

USES OF ADMINISTRATIVE RECORDS: A SOCIAL SECURITY POINT OF VIEW

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Giving each of us ten minutes to comment on this issue-packed summary is bound to tempt us to be parochial. I have given in to the temptation to the extent that my remarks focus on the proposed goal of developing a Linked Administrative Statistical Sample (LASS) [1], based on the Social Security Administration's Continuous Work History Sample (CWHS) and to the related goal of improving data for epidemiological studies. Perhaps at some later date I will have a chance to comment on our interest in improving industrial codes and the establishment reporting units. In fact, the entire study is of great interest and we are all indebted to the authors; to the IRS for sponsoring the two-volume report, Statistical Uses of Administrative Records: Recent Research and Present Prospects [2]; and to the Committee on National Statistics for the role that it has played in both of these efforts.

The materials in this Administrative Records Handbook clearly document the warning in the report that the six goals set out in it require complex cooperative steps. Many of us have already had a series of frustrating experiences with efforts to develop the LASS. Although these have been complicated by the passage of the Tax Reform Act [3], there are other basic difficulties which, quite aside from the Tax Reform Act, pose problems for implementation of the goals. Perhaps a brief review of the experience with efforts to enhance the CWHS provides a simple, yet explicit, illustration of the nature of the problems. Let me anticipate my conclusion: the report's emphasis on the need for the willingness of Government agencies to cooperate if these goals are to succeed is a necessary, but not sufficient, condition. In fact, even a skimming of the materials in Volumes 1 and 2 of the report shows that a number of important agencies have demonstrated a willingness to cooperate on the LASS for nearly a decade. The basic problem is that the budget system does not provide a satisfactory vehicle for long-term development of statistical projects that cut across the endeavors of operating and statistical agencies. The history of the LASS from the late 1970's to date demonstrates that willingness to cooperate does not necessarily translate into funding.

In the late 1970's, largely because of the initiatives undertaken by Fritz Scheuren and members of his staff, people became aware of the potential advantages of building upon the longitudinal data files in the CWHS. In those pre-Tax Reform Act days, the CWHS was available to the research community under strict confidentiality constraints, and its use had grown rapidly for more than a decade and a half. The Kilss-Scheuren-Buckler paper (Volume 1, Section 3) in the Administrative Records Handbook outlines the proposals for further enrichment of

the data file. Additions to the file that the Social Security Administration (SSA) planned in conjunction with the National Center for Health Statistics, the Internal Revenue Service (IRS), the National Cancer Institute and others would have impressively increased the usefulness of the files. Pilot projects in the late 70's persuaded us to undertake an ambitious program for the early 80's, but we recognized that the cost would have to be shared by other potential users. The Office of Federal Statistical Policy and Standards in the Office of Management and Budget (OMB) aggressively urged that the LASS project should be given high priority in Federal planning. For two years running the Deputy Director of OMB listed enhancement of CWHS as one of the top priorities for the Federal statistical system. With this in mind, the Chief Statistician attempted to use the Federal Committee on Statistical Methodology to generate interest and financial support for the project.

A series of meetings and correspondence with agencies revealed that there was endorsement of the goals of LASS, but financing was not available. The result is very understandable. Each of the agencies, when it approached its budget office, was asked for justification that the outlay would produce results directly useful to the agency. Only the National Cancer Institute was able to produce such a justification. At that stage in the development most could not quantify future gains--and others were deterred by the restrictions imposed by the Tax Reform Act. In fact, if a development project of this type is approached in a piecemeal fashion, it can be expected that the individual current expectations will not add up to the synergistic whole that will eventually result through interaction. The cost savings potential of LASS or of integrated industrial coding can never be evident unless a broader view is taken.

Given inability to show funding support from other agencies, my own office was not able to justify CWHS enhancements solely as a Social Security Administration project. Nonetheless, small gains in the use of administrative records have continued each year. The National Cancer Institute has a reimbursement contract with Social Security that fosters enhancement of CWHS. (It is important to realize, however, that for us reimbursables are a mixed blessing. We do not have compensating personnel adjustments to handle the work.) Collaboration with the Internal Revenue Service has also continued, that may eventually result in occupational notation on the CWHS. And we have been pleased to cooperate with the work in progress on industrial coding and establishment reporting. Special appreciation is due to the Office of Management and Budget for the valuable studies undertaken by the Federal Committee on

Statistical Methodology under the leadership of Maria Gonzalez. Working Paper No. 6 [4], with its emphasis on coordinated interagency planning and setting budget priorities, is an excellent illustration.

The warning in Volume 2, Section VIII, of the Administrative Records Handbook, that the CWHS "is in danger of disappearing altogether" (p. 672) is misleading. Because the report is multi-user oriented, it overstates the decline in the CWHS which has taken place in the past few years. The core of the CWHS is a valuable internal tool for the Social Security Administration. It is used by all of SSA's research components, the Office of the Actuary, policy analysts, and many advisory committees. The industrial and geographic coding and the proposed enhancements (such as occupational and mortality information) that make this longitudinal file valuable for many other users, are viewed by Social Security as useful, but peripheral to the major uses of the CWHS made within SSA. That is why the cost of enriching the CWHS must be shared by other users. It is, therefore, the industrial and geographic coding and the proposed enhancements that face the gloomy prospect outlined in the report--not the file itself.

I do not want to underestimate the impact of the Tax Reform Act, because it has prevented many research activities that were in full swing before the Act was passed. The fact is that no organization outside of the Social Security Administration has had access to CWHS tapes since the Tax Reform Act restrictions were implemented. In fact, for nearly three years we have been attempting to find a legal way to transfer the files to the Bureau of Economic Analysis (BEA) in order that Social Security and BEA could improve the overall statistical capacity of the Government--BEA by resuming use of the data for migration and other studies and SSA by evaluating the quality of CWHS data after the introduction of annual reporting in 1978.

My concerns add up to a less than optimistic appraisal of the prospects of implementing the LASS project in the present budget climate. However, I like the spirit expressed in the report. It is clearly illustrated by reminding us that annual reporting took a long time to

come but that people made repeated attempts to bring it off and finally succeeded. With that in mind, I wish to make a modest proposal that has been suggested before: Wouldn't it be a good idea to attempt to correct the present deficiencies in funding of research and development for statistical projects that cut across departmental or agency lines? The report stresses the need for a strong central coordinating unit for the Federal statistical system. What seems to be needed is a pool of resources--both professional staff and funds--available to sustain cross-cutting statistical development activities that have significant potential for improvement of the Federal statistical system, or that offer, if successful, cost reductions. Could that usefully be achieved by having a cadre of statisticians, who could be loaned, perhaps by the Office of Chief Statistician in OMB, for such projects? Might a combination of staff and funds for these purposes improve the prospects for progress on some of the projects that have been held up for so long? There may be other and better ways than this to achieve the purpose, but I am convinced that unless some way is found to overcome the budgetary weakness, then it may be that the willingness to cooperate will continue to be frustrated.

NOTES AND REFERENCES

- [1] Kilss, Beth; Scheuren, Fritz, and Buckler, Warren. "Goals and Plans for a Linked Administrative Statistical Sample," 1980 American Statistical Association Proceedings, Section on Survey Research Methods, pp. 450-455.
- [2] U.S. Department of Treasury, Internal Revenue Service. Statistical Uses of Administrative Records: Recent Research and Present Prospects, Volumes I and II, 1984.
- [3] Public Law 94-455, 1976.
- [4] U.S. Department of Commerce, Office of Federal Statistical Policy and Standards. Report on Statistical Uses of Administrative Records, Statistical Policy Working Paper 6, December 1980.