MIRACLE MONEY
CALIFORNIA
NOVEMBER 2023 INTERIM REPORT
Executive summary

“Everyone is someone’s somebody”

— Kevin F. Adler, Founder & CEO

Overview

In May of 2022, we began recruitment into a randomized controlled trial to study the impact of Miracle Money (M$), which is a basic income and social support intervention for people experiencing homelessness delivered by the non-profit, Miracle Messages. Since then, 103 people experiencing homelessness in either the San Francisco Bay Area or Los Angeles County started receiving $750 per month for 1 year, based on random selection.

A full description of the study protocols can be found here:

https://www.researchsquare.com/article/rs-3287846/v1

This report provides a description of those who began receiving monthly income and how they spent their money. It also compares how the 69 people who have received at least 6 monthly payments are doing compared to a control group (n=86) who accessed usual homeless services.

Two key findings thus far include that people who received M$ for 6 months are:

- Less likely to be unsheltered as compared to those who accessed usual services;
- Closer to having enough money to meet all of their basic needs as compared to those who accessed usual services.
Demographic characteristics of people receiving monthly income (n=103)

Average Age: 47

Gender
- Male: 49
- Female: 49
- Other: 5

Race
- White: 22.3%
- Black/AA: 30.1%
- Multirace: 13.6%
- Hispanic/Latino: 25.2%
- Other: 2.9%
- American Indian/Alaska Native: 2.9%

Sexual Orientation
- Straight: 82
- Gay/Lesbian: 8
- Bi/Pansexual: 5
- Other: 7

Relationship Status
- Single: 57.3%
- Divorced: 21.4%
- Married: 5.8%
- Widowed: 7.8%
- Separated: 7.8%
Key findings

For people who received M$, the proportion of people who reported spending time unsheltered in the past month decreased from 30% at baseline to under 12% at the 6-month follow-up, which was a statistically significant change (p<.05). For those in the control group, a modest decrease from 28% to 23% was not statistically significant.

After 6 months, people who received M$ also reported being closer to having enough money to meet all of their basic needs on a scale of 1 (i.e., “Completely”) to 5 (i.e., “Not at all”) as compared to the control group. This was a significant improvement for those receiving M$ (p<.05) with no change in the control group.
Use of funds

In-depth qualitative interviews with a subsample of 20 individuals in M$ who started receiving monthly income within the past 3 months provide some understanding of how people are spending money.

"I used the money to catch up on bills. I did a car repair that was gruesomely needed, right back brakes, playing catch up on some deferred maintenance on the car, making a couple payments. Catching my phone payment up."

"I live in a Tiny Homes Site and the food here is not diabetic friendly. And so now I can buy healthier food, eat a salad or something healthier."

"I spent a lot of the money on food on the go. Simple, cheap things like bean and cheese burritos. I eat on the run while I bike/work for DoorDash. I also bought a membership to REI, so I could get my bike fixed for free."

The figure below shows the self-reported monthly budget allocation at month 6 from those receiving M$. The single biggest expense was for food followed by housing expenses. Similar amounts were spent on transportation and clothing. Healthcare costs only made up 6% of monthly expenses with the remaining 14% on other expenses.
Conclusion

Data collection for this experiment is scheduled to end by October 2024 with a final report expected by the end of 2024. Additional interim reports that will include the full sample at 6 months and consider a wider array of outcomes are expected in the first half of 2024 and can be found at:

https://dworakpeck.usc.edu/research/centers/homelessness-housing-health-equity

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