
The Bureau of the Census and the Social Security Administration

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This paper is about a successful long-term partnership between two Federal agencies--the Bureau of the Census and the Social Security Administration (SSA). It talks about how the partnership started, why it works so well, and how the two agencies avoid problems and overcome obstacles. Then, it discusses the future for new relationships in today's environment.

■ How It Started

Although there were earlier instances of cooperation between Census and SSA, the formal partnership between the two agencies started in 1967 when the Director of the Census Bureau and the Commissioner of SSA entered into a Memorandum of Understanding (MOU) for the exchange of statistical information and services between the two agencies.

The MOU states that "the Census Bureau and the Social Security Administration, in a number of instances, have need for identical items of information in fulfilling program objectives. If either agency has such items available, the interchange of such information (for statistical use only) would make it possible to reduce the burden on respondents of supplying, and the cost to government of collecting and processing, this information. In addition, statistical analysis of related items of information, some collected by Census and others available to SSA, is often helpful in projects undertaken by their agencies."

Note that these goals of reducing burden on respondents, reducing cost, and the sharing of data, expertise, and analysis are the same goals that much of the rest of the Federal statistical community is striving for today through legislative proposals.

The MOU then states certain rules that apply to all exchanges and requires that each proposed interchange of data be described and approved in advance through a secondary data-sharing agreement, which is specific to

the planned interchange. Each secondary agreement is very specific about the overall purpose of the exchange, the statistical and research projects to be carried out using the shared data, exactly what data will be made available, and what individuals may have access to the data and for what purpose. It describes all activities and conditions that must be adhered to.

Over the 30 years of this formal partnership, only one addendum to the Master MOU has been made. In 1993, SSA's Office of General Counsel indicated that the Master MOU should add a rule that each secondary agreement specify financial arrangements, time period covered by the agreement, and legal authority. This led to the 1994 Addendum to the 1967 Agreement.

■ What Makes the Relationship Work?

The driving force that makes this relationship work so well is mutual need and the contributions of each agency in filling that need. For any partnership to work, there must be mutual need and some fulfillment. Census and SSA meet those criteria by having and sharing something the other needs--the ability to distinguish one individual from another, the ability to distinguish one business from another, and information about each of these individuals and businesses that can be used to further each agency's mission.

In 1936, the Social Security Board developed the keys that opened the door to future data sharing when it designed the Employer Identification Number (EIN) to uniquely identify businesses and the Social Security Number (SSN) to uniquely identify individuals.

SSA assigns the SSN--the number that permanently identifies an individual. The population covered by this identifier has grown from workers under age 65 in selected industries in 1936 to almost every citizen and lawful noncitizen resident of any age--even newly born today. The number of individuals covered has grown from

30 million in 1936 to 384 million today. To assign a number, SSA collects only the information needed to distinguish one individual from another--that is, full name, date of birth, place of birth, sex, race, mother's maiden name, and father's name. This ability to distinguish one person from another is important to both SSA and Census.

The next mutual need is the information collected by the two agencies, which, when linked together using the SSN, enables them to carry out a statistical or research purpose. In some respects, SSA has a massive amount of data, and, in other ways, it does not. SSA collects only the bare minimum that is necessary to administer its Act. That has grown to a huge amount of data over our history. It grew from data on taxable wages of covered workers in 1937 to information needed to make benefit payments in 1940, including information about survivors and dependents of these workers. Then, it grew to information about disabled workers in 1956 and to dependents of disabled workers in 1958. In 1966, the Medicare legislation made it necessary to collect data for health insurance. And, in 1972, the Supplemental Security Income legislation made it necessary to collect data for applicants and recipients of this income support program.

But this bare minimum of information needed to operate is not enough for policy research. It offers important features though--such as detail, accuracy, longitudinality--which both Census and SSA need for research. For example, where else could one find such an accurate accounting of lifetime-covered earnings by year?

The Census Bureau's contribution to the partnership is survey data. One of the earliest contributions came from the economic census. This has been SSA's source of employer information for our Continuous Work History Sample. Specifically, we receive data on geographic location and industrial activity from that survey.

Soon, the partnership expanded to demographic studies. Census's household surveys collect information on a wider range of attributes than those in SSA's records; it collects data on nonparticipants in Social Security programs; and the surveys put families together. For example, there is a wealth of information in the National Longitudinal Survey of Women about such things as work

experiences, education and training, family backgrounds, child-rearing activities, health status, incomes, living expenses, saving and investment, and retirement planning.

Two other well-known demographic surveys we link to are the March Supplement of the Current Population Survey and the Survey of Income and Program Participation. Each of these surveys supports a multitude of research studies that are important to SSA.

Neither survey data nor SSA data taken alone are capable of meeting data requirements for the research and statistical work taken on by these two agencies. However, putting it all together yields a powerful tool for answering the questions that need to be answered. Examples of research projects under way at SSA using these linked data are: the timing of retirement; the link between health and retirement; the extent and causes of poverty among older women; women and pensions; the role of women as caregivers; marital status, divorce, and retirement income; changing fertility patterns and retirement; changing work patterns for women and their Social Security benefits; labor-force transitions in the elderly population; Social Security benefits and composition of family income; validation of survey reports in marital status; immigration and Social Security; projecting the economic vulnerability of the baby boomer; investigating the effects of aging on income; and characteristics of SSA program participants.

These are just a few examples of the research projects making use of the linked data. And these are the reasons that it is so important to work out problems and overcome obstacles.

■ Solving Problems and Overcoming Obstacles

To restate, the driving force behind this relationship has been the knowledge that both agencies need the other to accomplish their mission of providing their administrators and Congress with the best possible research product. We have found that the most efficient way to handle problems has been to maintain a constant watch on data-sharing activities. In this way, small operational problems do not become major hurdles that could disrupt the flow of data between the agencies. We offer

two specific examples of activities that can protect the interests of data-sharing partners.

Development of memoranda of understanding to delineate each agency's activities in specific data-sharing projects is absolutely necessary. These planning documents must be developed jointly. Attention to detail by both agencies down to and including the specific researchers involved in the activities has furthered the cooperation in each specific data-sharing activity and forestalled possible problems.

This sense of cooperation is further heightened in the ongoing activities of the SSA/Census Interagency Committee. This group of specialists meets at least semi-annually to review the data-sharing activities, both under way and planned. The committee includes staff from both organizations in the areas of policy, research, data processing, systems security, and privacy. Deliberations run the full gamut from settling minor operational problems to reaching agreement on long-range data-sharing activities.

■ **Building New Relationships in a New Environment**

To some extent, the Census/SSA partnership can serve as a model for building new relationships. The payoff for us has been enormous. The era of devolution should result in an expansion of data-sharing activities. As responsibilities for programs are shifted to local jurisdictions, State agencies will need to seek agreements with Federal agencies to share data. There is the continuing need for all of us to minimize the burden on the public and the cost of our information-gathering activities, while maximizing the usefulness of our information for policy formulation activities.

In attempting to build new partnerships, some of the problems we have encountered would still have to be confronted in today's world; some would have disappeared; and new ones would appear. Advancements in

technology, such as on-line access to data, should make such partnerships easier logistically than when we started our partnership. However, confidentiality issues and public attitudes are much harder to contend with now. After all, our partnership began before the Privacy Act and the public distrust of the government.

The effect of the Executive Order for Confidentiality and the proposed Statistical Confidentiality Act on future partnerships is yet to be seen. The intent to ensure privacy and confidentiality for respondents and to facilitate the sharing of information in a statistical enclave of Federal agencies is noteworthy. However, only a dozen of the 70 statistical units in the Federal government are included in the enclave. It is apparent from the above discussion that SSA is a major player with the Census Bureau in cooperative data sharing. In addition, SSA has a long history of successful partnerships in other agencies that are included in the enclave. However, SSA's research and statistical components--the Office of Research, Evaluation, and Statistics--are not part of the enclave.

There are indications that full implementation of the order and legislation could result in the members of the enclave sharing data among themselves but being restricted from sharing data outside the enclave. This raises questions about the potential partnerships, where one is in the enclave, and the other is not. One answer may be to provide more statistical units with the ability to confer "Special Sworn Status," like that of the Census Bureau, so that more interaction can take place between agencies inside and outside the enclave that can benefit from data sharing and talent and still ensure proper protections of privacy and confidentiality.

■ **Conclusion**

This Census/SSA partnership is an example of one that works well and provides enormous benefit. We have a long history together, and we grow more and more dependent upon each other as time goes by.