Abstract

Human behavior is shaped by environmental factors. Evaluation of low-income payment programs is assisted by including two ecological variables that are generally not fully developed in formal program theory: the rate design and the socioeconomic context. The rate design governs the “please pay” amount on customer bills and so is likely to have a much stronger effect on results than other program variables. Similarly, socioeconomic context can make the difference between well-designed programs working well and failing. This analysis highlights the relative proportion of participants for which the formal program may have a prospect of success.

Depending on the specific situation, the rate design may be the central feature of the program, or it may be seen as completely separate from the program. In the first case, evaluation of low-income rate designs is formally central to the evaluation. In the second case, the rate design may still be the key factor in program performance, even if formally “off limits.”