Administrative Burden
This brief will discuss how changes in administrative requirements impact public service and assistance recipients, how these two concepts interact in agencies, and how to responsibly lower requirements.

Specifically, we’ll explore two types of administrative requirements: administrative burden and red tape. Administrative burdens are procedural hurdles that eligible clients have to overcome to receive public services or benefits. Red tape refers to the rules that public servants have to comply with to administer those programs. Research shows that when individuals perceive increases in either, it negatively impacts the delivery and receipt of services (Bozeman 2000; Herd et al. 2013). Conversely, small decreases in either administrative burden or red tape can improve program participation and outcomes (Brewer and Walker 2010; Heinrich 2018). While many policymakers consider ways to reduce administrative requirements, these efforts should proceed purposively; reductions in one type of administrative requirement can have unintended consequences on the other.

Table 1: Two types of administrative requirements

| Administrative burden: | Rules and requirements that make the experience of receiving assistance or services onerous for the public. |
| Example: | Requiring an applicant to complete different forms—that collects similar information—for SNAP, TANF, Medical Assistance, and housing assistance. |
| Red Tape: | Regulations or rules that affect the discretion of administrative employees. |
| Example: | Caseworkers are required to get a supervisors signature to approve a $25 taxi ride for a TANF recipient to a job interview. |

Most citizens experience their government through forms, fines, and lines. These interactions are not, however, idle events. Participants are drawing conclusions on the desirability of offerings, how the state views their claims, and the effectiveness of their government (Soss, Fording, and Schram 2011). While all government interactions represent administrative burdens, some of these serve the public interest, such as safer roads that come from driver’s license exams. The public is unduly burdened when the perceived difficulty to overcome barriers exceeds the returns to society. In these cases, reducing barriers increases public value.

In each experience of government, a bureaucrat sits on the other side of administrative burdens with the discretion to alter that burden. When red tape environments are low, this discretion is easier to use. When it is high, individuals are less able to work around rules to help clients. For employees, environments that restrict the use of expertise and agency are associated with lower productivity and motivation and higher turnover, each of which negatively impacts the delivery of public services (Kaufmann and Tummers 2017).

In some places, the level of administrative requirements are accidents; the result of habit, poor design, or siloed units of government. In other places, barriers are intentionally raised to reduce program use by eligible participants. These hurdles allow for a form of “hidden politics,” whereby an increase in rules undermines the program in a way that may not be otherwise politically or democratically possible (Brodkin 1990; Hacker 2004; Moynihan, Herd, and Harvey 2014).
Impacts of Administrative Requirements

Predictably irrational?

Classic economics tells us humans consider all relevant short and long-term benefits and costs in determining whether to apply for services. This view suggests if a client doesn’t complete a process, they did not believe costs would outweigh program benefits. However, recent work in behavioral sciences contradicts this notion. Noble Prize winners like Daniel Kahneman and Richard Thaler show humans have cognitive biases that mean we don’t always pick the option that maximizes our long-term self-interest. Individuals often overweight short-term cost and underweight long-term benefits—like the amount of time it takes to sign-up for Medicaid versus the likelihood you will need medical coverage in the future. In this way, even a small perceived addition of burden can prevent access to publicly-funded benefits.

The impact of administrative burden is well-researched and widely applicable. In programs with low administrative burden, like Social Security, take-up rates amongst eligible participants approaches 100 percent, but in programs with higher burden, like Medicaid, participation hovers around 50 percent (Currie 2004; Herd et al. 2013). Auto enrollment, presumptive eligibility, and longer recertification periods have all been shown to have positive impacts on program participation. For example, one implementation of categorical eligibility (e.g., automatic qualification to receive benefits if you eligible for other types of assistance) increased SNAP participation by 6 percent (Andrews and Smallwood 2012).

In addition to reducing participation, research shows raising barriers can have severe psychological costs. For frontline workers and clients alike, higher procedural barriers are associated with lower satisfaction, greater dislike for related policies, stronger opposition to policy innovation, and negative impacts on civic trust and participation (Lipsky 1980; Soss 1999; Bruch, Marx Ferree, and Soss 2010; Burden et al. 2012). Making claimants wait or fill out additional paperwork communicates their time is not valuable; this loss of autonomy degrades clients and communicates their standing in society. These policies often create client stigma and shame, further deterring participation (Pinard et al. 2017; Currie 2004).

There is also an equity component, as take up rates are different across groups. Vulnerable populations—those in deep poverty, the elderly, and those with tenuous immigrant statuses—enroll the least often and are most likely to be kicked off programs for procedural reasons (Heinrich 2018; Brodkin and Majmundar 2010). Affected groups often have fewer personal and cognitive resources to navigate systems. Research by Mullainathan and Shafir (2013) notes, poverty is as a cognitive tax; as humans are “less likely to weigh long-term consequences and exhibit forward-looking behaviors when threatened, challenged, and depleted”.

Similarly, red tape has been shown to harm organizational performances and also lead to reductions in the receipt of benefits by eligible clients. Frontline staff in organization with high red tape are less satisfied with their work and have higher worker turnover. In addition to interacting with a lower performing public organization, clients may have a higher likelihood of sanctioning and receive lower benefits. For example, an experiment by Scott and Pandey (2000) found in a simulated high-red tape environment, frontline staff gave eligible participants 20 percent less cash assistance, compared to a low red-tape environment.
As suggested in the previous sections, burdens impact clients in a multitude of ways. These burdens can be grouped in three main ways: learning costs, compliance costs, and psychological costs. Changes in any of these areas can reduce use of public assistance.

<table>
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<tr>
<th>Type</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Learning costs</td>
<td>Learning about the program, whether they are eligible, the nature of benefits, and how to access services; e.g., learning how to sign-up for SNAP.</td>
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<tr>
<td>Compliance costs</td>
<td>Completing applications and reenrollments, providing documents, and responding to program demands; e.g., completing job logs for TANF.</td>
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<tr>
<td>Psychological costs</td>
<td>Facing stigma of participating in an unpopular program, as well as the loss of autonomy and increase in stress arising from program processes; e.g., the feeling of stigma after answering intrusive questions to get on a housing waitlist.</td>
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Source: (Moynihan, Herd, and Harvey 2014)

We enumerate these various costs to highlight all the places government can intervene to change burdens. This includes during periods of:

a) information gathering,
b) access and waiting,
c) attempts to define applicants’ circumstances, and
d) personal interaction with workers.

Balancing Burden and Red Tape

Not all rules are bad. Some rules promote public wellbeing, like policies that reduce the potential for fraud. But all burdens do exact a cost. An important—but oft ignored—question is what level of participation are we willing to sacrifice to advance a policy? If a voter ID law prevents 10 eligible voters from casting a ballot for each avoided fraud, is that an acceptable tradeoff? If may be beneficial for administrators to enumerate their willingness to make the trade prior to implementation of new rules.

Often, however, these barriers come from outside entities, like federal requirements or state funding cuts. When these shocks occur, agencies can consider the unintended consequences of the new policy and ways to use their existing authority to reduce disruptions. For instance, if a policy change increases staff caseloads, each client will, naturally, get less time with caseworkers. This could result in reductions in participation. A coinciding introduction of a simpler eligibility form could mitigate the impact.
Reducing Administrative Requirements

Reducing administrative requirements can have positive impacts on clients and frontline workers, alike. This brief points to the importance of considering how well intentioned changes to requirements for one party has implications to other participants. Any change to public policy or administration should consider how frontline workers and clients will experience that change and react to its implementation.

To help with that charge, we’ve identified three ways to help avoid unintended consequences:

1) **Shape policies that reduce (or hold neutral) both administrative burden and red tape.** For instance, policies that use existing administrative records to help verify employment or eligibility; increasing the length of recertification periods; or combining the eligibility for multiple assistance program into one assessment.

   Recent work sponsored by the U.S. Department of Health and Human Services also shows that small “nudges” can cheaply decrease burdens in human services (Richburg-Hayes, Anzelone, and Dechausay 2017). For example, an effort in Indiana found by simplifying the re-certification form and sending a personal post-card reminder, human service agencies increased the likelihood of a family attending their first renewal appointment by 11 percent. For only $1.40 per participant, they were able to increase both program participation and decrease wasted staff time.

2) **Work with frontline staff and clients to consider unintended consequences of policy before implementation.** Frontline workers and clients have deep contextual knowledge, which can be tapped to consider the ramifications of a new policy. If a policy is needed, but may cause a negative impact elsewhere, these individuals may have creative ideas of how to mitigate the impact. We also know humans are not just rational incentive-maximizers, instead we can be called to action by other values. Consider a policy like adding document requirements for frontline staff. Staff could get bogged down in documentation and spend less time helping clients, creating poor outcomes for clients and organizations, alike. Alternatively, if leadership collaborates with frontline staff, they may identify new solutions or motivate staff to worker hard to meet the challenge.

3) **When it appears a new policy may have negative impacts on clients, consider how to help organizations implement through means that minimize it.** Human services organizations might often be required to implement ill-considered policies. Research tells us, however, that public service delivery is critical for shaping how policy is experienced by families. For example, if a new policy makes it harder for client to sign-up for Medical Assistance, the organization could integrate healthcare navigators into their practice model or send reminders to clients of their eligibility. In this way, we use the skill of the navigators or nudges helps to mitigate the burden.

**Conclusion**

Administrative requirements are made up of the experiences of clients (administrative burden) and frontline worker (red tape) in grappling with rules and procedures required to receive and administer public services. These barriers to receiving or providing services are an important, but an under-considered component of service delivery. By responsibly reducing these burdens, we can improve outcomes for staff and clients, alike.
References


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