

Exploring Cash Assistance Payment Schedules

Comparing weekly and monthly assistance payments

Agency: Wyoming Department of Family Services
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Context

Research suggests that cash assistance at the right time can reduce psychological distress; providing weekly assistance may better allow for necessary purchases.

Key Finding

Providing weekly cash assistance to POWER clients resulted in shorter program retention with no increase in employment.

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Background

The federal Temporary Assistance for Needy Families (TANF) program offers monthly cash benefits to eligible low-income families. However, studies indicate that recipients spend their cash assistance soon after receiving it and then face shortfalls throughout the rest of the month. Weekly payments could offer more opportunities to budget appropriately.

Wyoming Department of Family Services (DFS) compared two payment schedules - weekly versus monthly - within the state's TANF program, known as the Personal Opportunities with Employment Responsibilities (POWER) program.

Trial Design

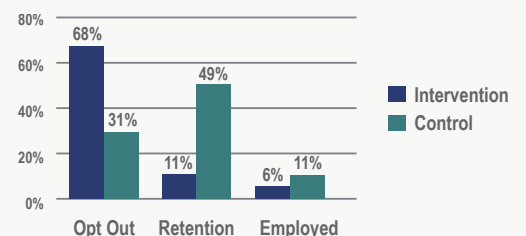
POWER clients (n=143) in the Cheyenne and Casper DFS field offices were randomized to either a weekly payment group (n=72) or a monthly payment group (n=71). The trial duration was five months.

Results and Implications

A greater number of POWER clients who received weekly payments opted out of the trial compared to the monthly payment group. Clients receiving monthly payments remained on the program for significantly longer (M=108, SD=61.39) than did those receiving weekly payments (M=50, SD=32.10), $\chi^2(1,143)=24.79, p=0.00$. Additionally, 11% of the monthly payment group obtained employment compared to 6% of the weekly payment group.

Clients reported that monthly payments allowed them to pay rent – their largest expense. DFS determined that the weekly payment schedule did not effectively encourage employment.

Wyoming DFS POWER Trial Outcomes



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