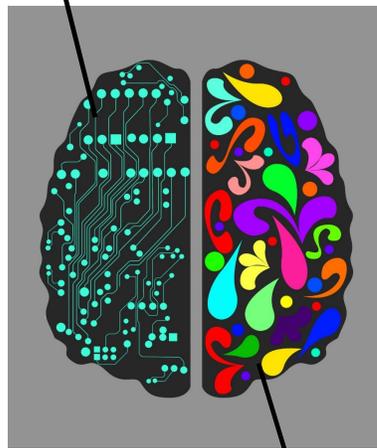# Improving Outreach and Accessibility of Financial Aid

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10/10/18

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Students as "rational actors"

Cognitive factors lead to inattention, fatigue, heuristics

Key strategies to improve accessibility:

- Simple
- Easy
- Often

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Direct information

Materials / toolkits

Workshops

Social norms

Targeted campaigns

"Nudges"

Financial incentives

Application assistance

Counseling

Heavy touch

What do we know about interventions to improve <u>outreach</u> and <u>accessibility?</u>

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More info does not cut through the clutter

Example:
• Simplified loan letters

Corrective:
• Shift to opt-out policy improved first-year outcomes

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Info with more human contact has potential

Example:
- TN FAFSA Frenzy, "Path to College"

Corrective:
- Unclear; little rigorous evidence

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Frequent and highly directed messaging and reminders
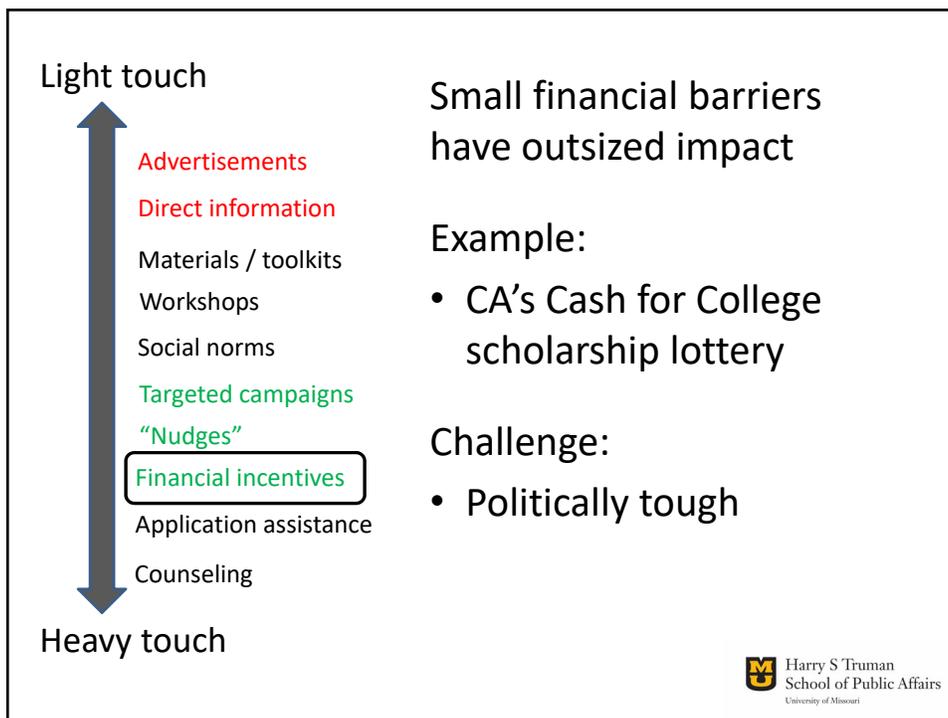
Example:
- Text message reminders
- MI HAIL scholarship

Challenge:
- Identifying students

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Small financial barriers have outsized impact

Example:

- CA's Cash for College scholarship lottery

Challenge:

- Politically tough

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Overcome inertia through direct assistance

Example:
- H&R Block experiment
- Texas GO

Challenge:
- Might not have long-term impacts

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Some students need significant support

Example:
- College Advising Corps
- Admithub AI bot

Challenge:
- Most intense

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Recommendations

- Better data
  - Can reach out to students earlier and more often
  - TN created "one-click" application
  - MI cited data as key to offering targeted packages

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Recommendations

- Better data
- Improve FAFSA completion
  - Push services more frequently and into high schools (e.g., FAFSA Day)

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Recommendations

- Better data
- Improve FAFSA completion
- Simplify messaging
  - How much aid are students likely to receive?
  - Deliver information from state and not colleges?

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Recommendations

- Better data
- Improve FAFSA completion
- Simplify messaging
- Experiment with incentives
  - School or student recognition
  - Financial incentives can have low expected value

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Recommendations

- Better data
- Improve FAFSA completion
- Simplify messaging
- Experiment with incentives
- Streamline the application process
  - More information on where students fall off
  - Centralized application portal (e.g., TX)

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Recommendations

- Better data
- Improve FAFSA completion
- Simplify messaging
- Experiment with incentives
- Streamline the application process
- Provide consistent supports for students
  - Counselors, application assistance biggest rewards, especially hard to reach students, diminishing returns

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Recommendations

- Better data
- Improve FAFSA completion
- Simplify messaging
- Experiment with incentives
- Streamline the application process
- Provide consistent supports for students
- Track outcomes

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Questions?

- Better data
- Improve FAFSA completion
- Simplify messaging
- Experiment with incentives
- Streamline the application process
- Provide consistent supports for students
- Track outcomes

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