Commentary: Survey Research in Social Security

By Sally R. Sherman*

From its inception, the Social Security program has needed data to measure its effectiveness and to evaluate proposed program changes. The Social Security Act of 1935 contained a research mandate in section 702 that delegated to the program administrators the duty of

> studying and making recommendations as to the most effective methods of providing economic security through social insurance, and as to legislation and matters of administrative policy concerning old-age pensions, unemployment compensation, accident compensation, and related subjects.

Though some data needs can be met using program information collected as part of the claims process, these data are not sufficient to provide a comprehensive picture of the degree to which Social Security contributes to the economic security of the beneficiary population. Additional information—such as other income sources, amount of total income, assets, work experience, and health—is essential to any analysis of their economic well-being. This type of information is best obtained in personal interviews.

The need for survey data was recognized very early in the program's history. The first retirement benefits were paid under the Old-Age and Survivors Insurance (OASI) program in 1940. Almost immediately thereafter, beginning in 1941-42, the first interviews with retired workers were conducted. Seven series of local interviews took place over the next decade.

Since the first survey, Social Security Administration (SSA) research has developed and expanded in response to the data needs of the evolving Social Security program. Several major surveys have been undertaken. Each survey fulfills the research mandate; at the same time, each is unique, having been developed to address particular concerns and specific issues. On the following pages, the **Bulletin** articles that introduced three major SSA surveys are reprinted. These three surveys focus primarily on the retired-worker population. A forthcoming commentary will include the role of survey research in developing the Disability Insurance program.

The **1963 Survey of the Aged** was the first SSA survey to include both nonbeneficiaries and beneficiaries in the study population. Earlier surveys, conducted in 1951 and 1957, were national in scope but the interviewees included only individuals actually receiving benefits. The economic situation of the beneficiaries needed to be placed in context: How well off were the beneficiaries, compared with nonbeneficiaries? How did the two groups differ? At issue was the current and projected economic outlook for the total aged population, not just for the aged beneficiaries. Thus, the 1963 survey sampled a cross-section of all aged persons.

In addition to including nonbeneficiaries, the 1963 survey was unique in other ways. The amount of information collected about sources of income was greatly expanded. The population to be surveyed included, for the first time, persons aged 62-64. This inclusion was significant because beginning in 1956, women retired workers were allowed to draw actuarially reduced benefits at age 62; in 1961, this option was extended to men. Some of the implications of reduced benefits for early retirees were first explored in the 1963 survey and are discussed in the article reprinted below. A full report of this survey is found in Lenore A. Epstein and Janet H. Murray, **The Aged Population of the United States: The 1963 Survey of the Aged**, (Research Report No. 19), Social Security Administration, 1967.

As the decade of the sixties progressed, although most men continued to work until the "normal retirement age" of 65, increasing proportions of Social Security beneficiaries were electing early retirement and reduced benefits. In addition, high poverty rates continued to characterize the aged. In 1967, for example, 25 percent of the aged population were in poverty, compared with 12 percent of those younger than age 65. These patterns generated new interest in the economic status of the aged and in the retirement process, specifically in such areas

Continued on page 68

*Office of Research and Statistics, Office of Policy, Social Security Administration.

Table M-25.—SSI: Number of persons receiving State-administered supplementation, total amount, and average payment, by reason for eligibility and State, September 1987 [1]

State	Number				Total amount (in thousands)				Average payment			
	Total	Aged	Blind	Disabled	Total	Aged	Blind	Disabled	Total	Aged	Blind	Disabled
Total	[2] 269,763	111,939	3,104	144,451	[2] $29,270	$11,592	$378	$16,771	[2] $108.50	$103.56	$121.91	$115.73
Alabama	16,429	10,646	125	5,658	900	568	7	325	54.76	53.33	54.69	57.45
Alaska [3]	4,726	1,744	62	2,920	1,081	397	14	670	228.71	227.52	233.65	229.31
Arizona	3,762	911	2	2,849	269	80	(4)	188	71.40	87.78	(5)	66.16
Colorado [3]	19,623	14,555	92	4,976	2,011	1,655	4	352	102.48	113.69	42.57	70.80
Connecticut	17,206	6,706	116	10,384	4,345	1,540	24	2,780	252.54	229.71	210.16	267.75
Florida	10,645	5,106	(6)	[7] 5,539	1,016	464	(6)	[7] 552	95.41	90.80	(6)	[7] 99.67
Idaho [3]	2,985	970	21	1,994	350	96	2	253	117.40	99.06	78.24	126.73
Illinois	51,111	5,497	262	45,352	4,890	324	19	4,547	95.67	58.90	73.86	100.26
Indiana	655	303	4	348	282	111	2	170	430.80	365.07	408.50	488.29
Kentucky	6,942	3,522	93	3,327	833	419	6	407	119.93	119.01	69.03	122.32
Maryland	[2] 1,633	(6)	(6)	(6)	[2] 489	(6)	(6)	(6)	[2] 299.18	(6)	(6)	(6)
Minnesota [3]	11,559	2,714	174	8,671	1,997	319	28	1,650	172.74	117.52	160.43	190.27
Missouri	8,900	6,771	348	1,781	346	209	65	71	38.83	30.88	187.60	39.97
Nebraska	7,571	2,403	103	5,065	448	97	5	346	59.22	40.25	50.73	68.39
New Hampshire	4,323	1,292	154	2,877	488	95	21	372	112.82	73.90	133.84	129.18
New Mexico	[2] 275	(6)	(6)	(6)	[2] 21	(6)	(6)	(6)	[2] 75.00	(6)	(6)	(6)
North Carolina	13,941	8,279	261	5,401	4,075	2,389	86	1,600	292.30	288.57	327.92	296.30
North Dakota	16	15	. . .	1	1	(4)	. . .	(4)	33.13	(5)	. . .	(5)
Oklahoma	55,618	32,412	551	22,655	2,755	1,522	30	1,203	49.54	46.96	54.78	53.10
Oregon	13,970	3,876	662	9,432	942	518	54	370	67.46	133.54	82.14	39.27
South Carolina	2,964	1,192	22	1,750	412	161	3	249	139.16	134.84	141.91	142.06
South Dakota	325	207	3	115	48	33	(4)	15	148.70	160.43	(5)	127.84
Utah	[2] 8,361	(6)	(6)	(6)	[2] 74	(6)	(6)	(6)	[2] 8.80	(6)	(6)	(6)
Virginia	5,280	2,700	27	2,553	1,180	594	6	580	223.58	219.87	238.48	227.35
Wyoming [3]	943	118	22	803	19	2	(4)	16	20.00	20.00	(5)	20.00

[1] Data reported to the Social Security Administration by individual States. All data subject to revision. Excludes optional supplementation data for Missouri and North Dakota.
[2] Includes data not distributed by reason for eligibility.
[3] Estimated data.
[4] Less than $500.
[5] Not computed on base of less than $500.
[6] Data not available.
[7] Includes data for the blind.

CONTACT: Joyce Jordan (301) 965-9852 for further information.

Commentary

Continued from page 8

as: What conditions influence early benefit receipt? How closely does benefit receipt coincide with labor-force withdrawal or other retirement measures, like reduced hours of work? What are the economic and other circumstances of individuals who have been retired for a time?

Answers to such questions required longitudinal data, and the Retirement History Study (RHS) was designed to respond to this need. Beginning in 1969, and continuing through the decade of the 1970's, six waves of interviews were conducted with more than 11,000 individuals. Their responses provided a wealth of data that are still being studied. A compilation of many of the analytic reports based on the RHS data and a technical description of the survey were published by SSA in a two-volume set in 1987 and are available from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402-9325.

The most recent major SSA survey—with the largest sample to date—is the 1982 New Beneficiary Survey (NBS). Both the scope of study and the included categories of persons covered by the Social Security program were expanded for this survey. Earlier, in response to a recommendation by the 1965 Advisory Council on Social Security, the first study of workers newly awarded retired-worker benefits was begun. This Survey of Newly Entitled Beneficiaries (SNEB), conducted in the late 1960's, sought information on whether or not early retirees with reduced benefit levels would increasingly need to rely on public assistance to supplement their income—a specific concern of the Advisory Council.

With the NBS data, it was possible to update the SNEB information about the characteristics of retired workers as they were first coming onto the benefit rolls. The scope of the NBS was expanded to include

Table M-26.—SSI: Number of persons receiving State-administered supplementation only, total amount, and average payment, by reason for eligibility and State, September 1987 [1]

State	Number				Total amount (in thousands)				Average payment			
	Total	Aged	Blind	Disabled	Total	Aged	Blind	Disabled	Total	Aged	Blind	Disabled
Total	[2] 71,552	27,904	447	41,568	[2] $11,634	$3,822	$88	$7,236	[2] $162.60	$136.97	$196.85	$174.07
Alabama	2,126	1,526	6	594	75	54	(3)	21	35.46	35.71	(4)	34.86
Alaska [5]	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .
Arizona	318	130	. . .	188	31	18	. . .	13	97.14	141.00	. . .	66.81
Colorado [6]	5,959	5,538	5	416	915	826	1	88	153.53	149.09	245.00	211.47
Connecticut	15,159	5,652	95	9,412	3,843	1,282	20	2,541	253.53	226.90	209.81	269.96
Florida [7]	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .
Idaho [6]	538	261	. . .	277	55	25	. . .	30	101.36	94.57	. . .	107.75
Illinois	25,183	1,244	56	23,883	3,570	124	6	3,441	141.76	99.31	101.91	144.06
Indiana [5]	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .
Kentucky	1,591	1,158	2	431	216	160	(3)	55	135.74	138.57	(4)	128.33
Maryland	[2] 1,633	(5)	(5)	(5)	[2] 489	(5)	(5)	(5)	[2] 299.18	(5)	(5)	(5)
Minnesota [6]	2,307	646	23	1,638	662	149	5	508	286.86	230.28	230.78	309.97
Missouri	2,162	1,537	89	536	115	61	26	28	53.07	39.64	294.97	51.40
Nebraska	1,293	513	12	768	134	35	1	193	103.85	67.42	92.67	128.36
New Mexico [7]	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .
North Carolina	4,127	2,906	46	1,175	959	679	11	269	234.42	234.94	294.35	230.77
North Dakota [7]	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .
Oklahoma	6,914	5,246	18	1,650	231	174	1	57	34.10	33.71	38.94	35.29
Oregon	2,242	1,547	95	600	317	226	12	79	145.84	147.69	145.59	141.13
South Carolina [7]	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .
Utah [7]	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .
Wyoming [7]	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .

[1] Data reported to the Social Security Administration by individual States. All data subject to revision. Excludes data for optional and mandatory programs in New Hampshire, South Dakota and Virginia; for optional programs in Missouri and North Dakota.
[2] Includes data not distributed by reason for eligibility.
[3] Less than $500.
[4] Not computed on base of less than $500.
[5] Data not available.
[6] Estimated data.
[7] No persons receiving State supplementation only.

CONTACT: Joyce Jordan (301) 965-9852 for further information.

new disabled-worker beneficiaries, women who enter retirement with benefits as wives or widows of entitled workers, and persons who enrolled in the Medicare program but did not collect monthly cash benefits.

The NBS findings in the early 1980's contrast in several important respects with those of the SNEB more than a decade earlier. The NBS data show that more new retirees in 1982 than in the past had public or private pensions to supplement their Social Security benefits and that more of the 1982 retirees said that they retired voluntarily. After adjusting for inflation, total incomes were higher and the value of asset holdings was somewhat higher for the retirees in the NBS than for those in the earlier study. Both studies show, however, that the main component of asset holdings for those entering retirement is the value of equity in the home. These and other findings from the NBS are reported in various issues of the Bulletin in 1983-87 and are available through the Office of Research and Statistics.

In reprinting the three survey articles that follow, the Bulletin hopes to provide a picture of the variety of issues that have been addressed by the Office of Research and Statistics through some of the surveys it has conducted during the past half century. The articles in this issue are all introductory in nature. Subsequent analyses and statistics based on data from SSA surveys, as well as articles dealing with specific areas related to retirement and the socioeconomic status of the aged, have appeared in the Bulletin over the past 50 years and will continue to be the subject of future articles as ongoing analyses bring new information to light.