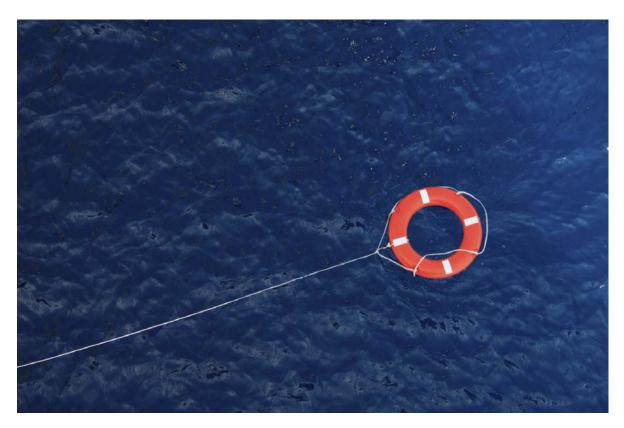
# The Washington Monthly - Republic 3.0

April 07, 2016 11:50 AM By Susan Walters



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On March 31, the Federal Communications Commission (FCC) made an historic decision to subsidize high-speed Internet service for low-income Americans - and dozens of influential news and advocacy organizations reported that a victory had been sealed.

For broadband advocates, the expansion of the federal Lifeline program certainly is good news. Established in 1985 to give low income people affordable telephone service, Lifeline was updated in 2010 to enable poor Americans to pay less for wireless phone service. Earlier this year, FCC Chairman Tom Wheeler reasoned that a subsidy for broadband was needed, because most homework and job applications are now done online. And on the last day of March, three out of the five FCC Commissioners voted in

favor of using the Lifeline program "to help low income consumers afford access to the 21st Century's vital communications network: the Internet."

But the declaration of victory may be premature.

For one thing, no one yet knows the exact details of the FCC's decision. The specifics will not be released until mid-April - and those details could have a serious limitation on the ability of the Lifeline broadband program to close the digital divide, in which 43 percent of nation's poorest households can't afford broadband service. We do not yet know, for example, what the price will be to consumers. The only number the FCC approved is a \$9.25 per customer/per month subsidy to telecom and cable companies (not to poor consumers), which will continue to be funded by a surcharge on our phone and cable bills.

In fact, the price to low income Americans could be anything - instead of \$60 per month for broadband, customers might pay \$50 a month, about \$35 more than what is deemed "affordable" by the <u>California Emerging Technology Fund</u>, among other advocates for affordable broadband for the poor. The only certainty is that no low income Americans will be offered a \$9.25 monthly deal for high-speed Internet service.

This has not stopped reporters from all manner of respected news organizations from misreporting the details of the decision - and from failing to mention that the FCC order on Lifeline broadband has not yet been released. NPR's *Marketplace*, for example, reported that "the Federal Communications Commission is banking on [the new] subsidy being enough to get a lot more people online." The report also quoted Tony Schloss, who works with a non-profit that provides Wi-Fi in Brooklyn housing projects: "Saving \$10 goes a long way in communities like Red Hook," said Schloss.

There is no explanation in the Marketplace piece or a March 31, 2016 *New York Times* article about how the subsidy to Internet service providers really works. Nor is there mention of the fact that low income consumers will have to choose one service - landline, or wireless or Internet service - for that subsidy. Yet this choice is crucial. What form of communication would you choose if you could afford only one? I might choose wireless phone service, which would mean I could not easily apply for jobs, college or loans online.

The *New York Times* article closes with a victory quote from Hannah Sassaman, a director at the Media Mobilizing Project: "Inexpensive options for access have dwindled, not grown," she says. "A broadband subsidy for Lifeline will transform access to this basic human right in American cities, where such access is necessary to apply for even the lowest-wage jobs."

I hope Sassaman is right. But I worry that when the actual order is released by the FCC this month, there will be no designated price to telecom and cable companies for low income customers, which could mean home broadband remains unaffordable. I also worry that in 26 states there will not be the authority to complement the federal Lifeline program with a state Lifeline program for fixed and mobile phone service. And I worry Lifeline broadband will take years to implement, during which time millions of low income people will slide further down the income and opportunity ladder.

Part of the problem for overworked staff reporters today is that they are not given the time and resources to understand the complexity of government decisions. And, in this case, the government is not helping. Nowhere in the FCC's March 31 <u>press release</u> is there mention of when the details of the Lifeline broadband decision will be made public. Instead, the press release provides the six decisions of the "Order," and fails to mention that the full order is coming.

This is misleading information based on a federal decision that has not been published yet - and in this age of mass, instant, and transparent communications it demands a correction. Or it demands more accurate coverage.

The millions of low-income American households waiting for affordable broadband access deserve no less.

April 06, 2016 5:52 PM By Jessica Swarner

Wealth inequality by racial and ethnic lines is vast - the median net worth of a White household was 13 times greater than that of a Black household in 2013, and 10 times greater than a Hispanic household, according to the <a href="Pew Research Center">Pew Research Center</a>. For White households, median net worth was \$141,900 that year, while it was \$11,000 for Blacks

and \$13,700 for Hispanics.

Pew's report offered a few theories as to why this may be the case, including the impact of the Great Recession on savings and homeownership rates among minority households. But new evidence shows that the roots of the wealth gap also lie in stark differences by race in wages and access to worker benefits.

A new <u>report</u> from the Center for Law and Social Policy (CLASP) finds that Black and Latino workers not only earn significantly less than workers do generally, they are much less likely to have access to paid family leave and sick days and more likely to experience unstable scheduling at work. The combination of these factors, argues the report, makes it that much harder for workers of color to move up the wage and job ladder.

CLASP's report finds that about half of full-time workers of color made less than \$15 per hour in 2013, compared to 39 percent of all full-time workers.

Moreover, half of Latino and 42% of Black working parents live below 200 percent of the federal poverty line, compared to 18 percent for White working parents. "Inequitable earnings keep working families in poverty," write Zoe Ziliak Michel and Liz Ben-Ishai, the authors of the report.

The report also finds that working parents of color have disproportionately less access to paid family leave. Only 5 percent of the lowest quarter of wage earners, a demographic in which people of color are disproportionately represented, has this access.

Source: CLASP

These workers who are already struggling with insufficient incomes are often forced to risk losing it all just to care for a newborn or ailing family member. Blacks and Latinos don't receive the same access to paid parental leave as Whites do - in 2012, half of Whites had access to at least partially paid parental leave, while only 43 percent of Blacks and 25 percent of Latinos did. "To take paid parental leave, which is used to care for new children, workers often cobble together various types of paid leave, such as sick days and vacation," the report finds.

Workers of color also have less access to paid sick days because they are disproportionately represented in jobs that often don't offer paid sick days, such as agricultural, food service, and personal care occupations. Fewer than half of Latino workers had access to paid sick days in 2014, compared to 64 percent of White workers and 62 percent of Black workers.

Workers of color are more likely to face scheduling instability. According to the report, 45% of early-career (ages 26-32) workers of color receive their schedules less than one week in advance, compared to 35% of White early-career workers. Latino workers, while only making up 13% of standard full-time workers, make up 30% of contingent workers - meaning those workers hold "precarious jobs that produce lower incomes, have less security and stability, and are typically accepted due to necessity," according to the report.

Source: CLASP

A few states, however, are taking steps to improve the quality of jobs for low-wage workers, such as increasing the minimum wage.

California Gov. Jerry Brown and state legislators <u>passed a law</u> this month to raise the state minimum wage to \$15 per hour by the end of 2022. In New York, the Gov. Andrew Cuomo also signed a law that day that includes a gradual minimum wage increase to \$15 per hour, as well as a bill guaranteeing paid family leave for most jobs. The states are on track to become the first with a \$15 minimum wage.

Source: CLASP

Source: CLASP

It's a leap that some business groups and others <u>say</u> could be dangerous for the economy. However, Ben-Ishai of CLASP argues that higher wages leads to higher employee retention as well as more spending money for employees - both outcomes that benefit businesses and the economy as a whole. For example, a Economic Policy Institute report found that increasing the minimum wage to \$7.25 over the course of 3

years created a \$10.4 billion increase in household consumption.

Ben-Ishai also argues that states could be even more ambitious in the future. One solution she advocates is a social insurance system, where employees contribute to a fund that they can then draw from when they need to take leave. "It means [businesses] don't have to bear the burden alone," she said.

As a growing number of states take on the issue of job quality, by raising the minimum wage and expanding access to benefits, the enormous disparities between workers of color and others could ease over time - and ultimately have broader impacts on reducing inequality.

March 18, 2016 9:48 AM By Stephen Rose



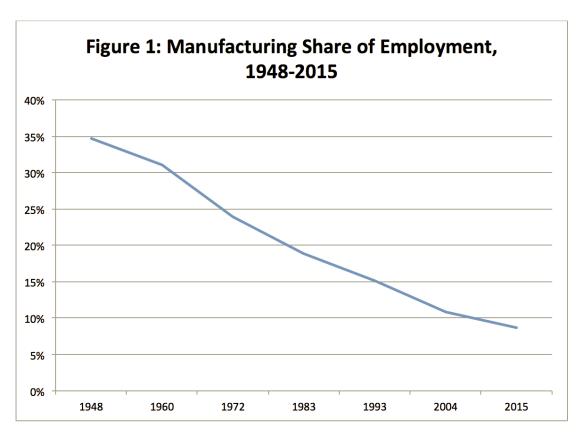
## iStockphoto

Most of the current presidential candidates have been making sweeping negative statements about U.S. agreements for freer trade. Both Republican Donald Trump and

Democrat Bernie Sanders have made this opposition a main talking point. While Trump talks about "losing to every country" that has out-bargained us, Sanders prides himself on having voting against every "disastrous" free trade agreement because they lead to American job loss and declining earnings.

The reality of trade is much more complex. While trade does contribute to job loss and lower earnings, its effect is much smaller than many believe. And those negatives are offset by clear gains, both for the United States and other countries. A real debate on trade should look at winners and losers and compare the effects of trade for each.

Manufacturing job loss is a good case in point. As Figure 1 shows, the share of employment in manufacturing reached a high of 35 percent in 1948 and declined steadily thereafter.



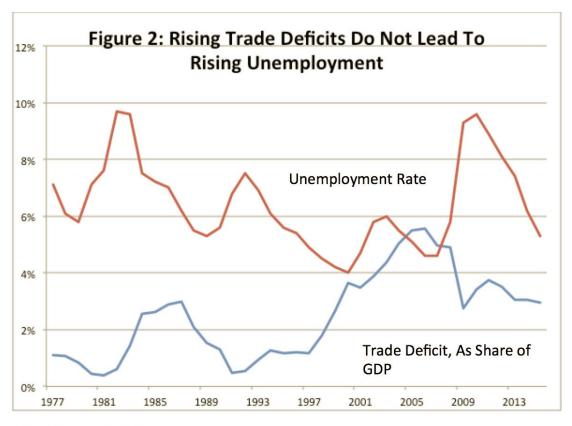
Source: Bureau of Labor Statistics

After World War II, the General Agreement on Tariffs and Trade went into force on January 1, 1948. In the decades that followed, growth was very strong throughout the most advanced economies. Between 1948 and 1977, we ran trade surpluses - our exports were greater than our imports - in almost every year. Hence, the 13 percentage-

point loss in manufacturing's share of employment over these years can hardly be attributed to trade.

Over the next 16 years, manufacturing's share of employment continued to decline and was at 15 percent in 1993, the year NAFTA was signed. This means that three-quarters of the decline in manufacturing since 1948 occurred before our second round of large free trade agreements. And part of the decline following 1993 seems part of a long-running trend of decline in manufacturing that predated current trade policies.

What about the broader labor market? If freer trade harmed our labor market, rising trade deficits (which result when the amount of goods and services we buy from abroad is more than what we sell to other countries) should be correlated with rising unemployment. Figure 2 shows the opposite story. For most of the post-NAFTA period, the trade deficit and unemployment rate have moved in opposite directions.



Source: Bureau of Economic Affairs

There is no doubt, however, that trade does lead to some job losses. One <u>study</u> showed that rising trade with China cost America at least 2 million jobs, and Robert Scott of the pro-labor Economic Policy Institute has found that the net job loss due to trade and

currency manipulation could be as high as 5.8 million jobs. On the other hand, Robert Lawrence <u>finds</u> that manufacturing employment without a trade deficit would have been 2.6 to 2.9 million jobs higher in 1998 but that it would have declined by the same 6 million jobs in the ensuing 12 years. The bottom line is that there are many factors that determine total employment. For example, in the late 1990s, we had both rising trade deficits and rising employment (declining unemployment rate).

While all of these numbers represent a substantial numbers of jobs, Trump and Sanders seem to speak about the effects of trade of being much larger. Often critics of trade downplay the fact that export employment is growing and the fact that the balance of payments (which includes capital movements and capital income) must always be in balance. This means that the trade deficit is offset by a net flow of foreign money moving into our capital market, which has a mild simulative effect on employment. Consequently, the major employment effect of trade is not that total employment goes down significantly but that particular workers lose their jobs. And since these jobs tend to be concentrated in specific areas, this job loss has wider community effects.

Over the long run, the decline in manufacturing share since 1948 has been driven by productivity growth, which means greater output with fewer workers. Even in more recent years, David Autor and coauthors <u>estimate</u> that 80 percent of the decline in manufacturing since 2000 is due to productivity growth and 20 percent due to trade.

Opponents of trade also argue that freer trade depresses earnings among less-skilled workers and leads to rising inequality. But it is important to realize that there are many factors other than trade that have also led to rising inequality. For example, Goldin and Katz and a number of other scholars show that rising demand for high-skilled workers is the main reason for rising inequality. Other researchers have modified this argument a bit and have looked at the ability of computer-driven systems and machines to replace routinized tasks as the basis for job loss and stagnant earnings. Finally, the decline of unionization and the failure of the federal minimum wage to keep up with inflation are also cited as a brake on earnings gains for the bottom half of the earnings distribution.

In a series of papers, Anthony Carnevale and I moved away from a manufacturing-centric approach and defined the high-end service economy as workers in offices, health care, and education. In a 2015 <u>study</u>, we showed that the high-end service economy employed 62 percent of all workers, generated 72 percent of all earnings, and employed 81 percent

of those with a four-year degree and 91 percent of workers with a graduate degree. Again, rising inequality is tied more to structural changes in the economy rather than trade.

On the positive side, global trade increases global specialization, which leads to lower prices on many consumer items. The size of this effect is hotly debated: Gary Hufbauer and other researchers at the Peterson Institute for International Economics argue that America's gross domestic product (GDP) is more than \$1 trillion dollars higher because of trade. By contrast, David Autor speculated that the gain from trade could be 3 percent of GDP or just above \$500 billion. Finally Broder and Romalis use an unusual data set on the specific purchases of millions of households and finds that the purchasing power of the poorest ten percent of the income ladder benefit disproportionally from the lower prices of Chinese imports.

Paradoxically, consumer behavior is one of the driving forces on companies to cut costs throughout their supply chain. The internet is full of sites that compare prices of similar goods and services. It is not unusual for someone to spend hours planning a vacation trip to find the cheapest air fares, hotels, and rental car. Few realize the consequences on the whole production process when consumers are so price conscious.

The other advantage of U.S. trade is the benefits it has for our international relations. The success of Japan and the Asian Tigers (Singapore, Hong Kong, Taiwan, and South Korea) in moving from low to high income countries was based on their ability to sell goods abroad. First, they started with low value products and eventually moved up the product ladder until their domestic incomes were high enough to sustain a high standard of living. Further, the decline in global poverty by several hundreds of millions of people is based on the success of India and China to sell goods to the advanced industrial countries.

Balancing these four factors makes clear that our trade policies have not been "disastrous" for American workers. Even Robert Reich, a strong opponent of free trade agreements, <u>admits</u> that greater trade has "given us access to cheaper goods, saving the typical American thousands of dollars a year." A lot of what is driving employment trends is structural changes in the economy. There are winners and losers, and the best policy is to find a way to help the losers get back on their feet quickly.

March 17, 2016 3:44 PM By Anne Kim

Tough talk on illegal immigration has been a signature issue for both Republican presidential contenders Donald Trump and Sen. Ted Cruz - you'd be hard-pressed to find a voter who hasn't heard of Trump's proposal to "build a wall" on the U.S.-Mexico border.

But perhaps less well-known are these candidates' equally damaging and retrograde views on *legal* immigration, and high-skilled immigration in particular. Both <u>Trump</u> and Cruz - Cruz more so - have been outspoken opponents of the H-1B visa program, which allows U.S. companies to attract and hire high-skilled immigrant workers.

It's a program that many scholars <u>say</u> has boosted U.S. job creation and entrepreneurship since its creation in 1990. And without it, a new <u>study</u> finds, many of America's best-known and high-flying startups - including Uber, Credit Karma, SpaceX and the workchat app Slack - would not exist. Nor would the thousands of jobs these companies have created.

According to a new <u>report</u> by the National Foundation for American Policy (NFAP), immigrant entrepreneurs are disproportionately responsible for the birth of so-called "unicorn" companies - startups valued at \$1 billion or more. Out of 87 "unicorns" operating in the United States today, NFAP found that more than half (44) had been founded by immigrant entrepreneurs. Together, these 44 companies are worth more than \$168 billion and have created an average of 760 jobs apiece.

Uber, for example, was co-founded by a Canadian immigrant and directly employs 900 people as well as more than 162,000 "active drivers" in its network. SpaceX, founded by South African immigrant Elon Musk, employs more than 4,000. Yet "few if any of the billion dollar startup companies with an immigrant founder would have been started in the United States," the NFAP concludes, had legislation introduced by Cruz and his cosponsor Sen. Jeff Sessions (R-AL) been in place over the last decade.

Dubbed the "American Jobs First Act," the Cruz-Sessions bill proposed onerous new requirements on employers and applicants, including a "minimum wage" of \$110,000 for every new H-1B worker; a two-year moratorium on visas for any company that dismissed an employee for anything but cause; and a requirement that H-1B applicants with bachelor's or master's degrees work for 10 years outside the United States before

becoming eligible for a visa. While Cruz and Sessions framed the effort as a "reform" of the program, <u>David North</u> of the Center for Immigration Studies described the proposal as "the most sweeping anti-H-1B legislation to be introduced into Congress" in recent memory.

## 10 Billion-Dollar Startups Founded by Immigrant Entrepreneurs

- Moderna Therapeutics, pharmaceuticals
- Uber, ride-sharing platform
- SpaceX, spacecraft manufacturer
- The Honest Company, maker of eco-friendly baby and cleaning products
- Credit Karma, consumer finance and credit
- Eventbrite, event ticketing platform
- FanDuel, fantasy sports
- Jawbone, wearable technology manufacturer
- Slack Technologies, workplace communications application
- WeWork, shared workspaces

Many immigrant entrepreneurs begin their careers as international students in the United States. SpaceX founder Musk, for example, earned his bachelor's degree at the University of Pennsylvania before getting an H-1B visa and heading to Silicon Valley. Adam Neumann, founder of the office-sharing company WeWork, earned his degree at the Bernard Barch College of the City University of New York. Yet if the Cruz-Sessions bill were law, Musk would have been required to leave the country for at least 10 years before returning. SpaceX - if it existed at all - would be a South African company, and it wouldn't be the United States now leading a shot a landing on Mars.

If there is any aspect of the current H-1B program that needs "reform," it would be to lift the current cap on visas, which now stands at 65,000. According to the U.S. Customs and Immigration Service, the program reached the limit for 2016 visa issuances in April of last year.

With any luck, the United States hasn't already turned away the Elon Musk of the future.

March 15, 2016 12:20 PM By Lisa Schohl The passage of welfare reform in 1996 had one overarching goal: to break families' dependence on government assistance by helping them achieve self-sufficiency through work. Yet 20 years later, poverty has worsened, and despite early employment gains, the share of poor single mothers with a high school education or less who are working has fallen to 63 percent - about the same as in 1996.

One of the biggest hurdles for low-income women seeking to work their way up the ladder is lack of access to affordable child care.

According to the nonprofit <u>Center for Law and Social Policy (CLASP)</u>, total federal spending on child care subsidies for low-income women has not kept up with growing demand, and is now at its lowest level since 2002. Moreover, CLASP <u>finds</u>, barely 1 in 6 children eligible for federal or state child care subsidies is receiving it.

Single mothers comprise more than <u>85 percent</u> of welfare recipients, which is why child care support was a <u>key focus</u> of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 and the cash assistance and "welfare-to-work" program it created, Temporary Assistance for Needy Families (TANF). Welfare reform legislation boosted federal funding for child care and streamlined it into the Child Care and Development Block Grant (CCDBG), the main source of funding states can use to provide child care subsidies for poor families.

As states engaged more welfare recipients in work or training activities to meet TANF's tougher work requirements, the need for child care assistance also grew.

As a result, states typically prioritize TANF recipients subject to work requirements for child care subsidies, and a 2006 <u>study</u> by the Urban Institute found that 60 percent of recipients do in fact leave for employment, in part thanks to this help. The problem is that once welfare recipients get a toehold in the labor market, they may end up losing child care help just when they need it most to make a successful long-term transition out of welfare.

"Families lose eligibility for TANF in most states when their income gets to half the federal poverty level," said Elizabeth Lower-Basch, CLASP director of income and work supports. "Of course, because quality child care is expensive, families with much higher incomes - up to 200 percent - often still struggle to afford quality child care."

And while child care subsidies through CCDBG are supposed to help pick up the slack, only a tiny fraction of the children eligible for that help are getting it.

According to recent CLASP <u>research</u>, levels of access to child care help from the CCDBG program are at a 16-year low, with only 13 percent of all eligible children currently receiving child care assistance. CLASP also found significant disparities in certain states and minority groups. Latino and Native American children have particularly low levels of access nationwide, at 8 percent and 6 percent, respectively.

While some states are ensuring the program reaches more than 20 percent of eligible poor children - such as in Delaware, Hawaii, Pennsylvania, Vermont and Wyoming - 14 states are performing far below the national average. In Arkansas, Maine, Nevada, South Carolina and the District of Columbia, for example, only 7 percent or less of all poor children have access to the subsidies.

Lack of adequate funding for CCDBG is the biggest issue, but "problems in the (low-wage) marketplace are also creating problems in the child care world," CLASP Deputy Director Jodie Leven-Epstein said. "To the degree that low-income women are working, they're often working in jobs that are almost tailor-made to make it hard to keep child care because the schedule they have to follow to keep their job or at least not lose wages is often very erratic." CLASP also says that state policies determining who is eligible for subsidies can have an additional impact on whether a family benefits or not.

In many cases, the difficulties in child care access are significant enough that women end up returning to welfare.

"One of the promises of CCDBG was you wouldn't have to go through the welfare door to get on subsidies," Lower-Basch said. "But the waiting lists are long, and people do find themselves going on cash assistance to get subsidies (which are) worth far more than the fairly minimal amount of cash assistance provided."

For the 1.4 million children currently served by CCDBG, the program is a critical support that helps their parents work or go to school so they can meet their families' needs on their own. According to CLASP, single mothers receiving child care subsidies are more likely to be employed, work full-time or more hours, and have more stable employment. And their children benefit socially and emotionally from both the family's improved economic situation and better early childhood education experiences.

Perhaps the biggest sign of progress is the reauthorization of the CCDBG program in 2014 - the first since 1996. The new law includes provisions intended to improve the quality of care and help low-wage workers facing variable schedules access the subsidies for longer and gradually transition off the program. However, states need more funding, which is not guaranteed by the reauthorization, to meet the new requirements, CLASP says. In addition, they say, states need to assess how their policies restrict CCDBG access for certain groups and how to close the gaps across races and states.

Yet the high cost of <u>quality child care</u> - one year of child care now costs more than a year's tuition at typical four-year public colleges, or around 8 percent of the average family's earnings - far exceeds what a single woman in a low-wage job can afford on her own.

While the right state and federal policies can help ease the cost burden, Lower-Basch says the bigger challenge will be to create more family-friendly workplaces that take into account the needs of low-income working parents. If this year's presidential contenders are serious about restoring economic mobility to the United States, the challenge of day care access for working poor Americans should be a vital piece of the agenda.

March 04, 2016 2:02 PM By Anne Kim



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Over the last decade, the volume of calls, letters, emails, tweets and other messages sent to Congress has exploded exponentially - both in decibel level and sheer quantity.

The Congressional Management Foundation <u>reports</u> that many Congressional offices now struggle to keep up with the barrage of constituent opinions brought on by the Internet and social media and by online grassroots campaigns that put email petitions one click away from a member's inbox.

All this sound and fury, however, may not signify a better-informed Congress. Rather, research finds, it could be worsening the partisan echo chamber and contributing to polarization.

The reason, say political scientists David Broockman of Stanford University and Timothy Ryan of the University of North Carolina-Chapel Hill, is that even when it comes to something as banal as constituent mail, the feedback members get is disproportionately

one-sided and polarizing.

In a recent <u>study</u> published by Broockman and Ryan in the American Journal of Political Science, the scholars find that constituents are more likely to contact only those members who belong to their political party. On an issue such as immigration, for example, a Democratic constituent might contact the office of a Democratic senator, but not the office of a Republican, even though both senators represent that citizen.

The result, write Broockman and Ryan in the American Journal of Political Science, is a "feedback loop" where members are more likely to hear from citizens who agree with them and less likely to hear differing viewpoints. This in turn could aggravate polarization on Capitol Hill and distort members' perceptions about how constituents feel.

"Two senators of different parties representing the same state might each see their state as cheering on their respective party's platform, when in reality the state is more moderate than either senator might realize," says Broockman.

Broockman and Ryan suggest a simple solution for how conscientious members of Congress can break the feedback loop: Seek out different opinions.

"Research in other areas has shown that making a conscious effort to remain aware of and counteract one's biases is one of the best ways to reduce it," Broockman says. Simply knowing that the contacts a member of Congress is receiving are lopsided can help discount their impact.

Ryan says that grassroots citizens groups could also benefit from reaching out across the aisle. "To my mind, the activist organizations tend to focus on what will generate the greatest sheer number of messages," he says, but a better strategy might be "to think more carefully about which politicians are most likely to be influenced by the messages they receive."

"A smaller number of messages directed at the persuadable people might have a greater effect than a larger number of messages that are directed at natural allies," says Ryan.

While technology has made it easier than ever for ordinary citizens to participate in democracy, it's also allowed an already vocal minority to build itself increasingly bigger megaphones. Individual members of Congress, however, can mitigate these polarizing

impacts by becoming better consumers of the messages they hear at home.

March 04, 2016 11:50 AM By Jessica Swarner

In New Orleans, rates of heart disease, stroke, and diabetes are higher than the national average, and about <u>30 percent</u> of residents are obese and physically inactive.

Many New Orleans residents, moreover, aren't getting the regular checkups they need to keep their health on track, manage chronic conditions and screen for more serious illnesses. Among the 60,000 New Orleans residents eligible for free checkups through Medicaid, for example, 41 percent were not taking advantage of this benefit, according to local nonprofit 504HealthNet.

One group of researchers decided to try an innovative way to increase the number of residents getting an annual checkup: sending texts.

The Behavioral Insights Team (BIT) at <u>What Works Cities</u>, an initiative of Bloomberg Philanthropies, partnered with 504HealthNet and the city of New Orleans to send SMS text messages to more than 21,000 Medicaid beneficiaries to encourage them to make an appointment. None of these recipients had seen a primary care physician in two years, according to the health department's data.

Elizabeth Linos, vice president of BIT North America, said the researchers chose text messages over email because they had access to residents' phone numbers through the health department, but not email addresses. She said robo-calls were an option, but the team didn't believe them to be effective because people "hang up all the time."

The team also decided to test what kinds of text messages were more likely to elicit a response. Recipient received one of three different types of messages, which researchers called "simplicity," "ego," or "social motivation," based on what they thought the motivation behind a response would be. All three types of texts included a greeting and instructions to text "YES" to be contacted by a health care representative to make an appointment, or "STOP" to unsubscribe.

The "simplicity" message aimed to be just that - simple. It read: "Txt YES to be contacted to set up a FREE doctor's appt." Linos said clear, straightforward messages are easier

for people to understand, which they thought would make people more likely to respond.



The "ego" message, on the other hand, aimed to make people feel special. It read: "You have been selected for a FREE doctor's appt."



Finally, the "social motivation" message aimed to remind recipients of their friends and family. It read: "Take care of yourself so you can care for the ones you love." Linos said hospitals often use this type of pro-social messaging, and it was hypothesized to be the most effective of the three.



However, results showed that the "ego" message was most likely to result in a "YES" response, and "social motivation" came in last. Twice as many recipients responded affirmatively to the "ego" message.

Linos said the "ego" message may have performed better because it made recipients feel that resources were scarce, providing a sense of urgency. She also said that the persuasive power of making people feel special is often underestimated.

The next step for researchers will be to see how many of these "yeses" translate into actual appointments.

If this experiment results in more people, especially low-income individuals in an area with high rates of health problems, getting regular checkups, texts could be just the nudge communities need to improve their health. According to the <a href="Pew Research Center">Pew Research Center</a>, 90 percent of the adult population owns a cell phone, including <a href="84">84</a> percent</a> of people with

incomes of less than \$30,000 per year.

While texting isn't yet a standard component of the health care industry's practices, experiments such as these could make it an important piece of preventive medicine in the future.