

Cliff Effect Pilot Program

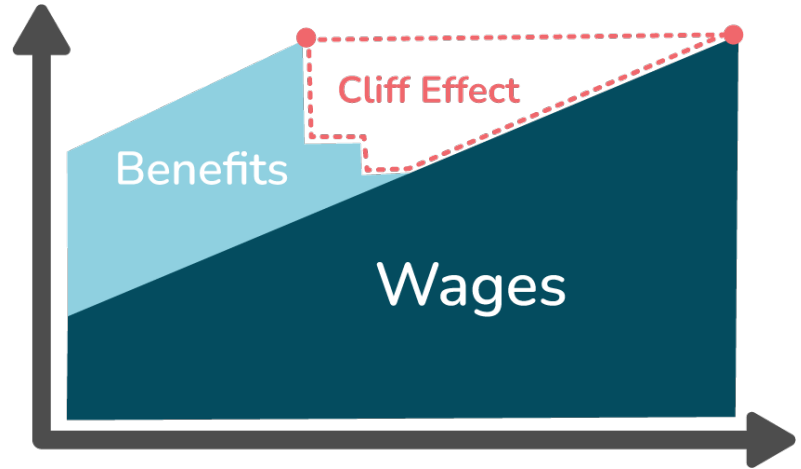
Info Sheet

What are Cliff Effects?

Increase in wages, disproportionate loss of benefits.

Assistance programs for critical needs such as food, housing, and childcare often come with means-tested requirements, dropping off after a certain income. While this is intended as a progressive measure to ensure that those who need the help are the ones getting it, there are unintended outcomes that trap individuals and families in lower-paying jobs, potentially losing more in benefits than they gain in income.

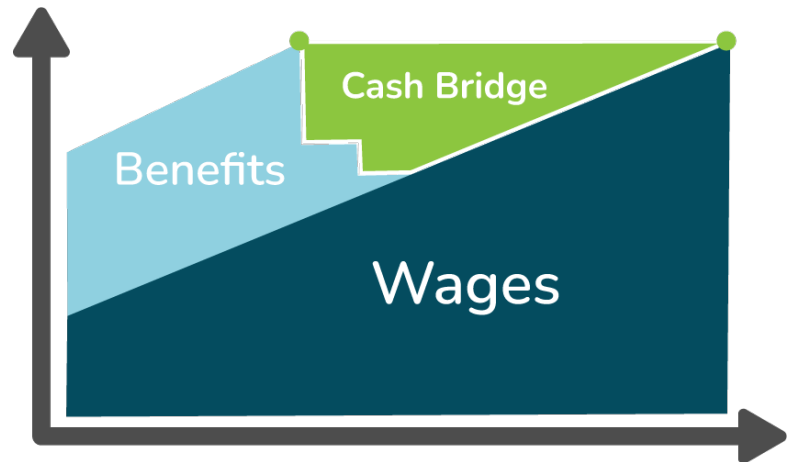
According to the UMass Boston Center for Social Policy, for a single parent with two young children in Massachusetts, higher earnings can trigger a decrease in net resources when the parent earns between \$15/hour and \$24.50/hour, creating a barrier to upward mobility. These unintended gaps in the social safety net are often referred to as “benefits cliffs” or “cliff effects.”



Our pilot will evaluate the impact of direct cash “bridge” payments combined with job training and financial coaching.

Bridge to Prosperity Pilot Program

The Bridge to Prosperity Pilot led by Springfield WORKS will serve as a blueprint for a new approach to social safety net policy, addressing these “benefit cliffs” that trap families in lower-paying jobs, dependent on social safety net programs. Our 3-year pilot will evaluate the impact of direct cash “bridge” payments that make up for the value of lost benefits for up to 100 participants as they climb the income ladder, while receiving job training and financial coaching.






The ultimate goal is to help individuals climb the income ladder and successfully transition off of reliance on public benefits.

After successful completion of the Pilot, participants will be eligible for a \$10,000 bonus to put them on track for longer-term financial health. Participants will be recruited from employer partners in Springfield, Worcester, and Boston, providing a career pathway to financial freedom.

This model not only saves public money in the long-term, but also addresses key employment gaps in sectors like healthcare & education.

Program Goals

-  **Directly impact** participant families by helping them to transition off of public assistance and learn a career that pays a living wage.
-  **Build capacity** among employers and workforce agencies to create career pathways and improve retention.
-  Serve as a model for broader **systems change**, demonstrating success in a “hand up” program aimed at improving the lives of program participants/recipients of public assistance.

Measures of Success

To gauge the program's effectiveness and help us make the case for broader systems change, Springfield WORKS has engaged a third-party evaluator to assess impacts on economic mobility, employment outcomes, participant well-being, and policy change.

Success indicators will include:

- Improvements in mental wellness
- Attainment of higher-wage employment
- Sustained financial stability

Participant progress will be monitored through various evaluative methods, including surveys and interviews. We also expect to learn much more about how these gaps in our support systems actually operate in practice as barriers to success, and what additional factors pose challenges to broader policy change.

Who is Women's Money Matters?

Women's Money Matters empowers women and girls living on low incomes with the financial resiliency skills and community support to improve their financial health and create a more secure future for their families and communities. Our unique program combines peer support groups, one-to-one mentoring, and comprehensive financial workshops to empower and support women and girls. This holistic approach equips women and girls with the money management skills, social support, and confidence to navigate the challenges of becoming financially secure. We fight to help women climb the income ladder and address cliff effects that trap families in lower-paying jobs, dependent on social safety net programs. We proudly support the Bridge to Prosperity Pilot Program, which aims to provide crucial support for families at risk of falling off the cliff.

To learn more about our work, visit <https://womensmoneymatters.org/>.

