

The future of the Survey of Income and Program Participation (SIPP)

by Constance F. Citro and Graham Kalton

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The most exciting thing going on in social science in the 1980s; . . . the most significant statistical survey in four decades; . . . the most important data available in the 1980s for research on American families and individuals; . . . a survey that . . . fill[s] a major void and benefit[s] many agencies.¹

The object of these glowing words—the Survey of Income and Program Participation (SIPP)—began operations in the fall of 1983, when interviewers of the U.S. Bureau of the Census fanned out across the country to ask residents of about 21,000 households a set of detailed questions about their social and economic circumstances. At 4-month intervals (“waves”) over the next 2–1/2 years, the interviewers returned to each household in the 1984 SIPP panel to obtain updated information. (Technically, a “panel” consists of the adult members of all households interviewed in an initial wave.) The survey did not stop with one panel: beginning in February 1985 and each year thereafter, Census Bureau interviewers queried a new sample of households, revisiting each of them at 4-month intervals over a period of about 2–1/2 years.

Now, after nearly 9 years of operation, the Census Bureau has undertaken a comprehensive reassessment of SIPP. A new sample design, using information from the 1990 census, will be implemented for SIPP beginning with the 1996 panel. At that time, the Census Bureau will make other

changes to enhance the utility and cost-effectiveness of the program.

As part of the evaluation and redesign effort, the Bureau asked the Committee on National Statistics (CNSTAT) to convene a study panel to conduct an independent review of SIPP. The panel drew on the work of an interim assessment of SIPP, performed by CNSTAT in 1989,² which focused on federal agency uses of the data; consulted widely with users both inside and outside federal agencies; and conducted its own assessments of SIPP. Below, we first briefly review SIPP, what so excited people about its prospects, and the successes and problems it has encountered to date. We then summarize the major findings and recommendations for the future goals and design of SIPP from the report of the CNSTAT study panel.³

SIPP to date

As its name implies, SIPP was designed to improve information on the income distribution and economic well-being of the population and on participation in and eligibility for a wide range of government social welfare programs—for example, Aid to Families with Dependent Children (AFDC), food stamps, social security, unemployment compensation, Medicare, and Medicaid. Other continuing surveys, including the Current Population Survey (CPS) March income supplement, which since the mid-1940s has supplied most of the available statistics about household income, could not meet the growing needs for information to support socioeconomic research and federal planning of social welfare programs.

Within this broad framework, the following specific goals of SIPP and some of the design features that resulted from those goals were identified:

- to improve the reporting of family and personal income, both cash and in-kind, by source—by asking more questions and by obtaining reports more frequently than once a year;
- to obtain detailed information, comparable to administrative data, on program participants, including multiprogram participants, and on the temporal dynamics of participation—by asking for monthly information at each interview,

with more detailed questions and relevant explanatory variables, and by following the same people over time to observe program entries and exits;

- to obtain information necessary to determine program eligibility, including data on assets, and to compare the characteristics of participants with those of eligible nonparticipants;
- to provide an opportunity to obtain timely information on emerging concerns of social welfare policy, broadly defined—by including special sections of questions (topical modules) on subjects of current policy interest (e.g., disability, child support, day care, health status, and use of health care);
- to maintain the quality of annual income and poverty statistics and other cross-sectional estimates developed from the longitudinal SIPP data—by starting a new SIPP panel every year with a fresh sample of households; and
- to improve both participant and income-by-source information—by comparing survey reports with various administrative files.

Design features

The first SIPP panel, which was introduced in October 1983, included about 21,000 households. Because of budget restrictions, the sample sizes of subsequent panels have varied from 12,500 to 23,500 households, and some panels have had fewer than the originally planned eight interview waves. The sample for each panel includes all adults 15 years of age and older who are living in the household at the time of the first interview; they are followed if they move to new addresses during the panel's life. For children under 15 and adults who join the household of an original-sample adult during the life of a panel, data are collected only if they continue to reside with an original-sample adult.

The SIPP questionnaire contains two sections. The core section includes questions about income sources and amounts, program participation, and labor force activity; it is asked in every 4-month interview wave. The topical module section, which is asked in all waves after the first, includes one or more modules on selected topics. "Fixed" topical modules, which are asked of each panel once or twice in its life, cover assets and liabilities, income taxes paid, annual income, program eligibility, and personal histories. "Variable" topical modules, for which there is competition to appear in SIPP, have ranged over a large number of topics, such as child care expenses, health status and use of the health care system, housing costs and financing, and child support.

Successes

SIPP was long in the making: planning and development activities spanned most of the decade of the 1970s. And when SIPP was originally scheduled to become operational (January 1981), it appeared that the survey would be still-

born: all funds for the project were deleted from the federal budget in 1980 and again in 1981. In the summer of 1982, a rescue effort mounted by the newly appointed director of the Census Bureau and other staff in the executive branch and Congress persuaded the administration and Congress to restore full funding for SIPP in the budget of the Census Bureau. (The original plan had been to have the survey sponsored by the Social Security Administration and conducted by the Census Bureau, with costs divided between them.) The restoration of funds permitted the survey to get under way in 1983. It is currently funded at about \$31 million annually.

SIPP is now clearly established as an important source of information for federal policy-making and social science research. The survey has a growing community of users in federal agencies, academic institutions, and other organizations. Analysts have used the data for new knowledge about such topics as part-year poverty and program participation, multiple program participation, the effect of asset holdings on program eligibility and poverty, patterns of health insurance coverage, and the short-term behavioral dynamics of individuals and families.

The following are a few examples of studies related to these topics.

Part-year poverty and program participation. Federal and state assistance programs such as AFDC and food stamps are designed to help people who experience short periods of hardship, as well as those in need for longer periods. SIPP provides information that was previously unavailable on part-year periods of low income and on the proportion of program recipients who rely on benefits for temporary assistance in comparison with the proportion who depend on them over the longer term.

Using data from the 1984 SIPP panel, Patricia Ruggles and Robertson Williams found that fully 26 percent of the population experienced at least one month of income below the poverty line in a year, although relatively few people—about 6 percent—were poor every single month. These rates varied dramatically across family types. For example, only 3 percent of people in married-couple families were poor every month of the year; in contrast, 26 percent of people in female single-parent families were poor every month.⁴

Ruggles estimated from the 1984 SIPP panel that the median duration for receipt of AFDC was about 11 months,⁵ providing a different picture of the program from previous analyses using annual data.⁶

Multiple program participation. The number and scope of federal and state assistance programs have grown enormously since the 1960s. The annual data from the March CPS income supplement can only show how many people receive benefits from more than one program at some time

during the year. SIPP can distinguish among intrayear patterns of multiple program participation, specifically, whether people receive multiple benefits concurrently or follow a sequential process of program receipt.

Pat Doyle and Sharon Long found complex patterns of program participation in the first 12 months of the 1984 SIPP panel.⁷ In the initial month, 23 percent of the population participated in one or more of the following programs: social security, Supplemental Security Income (SSI), public assistance (including AFDC and general assistance), and food stamps. Of program recipients, 24 percent participated in more than one program. The most popular combinations were public assistance and food stamps (70% of all multiple program participants), social security and food stamps (9%), and social security and SSI (8%). During the next 11 months, about 23 percent of initial program recipients experienced at least one transition to a different program combination or ended their participation.

Effect of assets on program eligibility and poverty. Public assistance programs typically place a low ceiling on the value of assets that people can hold and still be eligible to receive benefits. More generally, assets that people can “spend down” provide a cushion against periods of low income. SIPP, in contrast to the March CPS, provides sufficient information to assess the role that capitalizing on assets can play in maintaining adequate income and, hence, consumption levels.

In a study with the 1984 SIPP panel, Ruggles and Williams found that simulating the spend-down of financial assets eliminated 35–40 percent of all the periods of poverty that were observed over a 32-month period. However, the median duration of the remaining periods was slightly longer than when assets were not taken into account.⁸ In another study, Pat Doyle and Carol Trippe found that a simulation of the food stamp program for August 1984 based on SIPP data produced a lower estimate of households eligible for benefits—and hence a higher participation rate in the program—than did a simulation based on March CPS data.⁹ A primary reason was that the more extensive asset data in SIPP (in comparison with the CPS) resulted in disqualifying a larger number of households from eligibility for food stamp benefits because they failed to meet the asset test.

Health insurance coverage. Public and private spending for health care in the United States currently accounts for one-eighth of the gross national product, yet many Americans lack health care insurance. Issues of insurance coverage and affordability of health care are at the forefront of public policy debate. SIPP provides data that can inform policymakers about the extent to which loss of health insurance coverage is a short-term or long-term phenomenon and whether proposed public policies, such as mandated employer health insurance benefits, are effectively targeted at the problem.

Using data from the 1984 SIPP panel for adults aged 18 and over, Katherine Swartz and Timothy McBride estimated that one-half of periods without health insurance lasted less than 5 months and two-thirds lasted less than 9 months. However, 25 percent lasted longer than one year, and 15 percent lasted more than 2 years.¹⁰ They also found that people with longer uninsured periods (lasting 9 months or more) were more likely to be unemployed or out of the labor force, to have low monthly family incomes, and to work in a service occupation, compared to people with shorter spells.

Robert Moffitt and Barbara Wolfe found significant relationships between expected health care benefits and the work-or-welfare participation decisions of low-income female-headed families in the 1984 SIPP panel.¹¹ Their simulations indicate that an extension of private health coverage to all working female heads of families would lower the AFDC caseload by 10 percent and would raise employment probabilities among women heading households by almost 8 percentage points.

Behavioral dynamics. Alden Speare, Jr., Roger Avery, and Frances Goldscheider used the 1984 SIPP panel to determine the characteristics of young people who leave home.¹² They found that young women were more likely to leave their parents’ home than young men, that young men who had left were more likely to return, and that the parents’ income had a negative association with nest leaving whereas the young person’s employment, income, and education had a positive association with leaving. John Fitzgerald found a relationship between the availability of a spouse and the likelihood that a woman would exit a spell of welfare.¹³

SIPP has also contributed to studies of child care and children, disability, economic resources of the elderly, and migration.

Problems

As well as successes, however, SIPP has experienced problems that have kept it from being as useful as it could have been in the past and that, if not adequately addressed, could affect its usefulness in the future. SIPP has one of the most extensive programs for data quality research and improvement of any federal survey. On many dimensions of data quality, SIPP has registered signal improvements over the March CPS income supplement.¹⁴ However, weaknesses—many of which SIPP shares with other surveys—remain, including incomplete coverage of the population, particularly young minority men; high rates of nonresponse to some questions regarding income and assets; timing errors in reporting receipt of benefits from programs, along with errors due to confusion among program names; and loss of sample cases (i.e., attrition or dropping out from a panel after the first interview), particularly among low-income people, minorities, movers, renters, and single young adults.

The SIPP design has achieved success in generating detailed data for analyzing the intrayear dynamics of income and program participation. However, some aspects of the design that had broad acceptance at the outset have not worked well or are now widely seen as limiting the usefulness of the survey for important kinds of policy analysis. For example, the introduction of new panels every year, when coupled with content changes, has contributed to delays in data processing. The lags in releasing data have meant that users have had to forgo the benefits of the increased sample size afforded by combining panels if they did not want to further delay their analyses. The length of each panel—32 months—has limited the ability of the survey to provide information on such increasingly important policy concerns as welfare dependency over the longer term. Also, the survey lacks information on people who become institutionalized and on some children who move to other households. Of course, the grave compromises to the original design necessitated by the cuts in the budget of the Census Bureau—namely the reductions in sample size and number of interviews for most panels fielded to date—have materially affected the usefulness of the information.

Along with data quality and design limitations, users have been troubled by problems with the data products from SIPP. There have been successes—for example, the useful series of publications from the topical modules—but there have also been failures, including slow release of microdata files; inadequate documentation and user support services; a period of several years when no publications were issued from the core data on income and program participation; and limitations in the data files and reports that provide longitudinal measures from SIPP.

Over the last few years, the Census Bureau has worked hard, and with appreciable success, to alleviate such problems as delays in producing data products and the lack of a publication series for the core information. These improvements, however, have come at a price that reduces the survey's flexibility—namely, the imposition of a freeze on the content of the core questionnaire.

Reevaluation

In considering ways to improve the design and operation of SIPP, the Census Bureau consulted a wide range of users, survey methodologists, and data access specialists, and sponsored the work of the CNSTAT study panel, which undertook a comprehensive review of the program. The CNSTAT panel's report covers the following aspects of SIPP:

- the survey's goals and their implications for content, and the relationship of SIPP to other surveys and administrative record data sources;
- survey and sample design, particularly the duration of panels, the interval between waves, the frequency of starting new panels, and sample size;

- data collection and processing—specifically, the use of computer-assisted personal interviewing (CAPI)¹⁵ and database management technology;
- publications and other data products—including the need for a regular, comprehensive series of descriptive reports on income, programs, and related topics from the core data in SIPP and the desirability of a research report series to include in-depth analytical and methodological studies;
- analytical methods for using the complex longitudinal data from SIPP for such purposes as analysis of spells of poverty and program participation;
- methodological research and evaluation needed to plan and evaluate the SIPP redesign—including continuation of a promising program of research and experimentation with the SIPP questionnaire to ensure that respondents understand the questions they are asked; and
- the management and oversight of the SIPP program.

Below we review the panel's overall conclusions and recommendations on the goals for SIPP (including implications for content) and the survey design. The complete set of recommendations is available in the report.

Goals for SIPP

Over the course of SIPP's history, many people involved with the survey have wanted to expand it in one or another way to provide detailed information for their fields of concern. To satisfy these varied interests, SIPP would need to be an all-encompassing survey in the area of social welfare policy. The study panel concluded that SIPP cannot and should not be viewed as such. Rather, it is essential for the cost-effective operation of the program that it focus on a core set of major goals.

In the study panel's view, the two primary goals for SIPP should be, as its name implies, to provide detailed information on the distribution of income and other economic resources and on eligibility for and participation in government assistance programs. Within these two goals, the survey should pay most attention to improving information on people who are economically at risk: poor people and near-poor and middle-income people who, if they experienced an event such as loss of a spouse or parent or job, would be likely to fall into poverty and need government assistance. As an added but secondary goal, SIPP should continue and strengthen its capability to respond to current policy needs for data in topical areas that are related to its core subjects, such as support for children and use of health care.

The study panel identified several ways in which the data from SIPP should be enhanced to better serve its goals. It also considered SIPP's relationship to other surveys and administrative records.

Income-related measures

The study panel urged the Census Bureau, for purposes of guiding the development of SIPP, to define “income” broadly to include not only cash income as traditionally conceived, but other kinds of economic resources that represent the potential ability of people and households to consume goods and services in order to attain a level of economic well-being. Following upon this concept, the study panel recommended that the Census Bureau develop measures of taxes and after-tax income from SIPP as well as measures that take account of in-kind benefits and that reflect changing family characteristics.

The study panel stressed the importance of collecting asset data in SIPP, both to determine program eligibility and to measure economic resources, broadly defined. However, the asset questions need to be redesigned, as the current set of questions appears unduly burdensome and at the same time inadequate to serve SIPP’s primary goals (e.g., SIPP respondents must provide more detail in each interview on income-generating assets than is required to measure income or to determine program eligibility; but respondents are not regularly asked about non-income-generating assets, such as automobiles, for which information is needed to determine program eligibility).

The study panel also urged the Census Bureau to give priority to improving the quality of income and related measures that are relevant to program eligibility and participation, including taking steps to improve procedures for correcting inconsistent data and imputing missing data. Finally, in the area of income-related measures, the study panel recommended that SIPP develop, on an experimental basis, selected measures of economic security against risk, such as access to credit.

Program-related measures

The study panel gave priority to improving the range and frequency of information needed to determine eligibility for major assistance programs. For example, at present, some information needed to determine eligibility (e.g., shelter and dependent care costs) is solicited only once in each SIPP panel; if possible, these questions should be included in every wave. The study panel also recommended some changes that would improve the ability of SIPP to provide data for analyzing spells of low income and participation in programs—for example, that the length of SIPP panels be extended (see below, pp. 18–19) and that the survey follow children who move out of original-sample households and follow both children and adults who move into institutions. The study panel also supported an active program of administrative record checks to evaluate the quality of reporting of program participation in SIPP and suggest ways to improve quality. Finally, the study panel noted the need for SIPP to keep up to date with respect to new and changing sources of income and types of programs.

Topical modules

Topical modules are an important component of SIPP. The study panel recommended that this component be strengthened in the following ways:

1. Obtaining input from both government agencies and the social science research community about topics related to SIPP’s core goals to consider for modules.
2. Streamlining the content development process so that timely information can be collected on emerging policy and research issues.
3. Using some topical modules as a means for the Census Bureau analysis staff to conduct research on expanded and alternative measures of income and programs.

The role of SIPP vis-à-vis the March CPS

SIPP was developed to provide added information and remedy deficiencies in the March income supplement to the Current Population Survey (CPS), which for decades has been the primary source of the nation’s income and poverty statistics. SIPP’s design enables it to collect more detailed information than is possible in the March CPS (e.g., intrayear and cross-year in addition to annual measures). Also, SIPP has achieved improvements in data quality (e.g., less nonresponse to questions) that would be difficult to match in the March CPS. To date, however, such problems as small sample size and lack of timeliness have limited SIPP’s ability to provide useful income statistics on a regular basis. Changes that are implemented as part of the redesign—including larger samples and the introduction of CAPI for data collection and database management technology for data processing—should alleviate these problems. The study panel urged the Census Bureau to set a target date by which time SIPP will be able to serve as the primary source of annual and other measures of income and poverty. (Some information on income should of course continue to be collected in the CPS for use in analyses of the labor force data that are the prime focus of that survey.)

Benefiting from administrative records

Administrative records (e.g., program case records and tax returns) can be helpful to SIPP in many ways. These records can provide additional information on sample persons, furnish the means to obtain additional samples for groups of policy interest, and provide the basis for evaluating and improving the quality of the survey responses. However, the use of administrative records poses technical and operational problems that will need to be addressed. Also, some uses raise concerns about the confidentiality of the information, which must be adequately protected. The study panel felt that, in the short term, uses of administrative records to evaluate and suggest ways to improve data quality would necessarily take priority.

Survey design

The study panel evaluated several alternative designs for SIPP—varying the panel length, frequency of introduction of new panels, the time period for which respondents are asked to report information (recall length), and total sample size—all of which were constrained to have the same total number of annual interviews as provided for by the current SIPP budget. Each design has its own strengths and weaknesses relative to the current design and the other alternatives. In addition to the current design, four designs were considered for detailed evaluation:

Alternative Design A. Start a new panel every 2 years; run each panel for 4 years (48 months) and interview in 6-month waves, for a total of 8 interviews (2 per year). The sample size per panel is 40,000 originally eligible households.

Alternative Design B. Start a new panel every 2 years; run each panel for 4 years and interview in 4-month waves, for a total of 12 interviews (3 per year). The sample size per panel is 26,750 originally eligible households.

Alternative Design C. Start a new panel every 2–1/2 years; run each panel for 5 years and interview in 6-month waves, for a total of 10 interviews (2 per year). The sample size per panel is 40,000 originally eligible households.

Alternative Design D. Start a new panel every 3 years; run each panel for 6 years and interview in 6-month waves, for a total of 12 interviews (2 per year). The sample size per panel is 40,000 originally eligible households.

User views on SIPP design options¹⁶

Virtually without exception, users expressed a desire for larger sample sizes in each SIPP panel. Otherwise, they differed in their views, depending on their interest in longitudinal or cross-sectional applications of the data. Users who valued most the longitudinal information from SIPP for such purposes as analysis of spells of program participation and poverty supported increasing the length of each panel, although it would mean longer reference periods for each interview and also a reduction in the frequency of introducing new panels. In contrast, users who were more concerned about cross-sectional applications (e.g., determination of program participation rates on a monthly basis) worried about the effects on data quality and consistency of time series if the reference period were to be lengthened and the frequency of introduction of new panels reduced.¹⁷

Methodological and operational factors

In assessing the merits of competing designs for SIPP, the study panel considered data quality and operational concerns,¹⁸ including the following:

- attrition—or the cumulative loss from the sample over time of people who cannot be located or no longer want to participate, which can bias survey estimates and also reduce the sample size available for analysis;

- time-in-sample effects—or changes in respondents' behavior or reporting of their behavior due to their continued participation in the survey;
- censoring of spells of program participation, poverty, and other behaviors—that is, the failure of a panel to cover the beginning and ending dates of all spells within the time span covered by the panel;
- respondents' faulty recall, which is usually assumed to get worse as the period about which the respondent is queried is further away;
- a related phenomenon known as the “seam” problem, whereby more changes (e.g., transitions in program participation or employment or changes in benefit amounts) are reported between months that span two interviews (e.g., between the last month covered by wave 1 and the first month covered by wave 2) than are reported between months that lie entirely within the reference period of one interview;
- operational problems for data collection and processing posed by a complex design; and
- total sample size per panel.

Recommendations

The study panel concluded that the current SIPP design is not optimal to the needs of users for timely, high-quality, and relevant data for cross-sectional and longitudinal applications. The panel length is too short for much useful analysis of program and income dynamics, and the sample size per panel is too small for many analytical needs (combining two panels affords added sample size for cross-sectional analysis, but the full sample size of SIPP is not realized, given that the oldest panel in the field each year does not collect data for the full calendar year). Also, the introduction of new panels on an annual basis (and the fact that three panels are in the field for most of each year) introduces an element of operational complexity that is a major factor in the difficulties that the Census Bureau has experienced in timely processing of the data.

The study panel came out in favor of design B as the design that, on the evidence available to date, represents the best trade-off among competing design elements and that can best satisfy both longitudinal and cross-sectional uses of the data. A key feature of design B is that the length of each SIPP panel is increased from 32 to 48 months, a change that will make SIPP more suitable for analysis of spells of poverty and program participation and the dynamics of poverty and program entrances and exits. Available evidence suggests that attrition will not increase appreciably over a 48-month span compared with the current design, because increases in attrition in panel surveys tend to be greatest at early waves and to be very low thereafter.¹⁹ (The study panel's best estimate is that cumulative sample loss might increase from 21–22 percent by the end of 8 waves to 25 percent by the end

of 12 waves.) Also, it appears quite possible for the Census Bureau to improve its weighting and imputation procedures (e.g., by making better use of data available for current non-respondents from prior waves) so as to minimize the effects of attrition bias. Finally, studies of time-in-sample bias in SIPP indicate that conditioning effects (changes in respondents' behavior or reporting due to their continued participation in the survey) are scattered and generally insignificant.²⁰

Another feature of design B is that panels are introduced every two years rather than annually, a change that should reduce the operational complexity of the survey and facilitate timely data processing without compromising data quality. Design B also calls for retaining the 4-month recall length, which means that each panel under the new design will have 12 interviews. It is important for SIPP to maintain the quality of the monthly data on income and program participation, and there is insufficient evidence on whether a 6-month recall might reduce that quality and possibly exacerbate the seam problem. The study panel urged the Census Bureau to conduct research on 6-month versus 4-month recall periods, since an increase in recall length—if there were no adverse effects on the quality of the intrayear information—would permit longer and larger panels. Finally, under design B, the total sample size of each panel would increase from 20,000 to 27,000 households, and it could increase further if savings are achieved through the introduction of new data collection and processing technology.²¹

Oversampling the low-income population

Finally, in the area of survey design, the study panel commented on the Census Bureau's plans to oversample the low-income population in SIPP as part of the sample redesign that will be implemented with the 1996 panel. The Census Bureau proposes to oversample addresses in which the residents at the time of the 1990 census were classified as having 1989 income below 150 percent of the poverty level (for addresses for which the census long-form information on income is not available—about five-sixths of the total—the oversampling will be based on proxy characteristics: whether the address was in a central city of a metropolitan area and occupied by people paying low rent or by single mothers, blacks, or Hispanics).

The study panel supported the goal of oversampling those who are economically at risk but questioned several aspects of the Census Bureau's plan. First, it is not clear that the target population is defined in the most useful way. Instead of a larger sample of low-income individuals at the start of a panel, it may be that users would prefer to have a larger sample of people who are at risk of experiencing a spell of low income at any time during a panel or at risk of experiencing a long spell of low income. Differing oversampling criteria would be required, depending on the definition of the target population. Another problem is that the 1990 census data will be very outdated at the time that the SIPP sample

redesign is implemented. The study panel suggested that the Census Bureau explore other methods of oversampling, such as a screening interview close to the first wave.

Concluding note

The members of the study panel were impressed throughout their evaluation with the careful thought and attention that everyone they consulted has given to the question of the future of SIPP. Clearly, the many policy analysts, researchers, and survey methodologists who have been involved with SIPP, both inside and outside the Census Bureau, support the program and are eager to see it improve. The study panel hopes that its recommendations will help the Census Bureau to chart a course for SIPP that will enable the survey to fully realize its promise to improve the nation's statistics on income and program participation. ■

¹Morton Hunt, *Profiles of Social Research: The Scientific Study of Human Interactions* (New York: Russell Sage Foundation, 1985), pp. 99, 100, 148. These comments about SIPP are from Charles Lininger, an economist who directed developmental work on SIPP at the U.S. Department of Health and Human Services for several years; Joseph Duncan of Dun and Bradstreet, formerly chief statistician of the U.S. government; Guy Orcutt, an economist at Yale University (recently retired); and Bruce Chapman, director of the U.S. Census Bureau in the 1980s.

²Committee on National Statistics, *The Survey of Income and Program Participation—An Interim Assessment*, Commission on Behavioral and Social Sciences and Education, National Research Council (Washington, D.C.: National Academy Press, 1989).

³Constance F. Citro and Graham Kalton, eds., *The Future of the Survey of Income and Program Participation*, Panel to Evaluate the Survey of Income and Program Participation, Committee on National Statistics, National Research Council (Washington, D.C.: National Academy Press, 1993). The Committee on National Statistics, 2101 Constitution Ave., N.W., Washington, D.C. 20418, has available a limited supply of free copies of the report. Copies are also available from the National Academy Press for \$38.00.

Graham Kalton served as the Chair and Constance F. Citro as the Study Director of the Panel to Evaluate SIPP. The other members of the panel were Paul P. Biemer, Research Triangle Institute; Gordon J. Brackstone, Statistics Canada; Clifford C. Clogg, Pennsylvania State University; Martin H. David, University of Wisconsin–Madison; Greg J. Duncan, University of Michigan; Ralph E. Folsom, Research Triangle Institute; Robert M. Hauser, University of Wisconsin–Madison, and Director, IRP; V. Joseph Hotz, University of Chicago; Randall J. Olsen, Ohio State University; and Patricia Ruggles, The Urban Institute. David and Hauser are IRP affiliates.

⁴Ruggles and Williams, "Transitions In and Out of Poverty: New Data from the Survey of Income and Program Participation," SIPP Working Paper no. 8716, U.S. Bureau of the Census, Washington, D.C., 1987, Table 1.

⁵Ruggles, "Welfare Dependency and Its Causes: Determinants of the Duration of Welfare Spells," SIPP Working Paper no. 8908, U.S. Bureau of the Census, Washington, D.C., 1989, Table 1.

⁶Mary Jo Bane and David Ellwood, working with the Panel Study of Income Dynamics (PSID), estimated that the median duration of AFDC was about 2 years (*The Dynamics of Dependence: The Routes to Self-Sufficiency*, report to the U.S. Department of Health and Human Services [Cambridge, Mass.: Urban Systems Research and Engineering, Inc., 1983]). Although the reasons for the differences in estimated spell length are not definitely estab-

lished, it seems likely that the SIPP monthly data pick up short spells of AFDC that are omitted or merged into fewer, longer spells in the PSID annual data.

⁷Doyle and Long, "The Impact of the Unit of Analysis on Measures of Serial Multiple Program Participation," SIPP Working Paper no. 8801, U.S. Bureau of the Census, Washington, D.C., 1988, Tables D-1 through D-6.

⁸Ruggles and Williams, "Longitudinal Measures of Poverty: Accounting for Income and Assets over Time," *Review of Income and Wealth*, 35 (1989), 225-243.

⁹Doyle and Trippe, *Validation of the Food Stamp Microsimulation Model*, Final Report to the Food and Nutrition Service, U.S. Department of Agriculture (Washington, D.C.: Mathematica Policy Research, Inc., 1989).

¹⁰Swartz and McBride, "Spells without Health Insurance: Distributions of Durations and Their Link to Point-in-Time Estimates of the Uninsured," SIPP Working Paper no. 9034, U.S. Bureau of the Census, Washington, D.C., 1990, Table 1.

¹¹Moffitt and Wolfe, "The Effect of the Medicaid Program on Welfare Participation and Labor Supply," *Review of Economics and Statistics*, 74 (1992), 615-626. Available as IRP Reprint no. 686.

¹²Speare, Avery, and Goldscheider, "An Analysis of Leaving Home Using Data from the 1984 Panel of the SIPP," SIPP Working Paper no. 9002, U.S. Bureau of the Census, Washington, D.C., 1990.

¹³Fitzgerald, "Welfare Durations and the Marriage Market: Evidence from SIPP," *Journal of Human Resources*, 26 (1991), 545-561.

¹⁴For comparative analyses of the quality of SIPP data, see Constance F. Citro, "Databases for Microsimulation: A Comparison of the March CPS and SIPP," in *Improving Information for Social Policy Decisions: The Uses of Microsimulation Modeling, Vol. II, Technical Papers*, ed. Citro and Eric A. Hanushek, Panel to Evaluate Microsimulation Modeling for Social Welfare Programs, Committee on National Statistics, National Research Council (Washington, D.C.: National Academy Press, 1991); Thomas B. Jabine, Karen E. King, and Rita J. Petroni, *Survey of Income and Program Participation: Quality Profile* (Washington, D.C.: U.S. Bureau of the Census, 1990); and Denton R. Vaughan, "Reflections on the Income Estimates from the Initial Panel of the Survey of Income and Program Participation," in *Individuals and Families in Transition: Understanding Change through Longitudinal Data*, papers presented at the Social Science Research Council Conference in Annapolis, Md. (Washington, D.C.: U.S. Bureau of the Census, 1988).

¹⁵CAPI is a decentralized system in which interviewers go to respondents' homes or offices with a portable computer and read the questions from and record the answers into a computer.

¹⁶The study panel obtained the views of users in many ways, one of which was to organize a Conference on the Future of SIPP. The conference, held in April 1991, brought together researchers and policy analysts from both government agencies and academia to discuss the usefulness of SIPP in a wide range of subject areas, to assess SIPP's comparative advantage vis-à-vis other data sources, and to make recommendations for improving SIPP for future research and policy use. The topics covered in the conference included child care and child support, employment and labor force transitions, extended measures of well-being, health and disability, income transitions for the elderly, interactions of family composition and income change, modeling program eligibility, poverty status and transitions, and the dynamics of program participation. The conference papers were published in a 1992 special issue of the *Journal of Economic and Social Measurement* (Vol. 18, Nos. 1-4).

¹⁷Indeed, the study panel initially considered a very different design to reconcile the widely voiced desire for larger sample sizes with the view that cross-sectional uses require short reference periods and frequently refreshed samples. This scheme, proposed by Pat Doyle ("Future of SIPP for Modeling Program Eligibility under Needs-Tested Programs," *Journal of Economic and Social Measurement*, 18 [Nos. 1-4], 303-334), would encompass two related kinds of surveys: (1) large annual cross-sectional surveys of

55,000 households each, designed to obtain highly robust information for January of each year; and (2) small 2-year panels of 17,500 originally eligible households each, introduced annually in midyear as subsets of the cross-sectional samples and designed to provide monthly information from six 4-month waves for limited analysis of program dynamics. Early on, the study panel determined that the operational costs of this design outweighed the possible benefits.

¹⁸See Graham Kalton, Daniel Kasprzyk, and David B. McMillen, "Nonsampling Errors in Panel Surveys," in *Panel Surveys*, ed. Kasprzyk, Greg Duncan, Kalton, and M. P. Singh (New York: J. W. Wiley and Sons, 1989) for a review of the literature on nonsampling errors in panel surveys.

¹⁹See, e.g., Dawn D. Nelson, Chet Bowie, and Annetta Walker, "Survey of Income and Program Participation (SIPP) Sample Loss and the Efforts to Reduce It," SIPP Working Paper no. 8709, U.S. Bureau of the Census, Washington, D.C., 1987.

²⁰See Steven G. Pennell and James M. Lepkowski, "Panel Conditioning Effects in the Survey of Income and Program Participation," paper prepared for the American Statistical Association Annual Meeting, Boston, Mass., 1992. Available from the Survey Research Center, Institute for Social Research, University of Michigan, Ann Arbor.

²¹At this writing the Census Bureau has tentatively decided in favor of 4-year panels, with 4-month interview waves, but with no overlap among panels—that is, a single panel of 50,000 households would run for 4 years, followed by another such panel.

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