

# What Works Clearinghouse



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## WWC Quick Review of the Report “The Role of Simplification and Information in College Decisions: Results from the H&R Block FAFSA Experiment”<sup>†</sup>

### What is this study about?

The study examined whether assistance in filling out the Free Application for Federal Student Aid (FAFSA) increases the likelihood of filing the FAFSA, college enrollment, and financial aid receipt.

The authors analyzed data on about 17,000 individuals in 156 H&R Block tax preparation offices in Ohio and North Carolina.

The study authors determined whether an individual filed the FAFSA and financial aid paid out by the U.S. government using data from the U.S. Department of Education. They measured college enrollment using data from the National Student Clearinghouse.

The study measured effects by comparing the outcomes of three research groups created through random assignment: a FAFSA treatment group; an information-only treatment group which received portions, but not all, of the FAFSA treatment; and a no-treatment control group.

Within each research group, the authors distinguished between participants who were high school seniors, participants who were independent adults with no previous college experience, and independent adults with some previous college experience.

### Features of the FAFSA Experiment

The FAFSA is an eight-page, detailed application that must be completed to receive federal financial aid.

Participants were low- to moderate-income individuals who had received tax-preparation assistance at H&R Block and had a family member aged 15–30 with no bachelor’s degree.

For the FAFSA treatment group members, data from their tax returns and responses from a brief interview were used to complete the FAFSA and provide an estimate of the amount of need-based aid they would receive.

For the information-only group, data from their tax returns were used to provide an estimate of the amount of need-based aid they would receive, but direct assistance completing the FAFSA was not given.

Control group members were provided a brochure containing general information on college costs and financial aid but received no direct help completing the FAFSA and no personalized aid estimation.

(continued)

<sup>†</sup>Bettinger, E., Long, B., Oreopoulos, P., & Sanbonmatsu, L. (2009). *The role of simplification and information in college decisions: Results from the H&R Block FAFSA experiment* (NBER Working Paper No. 15361). Cambridge, MA: National Bureau of Economic Research.

## What did the study authors report?

Individuals who received assistance with FAFSA and information about financial aid were significantly more likely to submit the aid application. For this group, the rate at which high school seniors filed the FAFSA was about 55%, compared to about 40% for the control group; the rate for independent participants with no college experience was about 40%, compared to about 14% for the control group; the rate for independents with prior college experience was about 56%, compared to about 35% for the control group. There were no significant differences for any group of participants in the information-only group.

In addition, high school seniors in the FAFSA treatment group enrolled in college the following fall at a rate of 34%, compared to 27% for the control group. However, the FAFSA treatment had no statistically significant effect on college enrollment for financially independent adults, and the information-only treatment had no statistically significant effect on college enrollment for any groups examined.

The FAFSA treatment increased the likelihood of receiving a Pell Grant and the total amount of federal grants received for high school seniors and both groups of financially independent adults. Independents with prior college experience in the FAFSA group were also more likely to receive a federal student loan. The information-only treatment had no positive effect on these outcomes, with some evidence that it decreased receipt of federal student loans.

The WWC has reservations about the results because high sample attrition may have resulted in differences between the research groups that were not controlled for in the analysis.

## WWC Rating

***The research described in this report is consistent with WWC evidence standards with reservations***

**Strengths:** The study is a randomized controlled trial.

**Cautions:** The study experienced high rates of sample attrition, with a particularly high rate for the control group (37%, versus 26% for the FAFSA group and 20% for the information-only group). High and differing rates of sample attrition may create differences in the research groups that are not due to the program and therefore bias the results. The study authors demonstrate that, among sample members for whom data were available, the research groups remained well matched on observable initial characteristics, such as gender, race/ethnicity, and income level.