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# The 1982 New Beneficiary Survey: An Introduction

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This article introduces the 1982 New Beneficiary Survey, the latest survey of new beneficiaries sponsored by the Social Security Administration. This national, cross-sectional survey was fielded from October through December 1982 using a sample drawn from the Social Security Administration's Master Beneficiary Record. The sample includes retired workers, disabled workers, and aged wives and widows who received a first benefit payment from mid-1980 through mid-1981. Exactly 18,600 personal interviews were conducted with these categories of noninstitutionalized Old-Age, Survivor, and Disability Insurance beneficiaries and a comparison group who enrolled in Medicare but had not yet filed for monthly cash payments. This article describes the history of the survey's development, the sample selection procedures, the sample characteristics, the questionnaire, and the field procedures. Data from this survey of new program beneficiaries will be used to estimate the effects on future beneficiaries of changes in the Social Security program during the 1980's. The survey work was performed by the Institute for Survey Research at Temple University under contract with the Social Security Administration.

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Social Security, established in 1935, has grown in half a century until it now covers more than 90 percent of the working population. Currently, over 35 million individuals receive monthly Social Security benefits. Over the years, the Social Security Administration (SSA) has been required by Congress to evaluate the programs it administers and report how beneficiaries' needs are being met. Many evaluations can use Social Security administrative record information, which contains historical data on the individual's earnings covered by Social Security and the benefit payments to current beneficiaries. However, other evaluations require information such as employment in jobs not covered by Social Security, pension and other income sources, asset holdings, health status, or marital and child care histories. This information is not available in existing administrative files. National surveys of beneficiaries are therefore undertaken to examine in detail the situations in which

beneficiaries find themselves, and to investigate how well current program provisions meet the needs of our society.

A cohort of new beneficiaries—those individuals who have recently begun to receive their Social Security entitlement payments—is particularly illustrative of how beneficiaries are affected by new program provisions and current social trends. Additionally, new beneficiaries provide the most accurate description of the characteristics of future beneficiaries and can serve as a proxy for the characteristics of the beneficiary population of the future.

The 1982 New Beneficiary Survey (NBS) data will provide the information to perform up-to-date program evaluation using data not otherwise available from the Social Security system. This introduction to the NBS describes the beneficiary sample population and questionnaire, and highlights program issues that can be addressed with this new data source.

## Survey History

Before this effort, the last time that SSA surveyed retired workers new to the benefit rolls was in 1969-70

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with the Survey of Newly Entitled Beneficiaries. The 1978 Survey of the Disabled, the most recent SSA effort to examine disabled-worker beneficiaries, included a sample of persons awarded disability benefits between 1972 and 1977. Since these surveys, the United States has experienced dramatic economic changes. The high inflation years of the mid- and late-1970's and high unemployment in the early 1980's have affected retirement behavior and how Social Security beneficiaries adjust to lost earnings.

Since the early 1970's, legislation has been enacted that addresses these social and economic issues. Two pieces of legislation directly affecting retirement were the Employee Retirement Income Security Act of 1974 (ERISA) and the 1978 Amendments to the Age Discrimination in Employment Act. ERISA provided additional regulations to safeguard employee pension rights. The latter act raised the minimum mandatory retirement age to 70. Other legislation, such as the Social Security Disability Amendments of 1980, increased emphasis on work incentive components in income maintenance programs. And, in the private sector, pension plans have matured and expanded to include more early retirement benefit packages.

Moreover, the Social Security program itself experienced major changes. These program modifications are broad in scope, as illustrated by the following:

- Ad hoc benefit increases in 1968, 1969, 1970, and 1972.
- Automatic price indexing of benefits enacted in 1972.
- Changes in the earnings test effective in 1975 created automatic increases in the earnings permitted without benefit reduction and changes effective in 1978 set higher earnings levels for beneficiaries aged 65 and over subject to the earnings test.
- Lowering from 72 to 70 the age at which the earnings test no longer applies, effective in 1983.
- Significant increases in the taxable earnings base from \$7,800 in 1970 to \$29,700 in 1981, subject to automatic increases thereafter.
- Enactment of a decoupled benefit formula in 1977 (implemented in 1979) that corrected the unintended double indexing enacted in 1972.
- Lowering of benefits for newly entitled young disabled workers under the indexed formula implemented in 1979.
- Reduction in the number of dropout years for young disabled workers and limitations on family benefits for disabled workers in 1980.

The NBS was launched in fall 1982 to meet the many policy information demands caused by these program changes of the past decade. Two years of intensive planning produced a survey questionnaire that meets two requirements of program analysts and policy planners. First, the survey provides current information to satisfy the evaluative research mandate of SSA with

respect to the equity and adequacy of program benefits. Second, the data contain sufficient detail to permit estimation of the probable consequences of proposed or enacted changes in the Social Security program.

## Sample

The NBS is a national, cross-sectional survey of a representative sample of noninstitutionalized program beneficiaries who entered payment status during a 12-month period from mid-1980 to mid-1981. The sample is subdivided into four categories of Old-Age, Survivor, and Disability Insurance beneficiaries: (1) retired workers; (2) disabled workers; (3) wives, divorced wives, widows, and divorced widows;<sup>1</sup> and (4) workers aged 65 and over who are eligible for but who had not yet claimed cash benefits (the Medicare-only subsample).

The selected beneficiary categories and the preliminary subsample size counts follow:

Category	Total	Men	Women
Total . . . . .	18,600	10,119	8,481
Retired workers . . . . .	9,520	5,318	4,202
Disabled workers . . . . .	5,199	3,599	1,600
Spouses:			
Wives . . . . .	1,040	...	1,040
Divorced wives . . . . .	210	...	210
Widows . . . . .	975	...	975
Divorced widows . . . . .	212	...	212
Medicare-only . . . . .	1,444	1,202	242

### Retired Workers

This subsample consists of individuals aged 62 and over receiving retired-worker benefits based on their own work record (including dually entitled persons).<sup>2</sup> It includes retired-worker beneficiaries who may have received benefits before age 62 as young dependents or survivors, or disabled workers who subsequently recovered and later entered the benefit rolls as new retired workers during the NBS sample period. This category excludes disabled workers converting to retired workers at age 65.

### Disabled Workers

This subsample consists of individuals aged 18 to 64 receiving Social Security disabled-worker benefits. It includes workers with a first payment for a new period of disability entitlement even though they may have

<sup>1</sup> Husbands and widowers, due to their small program numbers, were omitted to enhance the efficiency of the survey design.

<sup>2</sup> Dual entitlement occurs when an individual is entitled to and receives two or more types of Social Security benefits concurrently. The most common case exists when a retired-worker or a disabled-worker beneficiary also qualifies for a larger benefit as a spouse or survivor.

received prior benefits as disabled workers, spouses, or survivors.

## Spouses

**Wives.** This category consists of women aged 62 and over who are currently married to a retired-worker beneficiary and who receive benefits solely based on his work record. Dually entitled wife beneficiaries are not included as they are sampled in the retired-worker category. This subsample includes wives with prior benefit receipt in a nonaged dependent or survivor category and excludes wives who have previously received benefits as retired workers.

**Widows.** This category consists of widowed beneficiaries aged 60 and over whose benefits are based solely on a deceased husband's work record. It includes widows with prior benefit receipt as young mothers with dependents and excludes widows with either dual entitlement or prior benefit receipt as aged wives.

**Divorced wives.** This category is identical to the wives category above except that divorced wives' benefits are based on the work record of a former husband.

**Divorced widows.** This category is identical to the widows category except that the divorced widows' benefits are based on the work record of a former husband who is deceased.

## Medicare Only

This subsample consists of individuals who had established entitlement to Medicare and were eligible for, but had not yet received, monthly Social Security cash benefits. This category of nonbeneficiaries allows comparisons between beneficiary and nonbeneficiary characteristics at the time of the survey and at earlier points in their work and earnings histories.

## Selection of Survey Sample

The NBS sample was selected from SSA's Master Beneficiary Record (MBR) data file. This file contains a current listing of all individuals entitled to either cash benefits or Medicare and is used to issue the entitlement checks distributed each month. The MBR contains the names, addresses, and Social Security numbers of all beneficiaries, as well as information on benefit histories and claim statuses needed for computing benefit amounts.

For the NBS, a full listing was prepared of all beneficiaries fitting into one of the selected categories and receiving a first benefit check during a preselected period. The resulting data file contained slightly more than 2 million beneficiary names from which a random sample was drawn.

The 12-month period from mid-1980 to mid-1981 was

## Data Availability

To respond to the frequent requests for recent data on the characteristics of beneficiaries, the Social Security Administration will produce a series of preliminary data tabulations from the New Beneficiary Survey under the general title "Findings from the 1982 Survey of New Beneficiaries." This series of publications will be released beginning in the spring of 1984. Additionally, SSA program analysts will complete substantive research papers on the program issues addressed by the questionnaire items. **Any individual or organization wishing to be placed on the mailing list for all reports from the NBS should detach the enclosed form and return it to SSA's Office of Research, Statistics, and International Policy, at the address shown.**

Interested data users should also note that survey data responses will be made available in the form of a public use tape to be released in 1984. A separate technical document available with the NBS data tape will detail the sampling procedures, sample weights, sampling errors, questionnaire items, and item nonresponse imputations. Further information on ordering copies of the NBS public use tape will be distributed to mailing list and **Bulletin** subscribers.

used to select new beneficiaries for two reasons. First, NBS planners wished to focus on recent Social Security beneficiaries who had completed a short period of adjustment to their new life style of diminished earnings. This adjustment period was arbitrarily defined to end 1 year after the month for which benefits were first received. Since the survey was planned for fall 1982, beneficiaries with first benefit receipt after mid-1981 would not be selected. Second, it was felt desirable to select individuals receiving their initial payment during a 12-month cycle to eliminate the effects of any seasonality (month-to-month variations). For these reasons, the NBS defined its sample universe as the set of new beneficiaries who received their first Social Security payment during a 12-month "window" from mid-1980 to mid-1981.

Because of the differing analytical requirements for the beneficiary categories, slightly different windows were employed for each. For the retired-worker and all wife and widow categories, the 12-month window selected was June 1980 through May 1981. For the disabled workers, survey planners selected a window from July 1980 through June 1981, to meet the congressional mandate to study the effects of the Social Security Disability Amendments that went into effect in July 1980.

For the Medicare-only sample, the concept of a 12-month window has little analytical significance. As the

purpose of this sample is to provide a means for comparative analysis between eligible nonbeneficiaries and retired beneficiaries, a sample was drawn of all individuals aged 65–71 who were entitled to Medicare but had not received retired-worker benefits by July 1982.

The age range of the Medicare-only sample is similar to the age range of the retired-worker sample. When NBS retired-worker beneficiaries began receiving benefits at ages 62–72 during the window June 1980 to May 1981, the Medicare-only sample was aged 63 to 70.<sup>3</sup> A comparison of the characteristics of these two groups at the time of the survey provides a means to examine why some individuals claim cash benefits and others do not.

The NBS samples of retired-worker, disabled-worker, and spouse beneficiaries consist solely of noninstitutionalized beneficiaries who received a first benefit payment covering a month in the window defined for that sample group. Individuals familiar with SSA's administrative record data published in the **Social Security Bulletin** and its **Annual Statistical Supplement** may be tempted to equate the NBS weighted sample counts with the published monthly award data. The NBS sampling universe, however, is not identical to the counts of benefit awards for a particular 12-month period for several reasons. A technical discussion of the conceptual differences between the NBS universe and program award counts, and how these differences affect the classification of beneficiaries, is included in the appendix.

## Survey Questionnaire

The survey instrument designed by SSA was divided into the following sections:

1. Household composition
2. Employment history
3. Employment and pension detail
4. Noncovered employment
5. Health
6. Income and assets
7. Marital history
8. Child care
9. Program knowledge
10. Spouse

On average, the questionnaire was administered in 65 minutes, with a range of 35 to 90 minutes depending on the individual's work history and marital status. A brief screening form first confirmed that the interviewer had contacted the correct individual. The screening form was also used to eliminate from the survey institutionalized individuals and to record any deaths of beneficiaries that had occurred since the NBS universe selection was made in March 1982. The questionnaire was then administered as described below.

<sup>3</sup> Nondisabled persons covered by Medicare must be aged 65 or older. The Medicare-only nonbeneficiaries in the NBS were aged 65 to 71 in July 1982, implying that they were aged 63 to 70 during the window of June 1980 through May 1981. Individuals under age 65 during the window would not then have been entitled to Medicare, but would have achieved entitlement on their 65th birthday.

## Household Composition

The purpose of this section was to obtain basic demographic information about the sample person and members of his or her household. The information asked for included the ages and relationships to the respondent of all persons living in the household. The beneficiary's current marital status, race, and number of years of school completed were also recorded. These data are used to produce basic descriptions of the beneficiary population and their living situations, and to provide explanatory controls for analyses.

## Employment History

This section collected an employment chronology of each respondent from either 1951 or the year the respondent became age 21, whichever was later. The year 1951 was chosen since SSA uses annual earnings amounts after 1951 (or the year the beneficiary became age 21, if later) to compute cash benefits. Job beginning and ending dates were recorded for each job lasting at least 12 months. Any secondary jobs held concurrently with the primary job were noted. This section provides a descriptive history of the work experience of the beneficiary for use in analyzing job patterns and employment status. Additionally, periods of no employment are of particular analytical interest in research on women's benefits and incomes.

The employment history section also served as a screening device for the employment and pension detail section that follows. After completing the chronological history, the interviewer selected the jobs that fit into three categories—Current, Last, or Longest. The Current job, if any, is the job at which the beneficiary was employed at the time of the interview; the Last job was that held at or immediately before the window (May 1980); and the Longest job was the job of longest duration since 1951. Often, a job fell into more than one category; in fact, a single job may have been in all three categories—Current, Last, and Longest. If it fit more than one category, it was selected only once. Therefore, a maximum of three jobs was highlighted.

## Employment and Pension Detail

For each job highlighted in the employment chronology section, a detailed set of questions was asked about that job's characteristics and pension plan provisions. Current job data defined the employment circumstances of the beneficiary who chose to remain at work. A series of questions was also asked about changes in hours or weeks worked during the previous 3 years in order to ascertain the transition to retirement. The Last job described the employment characteristics of the beneficiary immediately before Social Security benefits were first received. Reasons for leaving the Last job were re-

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corded to ascertain the perceived role of pension eligibility, family commitments, health, and mandatory retirement in the decision to leave the job. The Longest job detailed the work environment at which the respondent spent the greatest period of time.

For each job, information was obtained on industry and occupation, Social Security coverage, and self-employment or employee status. The hours and weeks of work and job-end earnings level were used to determine full- or part-time status, earned income, and the worker's hourly wage rate. Self-employed beneficiaries were asked about Keogh plans, and employees were asked questions concerning pension coverage and receipt. The responses from these pension questions provide basic information on the types of jobs covered by pensions, eligibility ages, benefit amounts, changes in benefits, lump-sum payments, and survivor benefits. These data will be used to assess the role of pensions in the timing of retirement.

### **Noncovered Employment**

Most analyses will focus on the beneficiaries' major jobs and will have information on Social Security coverage. However, information on all additional jobs not covered by Social Security was also asked in order to evaluate proposals affecting Social Security benefits for workers with periods of noncovered employment. This section of the questionnaire focused on any periods of noncovered work listed in the employment history section that are not Current, Last, or Longest jobs. For each such period with a Federal, State, or local government, or a nonprofit or charitable organization, questions were asked concerning pension and Social Security coverage. This information can be used to analyze current and prospective retirement benefit levels, and is needed to examine proposals to adjust Social Security benefits for individuals with noncovered pensions.

The noncovered employment section concluded with questions to determine periods of active duty in the Armed Forces. These questions were asked separately to ensure that military service was not overlooked if it occurred before 1951. This section also included questions about service-connected disability and the disability percent ratings that determine Veterans' Administration benefits.

### **Health**

Respondents were asked to identify current health conditions so that analysts can determine the prevalence of major health problems among the beneficiary samples. Additional questions were asked about recent utilization of medical and inpatient hospital services to provide a partial measure of current health status. A series of questions about self-assessed work limitations

and their influence on work activity elicited details about the nature, extent, and work-related causes of reported health impairments. This section also contained questions about physical mobility, functional limitations, and health care plan coverage.

The health status measures will also make it possible to compare the health conditions of beneficiaries just entering the rolls with the Medicare-only nonbeneficiaries of the same age. The data can indicate the extent to which Social Security retired-worker beneficiaries under age 65 perceive that reported health limitations affect their ability to work.

### **Income and Assets**

Social Security benefits alone are not expected to provide full retirement or disability income. The program assumes that beneficiaries will have available other sources of income such as pensions, savings, retirement earnings, or means-tested payments. Assets are also an integral source of retirement income, both for the income they produce in the form of interest, dividends, and rent, and for their cash value if liquidated. Both income and assets influence the relative importance of Social Security benefits in the total income of new beneficiaries.

Information was obtained on the respondent's (and spouse's) income from earnings, pensions, means-tested payments, and income received from other individuals. Questions were asked about the amounts of income received from each source during each of 3 months preceding the month of interview. Where relevant, a respondent was also asked if the benefit was derived from one's own work record or from that of a spouse, and whether it was a retirement or disability benefit. Information on ownership and value of liquid assets, stocks, bonds, IRA or Keogh accounts, own home, real property, and businesses or professional practices was collected. Questions on income of the respondent's own children under age 19 and living in the household will also be used to determine household income. Finally, a total income figure for each adult in the household was recorded to complete the household income picture and to determine household eligibility for Supplemental Security Income payments and Food Stamps.

### **Marital History**

Marital status, past and present, can affect Social Security benefits. This section gathered information on the duration of the current marital status and the number of times the respondent had been married. For widowed, divorced, and separated beneficiaries, the beginning and ending dates for their terminated marriage were collected. This data can be used to analyze and project benefits under proposals to change the way

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benefits are calculated for married, widowed, or divorced persons. Also, information in this and the child care section can be used in conjunction with the chronological employment histories to assess the past mix of work and family roles of women now entering retirement.

### **Child Care**

Caring for children can affect a person's labor-force participation, and thereby the earnings used to calculate Social Security benefits. This section collected information on the dates of birth and the relationships of children whom the respondent raised. The years of employment activity of the respondent can be compared with the years when children were young to analyze patterns of work and child care and to estimate the impact of proposals to provide child care credits in the Social Security program.

### **Program Knowledge**

This section investigated the beneficiary's knowledge of certain aspects of Social Security program provisions. Questions designed for the retirement sample assessed the individual's knowledge of the earnings test. Individuals in the disability sample were asked questions to assess their knowledge of the provisions of the Social Security Disability Amendments of 1980.

### **Spouse**

Spouses of married beneficiaries were also asked to respond to several sections of the questionnaire. Those who agreed to participate were individually asked all questions in the employment history section, the employment and pension detail section, the noncovered employment section, and a much-shortened health section. The income and asset holding information of spouses was included in the income and asset section of the respondent. The joint employment data on husband and wife permit study of the work and family histories of the married couple.

## **Fielding Procedures**

The 18,600 interviews with new program beneficiaries were conducted by the Institute for Survey Research of Temple University, under contract with SSA. All interviews were in-person and were administered between October and December 1982 in the 48 contiguous States and the District of Columbia. The sample design used a clustered probability sample of 100 primary sampling units based on the 1980 Census. A small number of interviews with beneficiaries who were previously unavailable or who had moved were conducted in January 1983.

More than 700 interviewers were employed to com-

plete the interviews within the short fielding period. Interviewers attended an intensive 3-day training session to become fully familiar with the NBS questionnaire and the survey recording conventions.

New beneficiaries selected for the survey were sent an introductory letter asking for their voluntary participation. The SSA field staffs were prepared to respond to any beneficiary inquiries resulting from the introductory letter or from the interview. Questions from beneficiaries regarding the authenticity of the survey were expected. All NBS interviewers were carefully trained to display their identification badges, to confirm the voluntary nature of each respondent's participation, and to encourage calls to the Social Security office to resolve any beneficiary doubts.

The survey was undertaken with the expectation that a minimum response completion rate of 85 percent would be achieved. Although a final response rate statistic is not yet available, it is clear that the 85-percent goal has been exceeded.

## **Appendix: Conceptual Differences Between the NBS Sample Universe and Program Data**

The New Beneficiary Survey universe includes Social Security beneficiaries whose first benefit based on disability or old age was payable during the 12-month period from mid-1980 to mid-1981. In contrast to first benefit payments are program awards—transactions processed by SSA when it establishes that a person is entitled to a particular type of benefit. Given this different conceptualization, differences between the beneficiary category counts in the NBS sample universe and in program award data are unavoidable. Most differences are due to

- Conversion awards—when a beneficiary shifts from one benefit category to another;
- Conditional and deferred awards—when a benefit award occurs before the month of first payment; and
- Retroactive benefit awards—when the awards occur after the month for which the first benefit is payable.

The following sections explain how differences in the counts for the NBS sample universe and for program award data can be attributed to the manner in which conversion, conditional and deferred, and retroactive awards are classified.

### **Program Awards Compared With NBS Universe**

**Conversion awards.** When an individual first enters the Social Security rolls in any beneficiary category, this

new entry is recorded in the program award counts. If that same beneficiary subsequently is converted from one benefit category to another, entry into this second new category is also counted in the SSA administrative record data as a benefit award. The following are examples of benefit conversions relevant to the NBS sample:

- A disabled-worker beneficiary reaches age 65 and is automatically converted by SSA to the retired-worker category.
- A retired-worker beneficiary aged 62–64 shifts to the disabled-worker category.
- An aged wife beneficiary shifts to aged widow's benefits upon the death of her husband.
- An aged wife beneficiary becomes a divorced wife beneficiary upon divorce from her husband.
- An aged divorced wife or widow beneficiary becomes a wife beneficiary upon remarriage to a new husband.
- A beneficiary already on the program rolls becomes dually entitled in a second benefit category.

All of the above benefit category conversions are counted as new awards in SSA's program administrative data.

In contrast, the guidelines used for defining the NBS universe in general allow each individual only one chance to be included in the NBS universe as a first payable benefit, either in a new period of disability or on the basis of old age. Consequently, the new award program counts will include conversions such as those listed above, but the NBS sample universe does not count these same conversions, with one exception: Even if a woman had previously received Social Security benefits as a young wife or widow with children in her care, her first entry into current-payment status as a wife or widow on the basis of old age is included in the NBS sample universe definition.

**Conditional and deferred awards.** Conditional and deferred awards are made when SSA establishes that an applicant meets the eligibility requirements for benefits (such as age or insured status), but does not yet qualify for payable benefits—usually because he or she has earnings that exceed the earnings test limits. In such cases the benefit payment is either deferred (suspended for a specified number of months until the worker expects to meet the earnings test) or conditional (not payable until the worker notifies SSA of a change in his or her work status). Conditional and deferred benefit awards are most likely to occur at age 65 when a worker contacts SSA to establish entitlement to Medicare.

Conditional and deferred retired-worker benefit awards are counted in the SSA administrative data at the time the award is processed. For the NBS, however, persons with conditional or deferred awards are included in the universe only if, after award, they shift to current-payment status and receive their first benefit check for a month in the "window." Their benefit

awards may have occurred before or during the window.

Note that the Medicare-only sample of the NBS is comprised both of beneficiaries in suspended award status and of beneficiaries who have not filed for cash benefits but who have qualified for Medicare.

**Retroactive benefit awards.** A cash benefit award may include retroactive payments for months before the month of award. This may occur either because the beneficiary exercised the option to backdate the month of first entitlement from the date the claim was filed, or a lag exists between the month the individual filed for benefits and the month the benefit award was processed.

In the program data, such awards are counted in the month the award was made regardless of the month for which a payable benefit was received. The NBS universe is designed to capture such cases if the month for which the first benefit was payable was in the 12-month window. Thus, the study universe includes persons whose first benefit awards were processed after the window, but whose first benefit payment was for a month in the window. The final NBS study universe was selected in March 1982, 9 months after the end of the 12-month window. Thus, only retroactive benefit awards that had been processed by that date are included in the universe.

Very few retired workers whose month of first benefit payment was in the window would have been excluded from the study universe because their retroactive payments had not yet been awarded by March 1982. Retired-worker benefit awards are normally processed within a month or two after the applicant files for benefits. Also, retired-worker applicants are allowed to backdate their benefit entitlements only under limited circumstances. They generally cannot backdate their entitlement before age 65, or by more than 6 months from the month in which they file.<sup>4</sup> Thus, the majority of retired workers with retroactive payments during the window should have had their awards processed by March 1982 and therefore would be included in the NBS universe.

For disabled workers, however, retroactive payments are more common and frequently span a longer period. Disability cases involve more retroactive payments than do retirement cases for several reasons. First, disability applicants can backdate their entitlement dates by up to 12 months. Second, disability claims take longer to process because of the need to obtain and weigh medical and vocational evidence to confirm that the applicant meets the program definition of disability. Third, disability claims that are initially denied may subsequently be awarded on reconsideration or appeal; the appeal

<sup>4</sup> Before February 1981, retired-worker claimants could, under certain circumstances, backdate their entitlement date by up to 12 months. Beginning February 1981, the retroactive period was reduced to 6 months.

process lengthens the decisionmaking process considerably.

For disabled-worker cases, therefore, it is expected that there will be persons who subsequently received a first benefit payment for a month in the window but who do not appear in the NBS universe. This is a direct result of their benefit awards not being processed by March 1982 when the sample universe was listed from the Master Beneficiary Record.

### Size of the Sample Universe Compared With Program Data

The combined effect of all the factors cited above implies that counts from the NBS universe and program administrative award data will differ for any comparable period. Table I documents the differences between these beneficiary counts for the 13-month period (June 1980 through June 1981) that contains the NBS windows. The NBS universe for both the retirement and disability samples is slightly smaller than the program award counts.

**Retired workers.** In the 13-month period, June 1980 through June 1981, the number of retired workers fitting the specifications for the NBS universe was 1,397,463. In the same period, the number of retired-

worker benefit awards (other than disability conversions) is estimated to be 1,555,071.

The NBS universe is smaller by about 10 percent because the NBS excludes the following types of benefit awards:

- Persons residing outside the 48 contiguous States or the District of Columbia.
- Persons who converted from another beneficiary category to retired worker during the window, such that the retired-worker award was not the first benefit payment they received in old age.
- Persons whose benefit award during the window was in conditional or deferred status and who did not shift to current-payment status during the window.
- Persons whose benefit awards during the window included retroactive payments for month prior to the window.

On the other hand, the NBS universe does include retired workers whose first benefit payment was during the window, but whose award was processed before the period (in conditional or deferred status) or after the period (with retroactive benefit payments).

**Disabled workers.** In the 13-month period from June 1980 through June 1981, the total number of disabled workers that met the NBS universe specifications was 308,707. The number of disabled-worker benefit awards for this same period was 392,560. Thus, the study universe is about 20 percent smaller than the number of awards during the period. For disabled workers, however, the program count most comparable to the NBS universe would be the number of new entitlements to disabled-worker benefits during the window. For disabled workers, the month of entitlement is normally the month for which benefits are first payable; a disability award can occur after the entitlement date. Because the number of disability awards was declining in the months during and following the study period (chart I), one would expect that the number of disabled-worker entitlements during the window would be somewhat less than the number of program awards during that same period.

Further analyses of the administrative data are planned to determine whether those disabled workers whose first month of entitlement was in the window—but whose awards had not been processed by the time the NBS universe was drawn in March 1982—are significantly different from those disabled workers who were included in the NBS sample universe.

**Wives and divorced wives.** From June 1980 through June 1981 the total number of wives and divorced wives meeting the NBS universe specifications was 239,055. For this same 13-month period, the program award data showed approximately 311,684 wife and divorced wife awards. The NBS and program award counts differ in that the program award counts include

**Table I.—Comparison of NBS sample universe and program award data, June 1980 through June 1981**

Awards	Number in program award data	Number in sample universe
Retired workers . . . . .	1 1,555,071	1,397,463
Men . . . . .	2 886,390	789,063
Women . . . . .	2 668,681	608,400
Wives of retired workers . . . . .	3 311,684	239,055
Widows . . . . .	4 453,690	136,722
Disabled workers . . . . .	392,560	308,707
Men . . . . .	5 270,866	218,910
Women . . . . .	5 121,694	89,797

<sup>1</sup> Current figure for months indicated is 1,724,026. Using supplementary 1979 data (latest available), 9.8 percent of retired-worker awards were for disability conversions to retirement benefits at age 65; this category was excluded from the NBS sample. Subtracting this 9.8-percent estimate from the total program counts provides the given estimate for total awards excluding disability conversions.

<sup>2</sup> Current figures are not available by sex. Supplementary 1979 data indicate that for retired-worker awards excluding disability conversions, 57 percent were for men and 43 percent were for women. These percentages were used to provide the sex disaggregation estimates.

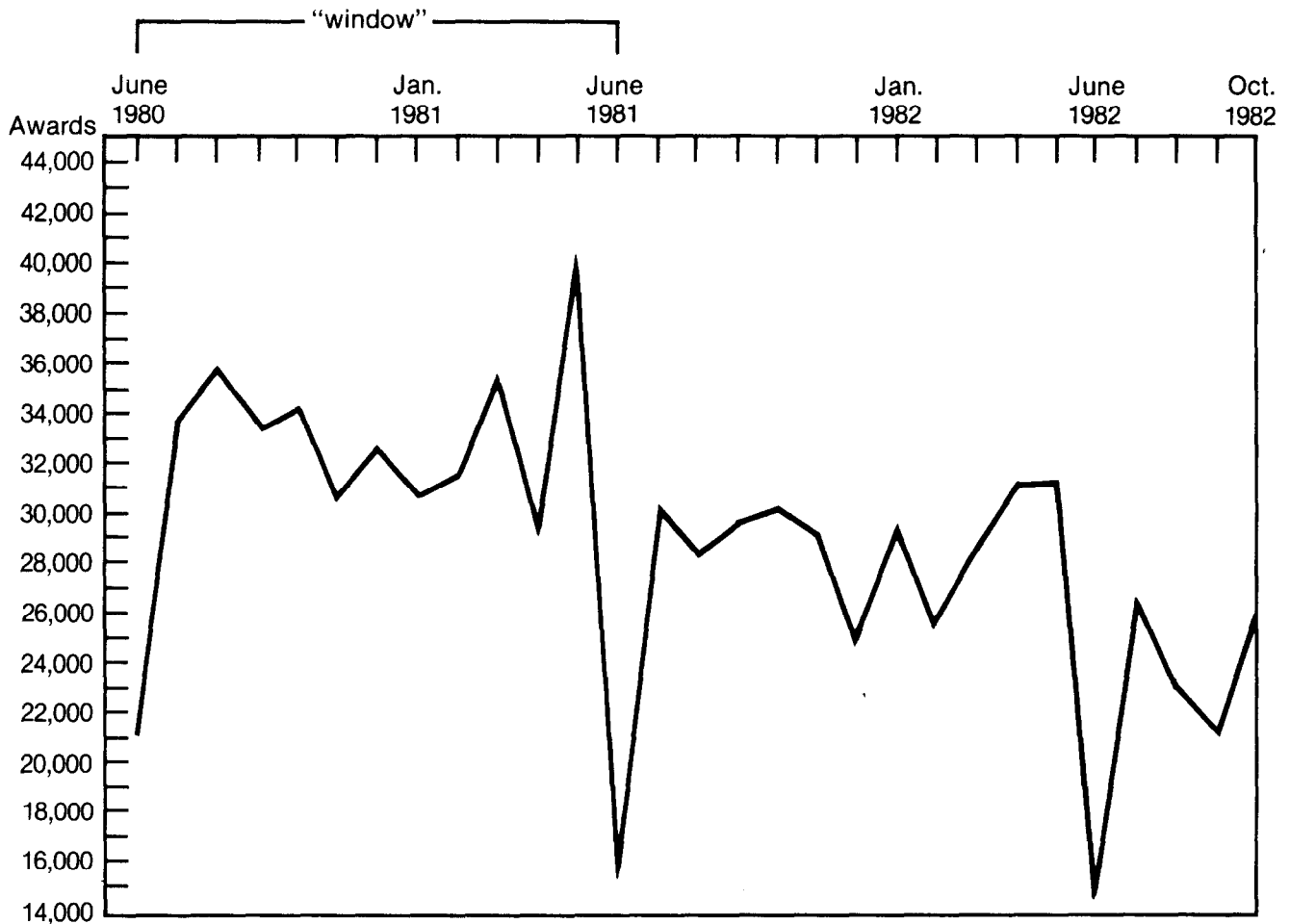
<sup>3</sup> Current figures for awards to spouses (including divorced spouses) are not available by sex. For the 13 months shown, actual counts show 392,560 awards to wives and husbands; supplementary 1979 data indicate that approximately 97 percent of these awards (366,678) were for wives. Awards to wives aged 62 and over (the NBS sample definition) comprised approximately 85 percent of this total in 1979, producing the combined wife and divorced wife award estimate.

<sup>4</sup> Current figures for awards to widowed spouses (including divorced widow(er)s) are not available by sex. For the 13 months shown, actual counts show 462,949 awards to widows and widowers; supplementary 1979 data indicate that approximately 98 percent of these awards (453,690) were made to women.

<sup>5</sup> Current figures used to obtain total award counts are not available by sex. Supplementary 1979 data indicate that for disabled-worker awards, 69 percent were for men and 31 percent were for women. These percentages were used to provide the sex disaggregation estimates.



**Chart I.—Social Security disabled-worker awards, June 1980 through October 1982**



Source: **Social Security Bulletin**, table M-17.

- Persons residing outside the 48 contiguous States and the District of Columbia;
- Conversions during the NBS study period from another benefit category to a wife or divorced-wife category;
- Conversions from disabled-worker spouse to retired-worker spouse when the primary disabled-worker beneficiary reaches age 65; and
- Subsequent dual entitlement as a wife after entitlement as a retired worker. Program data counts the subsequent wife entitlement as another award; the NBS only selects individuals at first payment in the first old-age category.

**Widows and divorced widows.** During June 1980 through June 1981, the NBS sample universe specifications listed 136,722 widows and divorced widows. For this same period, the program award estimate is 453,690. The wide discrepancy between these numbers results because program award data include

- Persons residing outside the 48 contiguous States and the District of Columbia;
- Conversions from wife or divorced-wife categories to the widow or divorced-widow categories upon the death of the spouse (or former spouse). Program data count all widow awards at age 60 and older without disaggregation by prior beneficiary status. Since approximately 48 percent of widow awards are made to women over age 65 (when conversions to widow status due to the death of the husband are highly likely), it is reasonable to assume that the NBS and program data discrepancy in this category is largely due to conversions of wife beneficiaries to widows. Further work with the program administrative files will examine this issue; and
- Subsequent dual entitlement as a widow after entitlement as a retired worker. Program data counts the subsequent widow entitlement as another award; the NBS only selected individuals at first payment in the first old-age category.