

Underreporting of Means-Tested Transfer Programs in the CPS and SIPP

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Abstract

This paper shows trends in underreporting of SSI, AFDC/TANF, Food Stamps, and Medicaid/SCHIP from 1993 to 2005 in the Current Population Survey (CPS) and discusses the extent of CPS allocation for nonresponse. Comparisons are made to the Survey of Income and Program Participation (SIPP) for 1997 and 2002. Baseline and poverty estimates from the 2004 simulation of the TRIM3 microsimulation model are presented to demonstrate the use of microsimulation in correcting for underreporting of means-tested benefits in the CPS.

KEY WORDS: CPS, SIPP, Underreporting

I. Underreporting of Means-Tested Benefits

Means-tested transfer benefits are typically underreported in household surveys. In other words, the weighted number of people saying they received transfer benefits and the weighted amount of benefits reported fall short of the actual figures according to administrative data. Researchers should take underreporting into account in designing and interpreting analyses. Changes in the degree of underreporting over time could be particularly problematic for longitudinal analyses.

This paper analyzes the underreporting of means-tested transfer benefits within the Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC), which asks about income and program participation in the prior calendar year (CY).¹ We examine the degree of underreporting in each of four benefit programs—Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF), the Food Stamp Program (FSP), and Medicaid and the State Children’s Health Insurance Program (SCHIP)—using thirteen years of CPS data, and also show the extent of underreporting in the Survey of Income and Program Participation (SIPP) for 1997 and 2002. We show the impact of the Census Bureau’s allocation and editing procedures on underreporting in the CPS, and discuss how microsimulation can be used to correct for underreporting. We use the example of the TRIM3 microsimulation model, and show the results of selected poverty-related tabulations before and after TRIM3’s corrections.²

Explaining the degree to which various factors contribute to underreporting in the CPS and SIPP is beyond the scope of this paper, but we briefly review some of the

possible reasons for underreporting so they can be considered relative to the observed changes in underreporting. Possible reasons for underreporting include:

Stigma: Some recipients may be too embarrassed to report their benefits.

Case closures: Persons no longer receiving assistance at the time of the CPS interview (February, March, or April) may fail to report assistance received during the prior calendar year.

Program names: A person might not report a benefit if s/he does not recognize the program name used by the interviewer; or, confusion about names could result in a benefit being misreported as the wrong type of benefit.³

Respondent errors: Respondents may not understand the questions or may not know the answers. For instance, the respondent may not know that another household member receives a certain benefit.

Undercoverage and Undercount corrections: The Census Bureau’s weighting procedures adjust for “Undercoverage” resulting from missed housing units and missed persons within sample households, and the Census Bureau surveys that use weights based on the 1990 Decennial Census are adjusted by the Bureau to correct for the Census undercount (Wheaton 2007). The Census Bureau’s weighting procedure adjusts for undercoverage and the undercount using controls for age, race, sex, and Hispanic ancestry. However, if missed persons (after controlling for these demographic characteristics) are more or less likely than interviewed persons to participate in transfer programs, then the estimate of the number of program recipients may be biased.

II. Data and Methodology

Below, we provide a brief description of our methods for tabulating the CPS, SIPP, and administrative data. Further details are provided in Wheaton (2007).⁴

II.1 CPS

We examine underreporting in the 1994 through 2006 CPS surveys, which collect data on receipt of transfer benefits in calendar years 1993 through 2005.⁵ We use the unit of analysis most appropriate for a given program: households for the FSP; families for analysis of TANF

and its predecessor, the Aid to Families with Dependent Children (AFDC) program; and persons for SSI and Medicaid/SCHIP. Survey respondents do not reliably distinguish between Medicaid and SCHIP coverage, so we compare the number of persons reporting Medicaid or SCHIP coverage to targets for the average monthly number of persons enrolled in either program (excluding the institutionalized). AFDC/TANF and FSP caseload estimates are also computed in monthly rather than annual terms, to correspond to the way that the administrative data are reported. In general, we use the number of months of coverage reported on the CPS to calculate the average monthly caseload estimate.⁶

It has been widely observed that CPS transfer program reciprocity and health insurance status is more similar to point in time estimates from other surveys such as the SIPP and Medical Expenditure Panel Survey (MEPS) than to average monthly estimates from those surveys. Two different explanations have been proposed for this phenomenon: (1) that this is attributable to greater underreporting on the CPS due to the longer recall period required of respondents (a year or more versus four or five months in other surveys) and the fact that collecting data on program reciprocity and health insurance data are not primary objectives of the CPS; and (2) that CPS respondents are actually reporting their coverage at a point time, such as the survey month or last month of the calendar year, rather than reporting whether they received coverage at all during the prior calendar year.⁷ In this paper, we examine how the intended measure (average monthly receipt in the prior year, calculated using the reported number of months of coverage) compares to administrative targets for the average monthly caseload for the calendar year covered by the CPS. As demonstrated by Cody and Tuttle (2002), the choice of approach yields different estimates of the extent of underreporting and can also yield different estimates of trends in underreporting.

II.2 SIPP

We compare CPS underreporting results to SIPP data for two years—1997 and 2002, using data from the 1996 and 2001 panels of the SIPP.⁸ We use the calendar year weight when tabulating annual dollar amounts. Average monthly recipients are tabulated using the monthly data from the “core” data files: the number of recipient families in each month is tabulated using the monthly weight, the monthly results are summed, and the result is divided by 12.

II.3 Administrative Targets

The administrative figures used for comparison with the CPS and SIPP are taken from various federal data

sources, but adjustments are needed. First, when the administrative data include the territories, those recipients and benefits are removed from the numbers, since the CPS does not include the territories. Second, although administrative data are usually provided in fiscal year terms, to the extent possible we obtain or calculate calendar year figures to correspond to the calendar year concept of the CPS. Third, we adjust the SSI and Medicaid administrative data to subtract institutionalized recipients, since the CPS does not survey the institutionalized population, and we remove within-state duplicated cases from the Medicaid administrative data where they can be identified.

The Medicaid targets used for this analysis include “restricted eligibles”—persons who benefit from Medicaid but are not eligible for the full range of Medicaid services, including illegal aliens receiving emergency aid, elderly people for whom Medicaid pays a Medicare premium, and persons receiving just a single service, such as family planning benefits. The extent to which restricted eligibles would report Medicaid coverage on the CPS is unknown. Although restricted eligibles are no longer included in the standard TRIM3 targets, we include them here so that we can have a consistent time series for our analysis.⁹

We treat the administrative caseload and benefit data as the “truth” against which the CPS and SIPP data are compared. However it is possible that the administrative data and/or the adjustments we make to it may include errors. If the administrative targets understate the size of the caseload, then our estimates of the percentage of the caseload captured in the CPS and SIPP will be too high; if the administrative targets overstate the size of the caseload, then our estimates of the percentage of the caseload captured will be too low. In particular, we should note that some health policy analysts consider the Medicaid administrative data to substantially overstate the size of the caseload (Dubay, Holahan, and Cook 2007). Nevertheless, the administrative data are routinely cited for counts of Medicaid enrollees (Kaiser Commission 2007; Committee on Ways and Means 2004).

III. Trends In Underreporting 1993–2005

When the CPS data on means-tested transfers are compared to administrative targets for 1993–2005 (figures 1 and 2), the results suggest that the percentage of the AFDC/TANF and Medicaid caseload captured in the CPS dropped substantially in the 1990s; the percentage of the FSP caseload captured in the CPS was stable for most of the 1990s but has declined since then; and the percentage of the SSI caseload captured in the CPS has fluctuated, with perhaps a slight downward trend.

The SIPP has several design features intended to improve reporting of income data relative to the CPS. Whereas the CPS asks respondents to recall income received in the prior calendar year, the SIPP asks respondents once every four months about their income in the prior four months. The SIPP includes more detailed questions concerning sources of income, strives to collect data on adult household members directly from each member, rather than from a single household respondent, and encourages follow-up communications between the interviewer and respondent in order fill in missing information. As a result of these design features, the SIPP experiences less underreporting than the CPS, with virtually no underreporting of SSI (table 1). However, we find a modest increase in Medicaid/SCHIP underreporting and a substantial increase in TANF underreporting in the SIPP between 1997 and 2002.

III.1 AFDC/TANF

The percentage of the average monthly AFDC or TANF caseload captured in the CPS fell from 74 percent in 1993 to 55 percent in 1999 and has remained between 54 percent and 59 percent since then (figure 1). The percentage of AFDC/TANF benefit dollars captured in the CPS fell substantially between the two periods examined (1993–1995 and the post-2000 period—figure 2).¹⁰ In 1997, the SIPP captured 83 percent of the TANF caseload, compared to 62 percent in the CPS (table 1), but by 2002 the percentage of the caseload captured in the SIPP (59 percent) had fallen much closer to the CPS level (54 percent).

The 1990s saw tremendous change to the nation’s welfare system, as states first experimented with different reforms to their AFDC programs and then transitioned to the time-

limited and work-oriented TANF program following passage of the Personal Responsibility and Work Accountability Act of 1996 (PRWORA). The number of welfare recipient families plummeted during this period, falling from 4.9 million average monthly families in 1993 and 1994 to 2.2 million average monthly families in 2000.

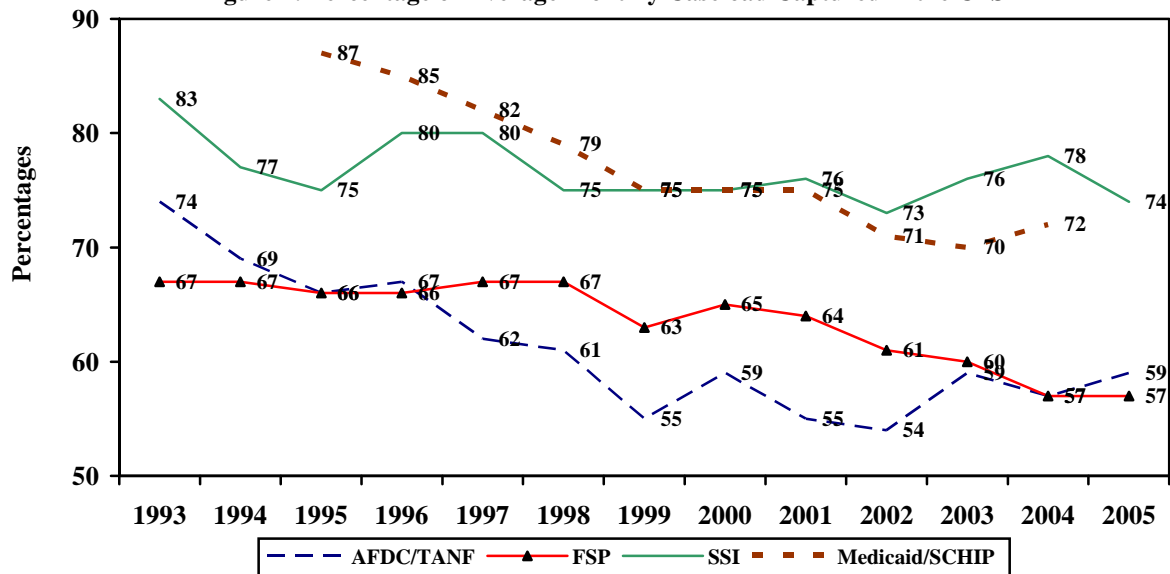
Table 1: Percentage of Administrative Total Captured in CPS and SIPP

	CY 1997		CY 2002	
	CPS	SIPP	CPS	SIPP
Caseload				
TANF	62	83	54	59
FSP	67	85	61	83
SSI	80	104	73	98
Medicaid/SCHIP	82	89	71	80
Dollars				
TANF	NA	NA	53	56
FSP	66	86	59	84
SSI	78	97	75	96

Source: 1998 and 2003 CPS ASEC, 1996 and 2001 Panels of the SIPP, Compared to Administrative Targets

Given the profound changes to the welfare system, an increase in underreporting is not surprising. With dramatically falling caseloads, there were many more families who received AFDC/TANF in the prior calendar year who no longer received assistance at the time of the CPS interview. To the extent such families fail to report their prior year’s assistance, underreporting can be expected to increase. Increased stigma—due to increased public attention to welfare—and increased program name confusion occurring during the transition from AFDC to TANF may also have contributed to the increase in underreporting.¹¹ Although the size of the TANF caseload remained fairly stable between 2001 and 2005, it

Figure 1: Percentage of Average Monthly Caseload Captured in the CPS



is possible that CPS reporting rates have not returned to their pre-PRWORA levels due to continuing stigma and program name confusion and/or because families spend shorter periods of time on TANF than on AFDC, increasing the likelihood of recall error.

III.2 Food Stamps

In contrast to AFDC/TANF, the percentage of FSP caseload and benefits captured in the CPS was fairly stable during much of the 1990s, but has decreased since 1998. Between 1993 and 1998, the CPS captured 66 to 67 percent of the FSP caseload, and 64 to 67 percent of FSP benefits. By 2005, the CPS captured 57 percent of the FSP caseload and 55 percent of FSP benefits. The percentage of FSP households captured in the SIPP fell slightly from 85 percent in 1997 to 83 percent in 2002, and the percentage of FSP benefits captured fell from 86 percent to 84 percent.¹²

A possible explanation for the increase in CPS FSP underreporting between 1998 and 2004 was the transition from traditional food “stamps” to Electronic Benefit Transfer (EBT). In January of 1998, only 35 percent of food stamp benefits were delivered through EBT; by the end of 2004, all food stamps were delivered through EBT.¹³ It is possible that some of the increase in underreporting is attributable to recipients failing to report receipt of food stamps because they did not receive actual “stamps.” In addition, a few states now use alternative program names that do not include the word “stamps,” further increasing the possibility for program name confusion (FRAC 2007). No changes have yet been made to the wording of the CPS and SIPP food stamp questions to account for the transition to EBT, although SIPP and CPS interviewers are provided with information about EBT (Charles T. Nelson, personal communication, October 25, 2007). The fact that underreporting of food

stamps increased between 1997 and 2002 in the CPS but changed little in the SIPP suggests that if program name confusion caused the increase in CPS underreporting, other factors prevented a similar increase in underreporting in the SIPP.

III.3 SSI

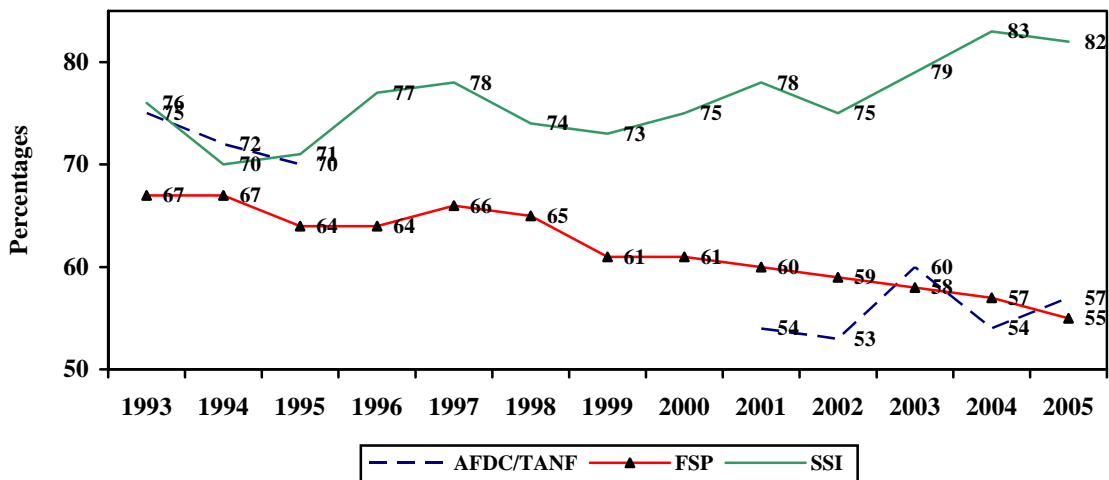
CPS underreporting of SSI fluctuated between 1993 and 2005, but appears to have been increasing during this period. In 1993, the CPS captured 83 percent of the noninstitutionalized caseload, compared to 74 percent in 2005. The percentage of benefits captured on the CPS also fluctuated during this period, but with a slight upward trend. Seventy-six percent of the target dollar amount was captured in 1993, compared to 82 percent in 2005. There is little or no underreporting of SSI on the SIPP. In 1997, the SIPP exceeded the administrative target for SSI recipients and captured 97 percent of SSI benefits. In 2002, the SIPP captured 98 percent of SSI recipients and 96 percent of SSI benefits.

CPS underreporting was slightly alleviated in 2001 by new variables identifying children receiving SSI.¹⁴ Previously, persons aged 15 or older were asked about receipt of SSI income, but there was no way to know whether the reported SSI was received on behalf of the adult, one or more children in the family, or both. Without the new questions, the percentage of the noninstitutionalized SSI caseload identified in the CPS would have been 1 to 2 percentage points lower for years 2001 to 2005.

III.4 Medicaid/SCHIP

Of the four programs examined, Medicaid/SCHIP experienced the second greatest drop (after AFDC/TANF) in the percentage of the noninstitutionalized caseload

Figure 2: Percentage of Annual Benefit Dollars Captured in the CPS



captured in the CPS. Most of the decline occurred between 1995 (the first year examined) and 1999, when the percentage of the noninstitutionalized caseload captured fell from 87 to 75 percent. The percentage of the caseload captured in the CPS remained stable between 1999 and 2001, and then dropped slightly, varying between 70 and 72 percent in 2002 through 2004. The SIPP captures a higher percentage of the Medicaid/SCHIP caseload than does the CPS. Eighty-nine percent of the Medicaid/SCHIP caseload was captured in the SIPP in 1997, declining to 80 percent in 2002. Removing restricted eligibles (persons not eligible for the full range of Medicaid benefits) from the target increases the percentage of the caseload captured in 2002 to 77 percent in the CPS and 87 percent in the SIPP (not shown).¹⁵

Without the introduction of a new health insurance question in the 2000 CPS, the extent of Medicaid underreporting would have been slightly worse than shown here for 1999 and later years. The new variable asked persons reporting no health insurance coverage whether they were uninsured. This question prompted an additional 330,000 people to report Medicaid coverage in 1999, resulting in a 1 percent increase in CPS persons with Medicaid coverage (Nelson and Mills 2001).

Program name confusion may have contributed to the increase in Medicaid/SCHIP underreporting in the second half of the 1990s.¹⁶ During this period, enrollment of Medicaid recipients in managed care organizations (MCOs) was rapidly expanding. Twenty-nine percent of Medicaid beneficiaries were enrolled in MCOs in 1995, rising to 56 percent in 1999 (Kaiser Commission 2001). Persons enrolled in an MCO might consider themselves to have private coverage rather than Medicaid. The growth in other types of state-funded insurance programs for low-income individuals may also have contributed to program name confusion (Call et al 2001).

IV. Census Bureau Allocations and Imputations

The underreporting estimates presented in this paper would be larger if not for Census Bureau allocations and imputations. Allocation refers to the process by which the Census Bureau fills in responses to questions left unanswered when a respondent does not know or refuses to answer a question. About 11 percent of households that answer the basic monthly CPS questions fail to answer the supplementary questions about income and program participation. For those households, the entire supplement must be allocated. Other households fail to provide answers to a specific question or questions—a problem known as item nonresponse. In general, the Census Bureau uses hotdeck procedures to allocate responses that are consistent with the reported characteristics of the person or household.

The Census Bureau also performs a logical imputation to the Medicaid variable. A person reported to be without Medicaid is recoded as covered by Medicaid if the family's welfare reciprocity, the individual's SSI coverage, or the Medicaid coverage of other family members suggests that the person is covered by Medicaid.

Table 2 shows the percentages of CPS recipients and benefits assigned through allocation and imputation. The first column shows results for ever-on recipients—persons or families receiving assistance in at least one month of the prior calendar year.

	Recipients Allocated		Dollars Allocated
	Ever-On	Avg Monthly	
TANF	17	29	25
FSP	12	21	21
SSI	13		26
Medicaid/SCHIP	26		
Allocated	11		
Imputed	15		

Source: 2007 CPS ASEC, except FSP dollars (2006 CPS)

Seventeen percent of CPS ever-on TANF recipients, 12 percent of CPS ever-on FSP recipients, and 13 percent of CPS ever-on SSI recipients are assigned to receive assistance through allocation. Twenty-six percent of CPS persons coded as having Medicaid/SCHIP are coded that way as a result of the Census Bureau's allocation and imputation procedures. Eleven percent of the CPS Medicaid/SCHIP recipients are assigned coverage through allocation for nonresponse and 15 percent are assigned coverage through logical imputation.¹⁷

Some respondents who report that they receive coverage fail to report the number of months of coverage or the amount of benefit received, so allocation has a larger effect on estimated average monthly recipients and annual benefits than on ever-on estimates. Twenty-nine percent of the CPS average monthly TANF caseload and 25 percent of TANF benefits are allocated, as are 21 percent of average monthly FSP recipients and benefits and 26 percent of SSI benefits.

We find little change between CY 1993 and CY 2004 in the percentage of ever-on CPS recipients assigned assistance through allocation, but some increase in the percentage of average-monthly CPS recipients and annual benefits assigned through allocation (not shown). An error in the Census Bureau's editing procedures for the type of public assistance resulted in higher rates of allocation for TANF assistance between CY 2000 and CY 2005, but this was corrected in CY 2006 (Wheaton 2007).

While correction for underreporting is not the specific intent of the Census Bureau's procedures, allocations and imputations have the effect of reducing the extent of underreporting in the public use CPS data. Allocation increases the percentage of the average monthly TANF caseload identified in the CPS from 38 percent to 59 percent in CY 2005, the percentage of the FSP caseload from 45 percent to 57 percent, and the percentage of the SSI caseload from 64 percent to 74 percent (table 3). Allocation increases the percentage of annual benefit dollars captured in the CPS from 40 percent to 57 percent for TANF, 43 percent to 55 percent for the FSP, and 60 percent to 82 percent for SSI.

	Before Allocation	After Allocation
Caseload		
TANF	38	59
Food Stamps	45	57
SSI	64	74
Dollars		
TANF	40	57
Food Stamps	43	55
SSI	60	82

Source: 2006 CPS ASEC and Administrative Data

V. Correcting For Underreporting Through Microsimulation

The TRIM3 microsimulation model corrects for the underreporting of SSI, TANF, Food Stamps, and Medicaid/SCHIP, each year creating an augmented CPS file that matches administrative targets for the size of the caseload and comes within 10 percent of administrative targets for benefit dollars paid.

TRIM3 is a large computer model that contains detailed state-specific rules for determining eligibility and benefits for each of the simulated programs. Processing is performed on a monthly basis—TRIM3 allocates work and earnings across the months of the year based on reported weeks of employment, spells of unemployment, and monthly employment rates. The model steps through the CPS a household at a time, performing the same steps that a caseworker would perform in determining program eligibility and benefits for the members of the household. TRIM3 divides the household into program-specific filing units, determines whether a unit is categorically eligible for assistance, applies asset and income tests, and calculates the amount of the benefit for which the unit is eligible. TRIM3 then determines whether a unit that is eligible for assistance actually chooses to participate in the program. If an eligible unit reports receiving

assistance, and the report is not the result of a Census Bureau imputation or allocation, then the unit is automatically assigned to participate in the program. Additional eligible units are selected in such a way that the size and characteristics of the caseload match administrative targets as closely as possible.

VI. Effect of Correction for Underreporting on Poverty Estimates

We use poverty estimates to demonstrate the varying effects that correcting for underreporting of benefits in survey data can have on an analysis. TRIM3's corrections for underreporting of SSI and TANF reduce the estimated poverty rate from 12.8 percent to 12.6 percent in CY 2004 and reduce the poverty gap (the amount of money necessary to remove all persons from poverty) from \$116.2 billion to \$105.6 billion (table 4). Although the effects on the poverty rate and poverty gap are fairly modest, correction for underreporting results in a substantial increase in the estimates of the extent to which TANF, SSI, and other public assistance remove people from poverty and reduce the poverty gap—increasing the estimated number of people removed from poverty by these programs from 2.2 million to 2.8 million and the estimated decrease in the poverty gap attributable to these programs from \$19.4 billion to \$29.8 billion.

	Poverty Rate Calculated Using	
	CPS TANF and SSI	TRIM3 TANF and SSI
Poverty rate	12.8%	12.6%
Poverty gap (billions \$)	116.2	105.6
Persons removed from poverty by TANF, SSI, and other public assist.	2,199,000	2,750,000
Poverty gap reduction from TANF, SSI, and other public assist. (billions \$)	\$19.4	\$29.8

Source: TRIM3 Simulation on 2005 CPS ASEC

Food stamps are not counted as income under the official poverty definition, but are frequently counted as income in alternative poverty measures. Adding reported food stamps to the income used in the official poverty definition (but maintaining the standard thresholds) decreases the poverty rate to 12.2 percent and the poverty gap to \$106.4 billion. Substituting TRIM3 simulated TANF, SSI, and Food Stamps for the CPS reported amounts reduces the poverty rate (including food stamps) to 11.5 percent and the poverty gap to \$88 billion (table 5). Correction for underreporting increases the estimate of the number of persons removed from poverty by food

stamps from 1.7 million to 3.2 million, and increases the estimate of the reduction in the poverty gap attributable to food stamps from \$9.8 billion to \$17.6 billion.

Table 5: Poverty Estimates (CY 2004): Cash Income Plus Food Stamps		
	Poverty Rate Calculated Using	
	CPS TANF, SSI, and Food Stamps	TRIM3 TANF, SSI, and Food Stamps
Poverty rate	12.2%	11.5%
Poverty gap (billions \$)	\$106.4	\$88.0
Persons removed from poverty by Food Stamps	1,709,000	3,194,000
Poverty gap reduction from Food Stamps	\$9.8	\$17.6

Source: TRIM3 Simulation on 2005 CPS ASEC

VII. Conclusion

Our results suggest that the percentage of the AFDC/TANF and Medicaid caseload captured in the CPS dropped substantially in the 1990s; the percentage of the FSP caseload captured in the CPS was stable for most of the 1990s but has declined since then; and the percentage of the SSI caseload captured in the CPS has fluctuated, with perhaps a slight downward trend. As expected, we find less underreporting in the SIPP than the CPS for the two years examined, and virtually no underreporting of SSI. However, we find a modest increase in Medicaid/SCHIP underreporting and a substantial increase in TANF underreporting in the SIPP between 1997 and 2002.

Microsimulation can help correct for underreporting. Correction for underreporting can have a small or large effect on the results, depending on the degree of underreporting and the type of analysis being performed.

Acknowledgments

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¹ This paper updates and expands upon our previous work (Wheaton and Giannarelli 2000). Due to corrections and improvements to our methodology, some of the results presented here differ from our earlier results.

² Documentation of the TRIM3 model is available at <http://trim3.urban.org/T3Welcome.php>. TRIM3 requires users to input assumptions and/or interpretations about economic behavior and the rules governing federal programs. Therefore, the conclusions presented here are attributable only to the author of this report.

³ For instance, it is possible that some SSI benefits are reported as Social Security, and vice versa. Further, it is possible that confusion over names leads some AFDC or TANF benefits to be misreported as "other public assistance," and vice versa (Vaughan 1993).

⁴ The results and methodology presented here differ from Wheaton (2007) in that we extend the analysis through 2005, use final (rather than estimated) targets for Medicaid for 2003 and 2004, and use the version of the 2005 CPS that includes the Census Bureau's August 2006 and April 2007 revisions (for all but the poverty tables).

⁵ We use the version of the 2001 CPS that includes the SCHIP sample expansion and weights based on the 2000 Census. With the exception of the poverty tabulations presented here, results for CY 2004 are from the version of the 2005 CPS that includes Census Bureau revisions issued in August 2006 and April 2007.

⁶ In certain cases, data on the number of months of coverage is unavailable. We assume 12 months of coverage for the following groups: SSI recipients, SCHIP recipients, AFDC/TANF recipients whose coverage is reported through the question about "other income", persons whose Medicaid coverage is reported through the CPS "catch all" health insurance questions, and persons assigned Medicaid coverage through the Census Bureau's "logical imputation" procedures. To the extent some of these recipients are actually covered for less than 12 months, we overestimate the percentage of the caseload captured in the CPS.

⁷ Katherine Swartz (1986) proposed the idea that CPS respondents report their Medicaid status at the time of the

CPS interview, rather than their coverage during the prior calendar year. This view has been adopted by a number of health analysts (see, for example, Dubay, Holahan, and Cook (2007)). However, in analyzing an exact-match of CPS data to administrative data, Ringel and Klerman (2005) find that most underreporting of Medicaid in California is attributable to recall and other error rather than due to persons reporting their coverage status as of the time of the survey.

⁸ SIPP underreporting estimates for 1998 and 2001 are similar to those for 1997 and 2002 shown here (see Wheaton 2007).

⁹ Prior to CY 2000, we did not exclude restricted eligibles from Medicaid targets developed for TRIM3.

¹⁰ Due to uncertainty regarding the administrative data used to develop the targets for 1996 through 2000, we do not show dollar results for those years.

¹¹ In 1993, a few states were using special names to describe the programs they were operating under waivers from the federal AFDC rules, but the name AFDC was still generally used to describe the benefits. By 1998, the majority of states used special names for their TANF programs. The CPS uses state-specific names in asking the questions on welfare receipt, but this does not eliminate the possibility for confusion.

¹² More than one FSP unit, or "household" can reside in a single physical household. When tabulating the SIPP data, we assume that each reported "owner" of food stamps in a household represents a separate food stamp unit, and compare the total number of FSP units to target.

¹³ Based on Urban Institute tabulations of data from the Food Stamp National Data Bank.

¹⁴ The new variables were first introduced with the 2001 CPS, but there were some problems with the data that were not resolved until the 2002 CPS.

¹⁵ If restricted eligibles are removed from the targets, the CPS captures 81 percent of Medicaid/SCHIP recipients in 2000 and 2001, 77 percent in 2002 and 2003, and 79 percent in 2004. We do not have targets that exclude restricted eligibles for years prior to 2000.

¹⁶ Program name confusion can also lead to overreporting, for example, if people report Medicare coverage as Medicaid, or if recipients of a state-funded program for noncitizens report their coverage as "Medicaid."

¹⁷ CPS respondents who fail to respond to the entire ASEC supplement are counted as "imputed" if the Medicaid allocation flag indicates imputation; otherwise they are counted as "allocated."