insights from behavioral science. CABS develops innovative, low-cost interventions, tests their impact through experimentation, and provides technical assistance to programs incorporating behavioral insights.

For more information, contact bias.info@mdrc.org

Source: https://www.mdrc.org/publication/nudging-change-human-services
Student Loans – Indiana University

**Nudge:** Simple Letter alerting students the amount of debt they had taken on

**Result:** “Federal undergraduate Stafford loan disbursements at the public university dropped 11 percent, or $31 million, in the nine-month period that ended March 31, according to Department of Education data.”

Connecting Delinquent Taxpayers with Step Forward Michigan Funds

MSUE 2017
So far this year MSUE program was successful in helping 43 homeowners receive Step Forward MI funds

Also Resulting In $322,065
Sent to Macomb County Treasurer's Office
Which is 56% of the total funds the County has received this year from Step Forward MI.

MSUE Overall Results since 2013
242 homeowners approved for Step Forward MI with MSUE's help
Resulting in a total of $1,645,169
sent to Macomb County Treasurer's Office since 2013

56% of all the Step Forward funds the County has received to date.
That's 31% of Macomb county residents who received help.

Source: MSU Extension (2017)