Using Longitudinal Data to Inform Social Policymaking : The Understanding America Study

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What is the UAS?

- Online household panel of >2000 adults (growing to 6000)

- Uniquely representative of US population

- Observational panel + special purpose and experimental subpanels

I'd like to begin by acknowledging the Traditional Owners of the land on which we meet today. I would also like to pay my respects to Elders past and present
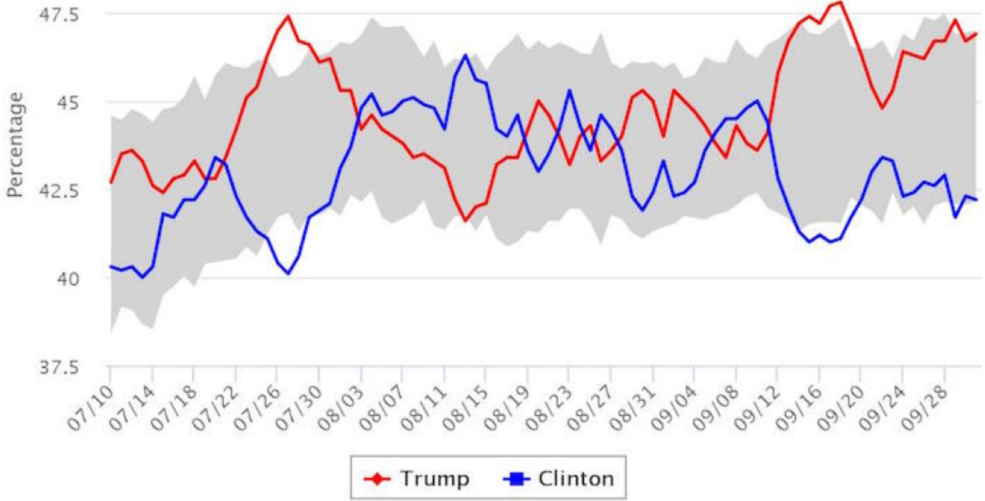
Why the USC Dornsife/L.A. Times presidential poll is unlike other polls

The poll's results, updated nightly, have often differed from its counterparts' numbers since it debuted in July.

By Emily Gersema – October 12, 2016

FiveThirtyEight

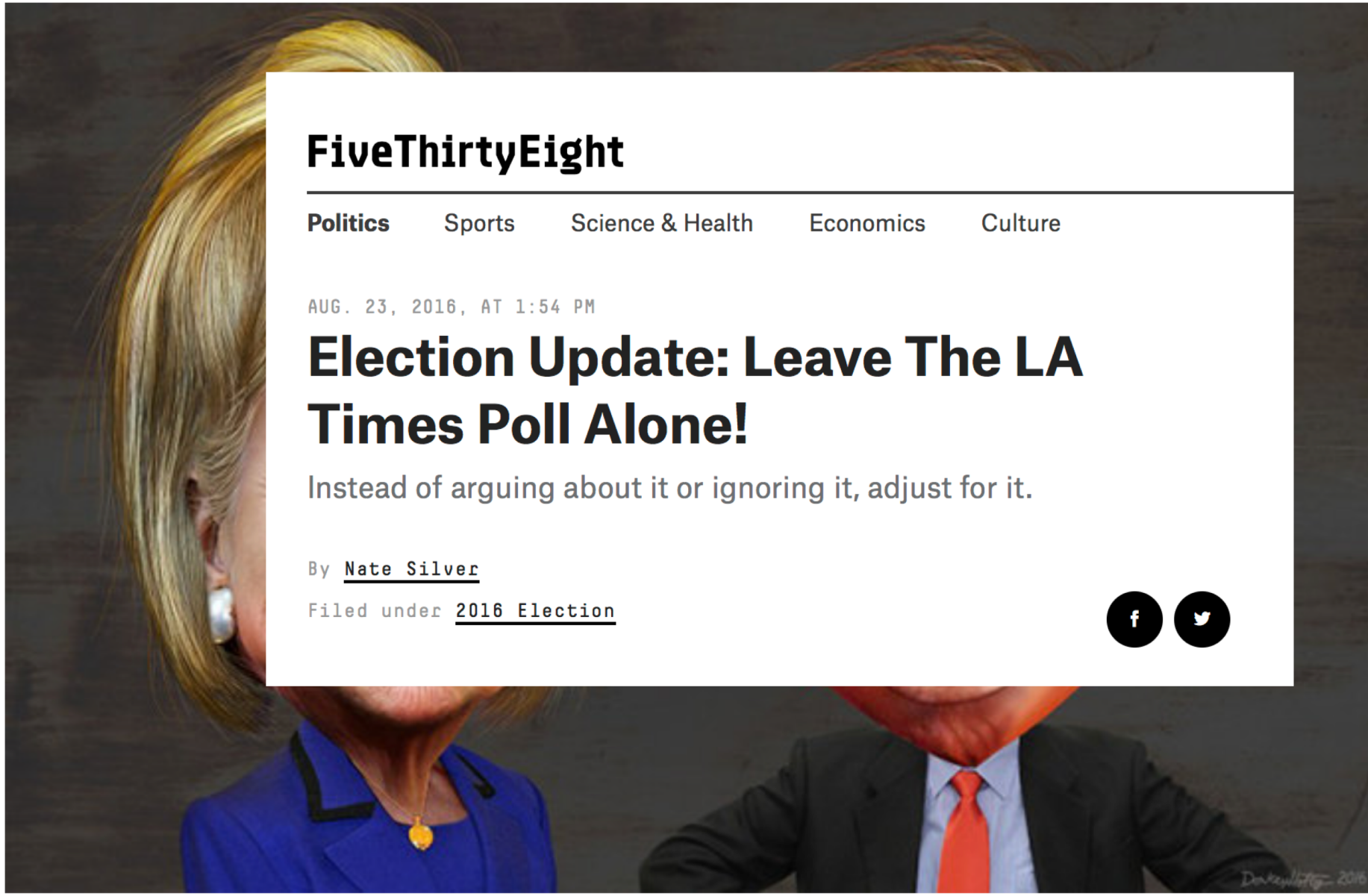Politics   Sports   Science & Health   Economics   Culture

AUG. 23, 2016, AT 1:54 PM

Election Update: Leave The LA Times Poll Alone!

Instead of arguing about it or ignoring it, adjust for it.

By Nate Silver

Filed under 2016 Election

Presidential candidates Hillary Clinton and Donald Trump. Illustration by DonkeyHokey.

IN DEFENSE OF THE LA TIMES POLL

THE 2016 USC DORNSIFE / LA TIMES PRESIDENTIAL ELECTION POLL FOR OCTOBER 2, 2016: REPUBLICAN DONALD TRUMP VS. DEMOCRAT HILLARY CLINTON. (PHOTO: THE USC DORNSIFE / LA TIMES PRESIDENTIAL ELECTION "DAYBREAK" POLL)

After nearly a week of interviews conducted after the first presidential debate, Donald Trump leads Hillary Clinton by roughly 5 points in the LA Times Poll, 46.9% to 42.2%. TV pundits have stuck to conventional political wisdom, despite the fact it has failed them at every turn this election cycle.

As a result, the LA Times Poll has been taking even more heat than it has in the previous several weeks, which is really saying something.

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The USC/L.A. Times poll saw what other surveys missed: A wave of Trump support

By **DAVID LAUTER**   NOV 08, 2016 | 9:15 PM | WASHINGTON

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Prize For Statistical Fortitude

Presented to <u>USC DORNSIFE / LOS ANGELES TIMES POLL</u>

During this year's presidential campaign, the LA Times poll was the only major national poll that consistently showed Donald Trump leading in the popular vote. That made it a favorite of Trump's supporters — including the candidate himself, who often touted its findings — and a source of worry for his opponents. The poll was also a frequent target of criticism from polling nerds, who argued that its weird methodology was skewing the results.

After Trump's surprising win, the LA Times bragged that its poll had seen what others missed. That isn't quite right. The final Times poll had Donald Trump winning the national popular vote by over 3 points; he ended up losing it by about 2 points.

But whatever the results, the pollsters deserve credit for sticking with their approach. If they had shifted their method to go with the winds of the day, their results would have been essentially useless as data, in part because we wouldn't have been able to know which movements in the poll represented real changes in the race versus methodological changes. Instead, at a time when many pollsters seem to engage in "herding" — fiddling with their results to avoid standing apart — the LA Times didn't fear being the outlier. And as a result, we were able to get great data from them about how the race was moving. (The pollsters get extra credit for releasing their underlying data, something few pollsters do.)
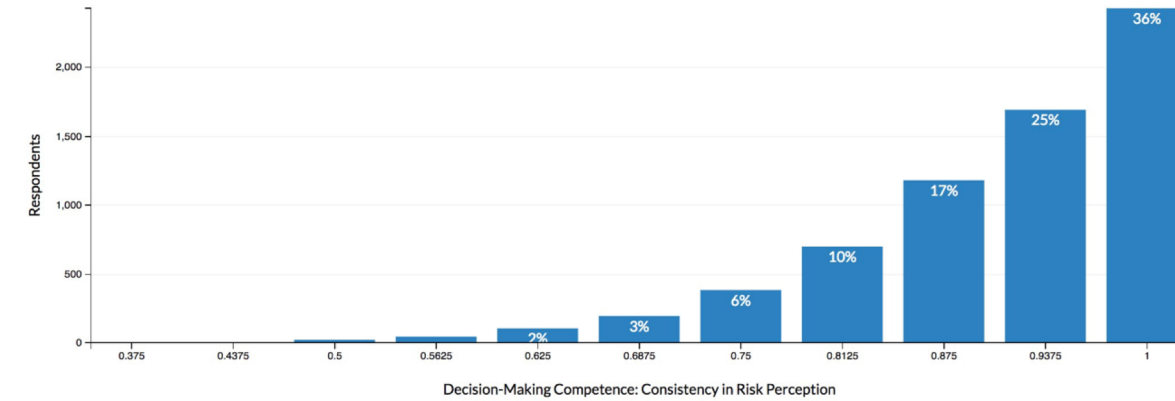
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WELCOME TO THE

Understanding America Study

Q 8 : Decision-Making Competence: Consistency in Risk Perception
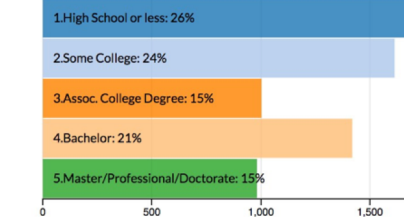
Stata file var: admc

This scale is adapted from Bruine de Bruin et al. (2007). It assesses probability numeracy, specifically how people understand probability rules by measuring consistent responses to probability questions. Source Questions

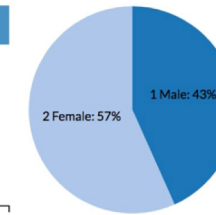All 6,752 records shown. Click on the graphs to apply filters.

Respondents

Decision-Making Competence: Consistency in Risk Perception

Bar chart percentages: 2%, 3%, 6%, 10%, 17%, 25%, 36%

Education
1.High School or less: 26%
2.Some College: 24%
3.Assoc. College Degree: 15%
4.Bachelor: 21%
5.Master/Professional/Doctorate: 15%

Gender
1 Male: 43%
2 Female: 57%

Household Income
1.<$30,000: 28%
2.$30,000-$59,999: 27%
3.$60,000-$99,999: 24%
4.>=$100,000: 21%

Marital Status
Never Married: 20%
Div/Wid: 21%
1.Married:

Explore (limit 3): ☑ Education ☑ Household Income ☑ Labor Status ☐ Gender ☐ Race ☐ Marital Status ☐ Age ☐ US Citizen ☐ Household members
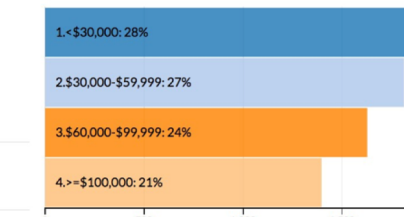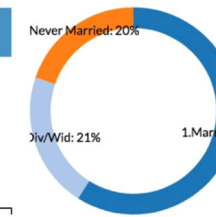
THE UAS VIS TOOL ALLOWS USERS TO INTERACTIVELY EXPLORE OUR SURVEY DATA (CLICK IMAGE TO LAUNCH).

WHAT'S NEW

SURVEYS

2016 ELECTION POLL

The Understanding America Study (UAS) is a panel of households at the University of Southern California (USC) of approximately 6,500 respondents representing the entire United States. The study is an 'Internet Panel,' which means that respondents answer our surveys on a computer, tablet, or smart phone, wherever they are and whenever they wish to participate.
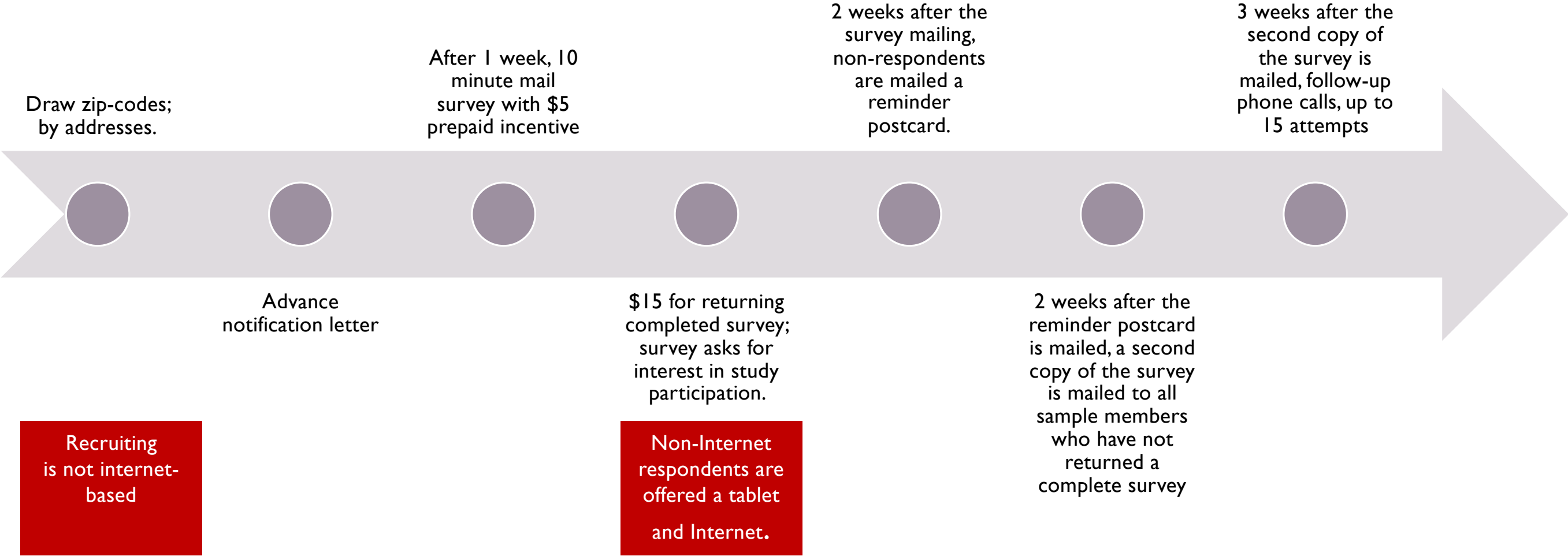
Surveys are designed by research teams around the world; programmed and tested by our team at the Center for Economic and Social Research, translated into Spanish and then fielded.

A majority of the UAS data is publicly available. An excellent start is the UAS Comprehensive File, which merges the data from a number core surveys in the UAS that are repeated every two years. To explore the UAS data in an interactive manner check out the UAS Visualization Toolkit (opens in a new wind... Adobe Reader

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The UAS Builds on CESR's experience

- CESR's team are pioneers in the field of internet interviewing
  - CentERpanel in the Netherlands (1996)
  - The American Life Panel (ALP) at RAND (2006)
  - MESS panel in the Netherlands (2006)

- What sets the UAS apart from other panels?
  - Address Based Sampling only
  - Household panel (rather than a person panel)
  - Main panel of 6000+ separate from special purpose and experimental subpanels
 - Improved logistics lead to higher response rates (current estimate 25-30%)

Address-based Sampling and Recruitment

Draw zip-codes; by addresses.

After 1 week, 10 minute mail survey with $5 prepaid incentive

2 weeks after the survey mailing, non-respondents are mailed a reminder postcard.

3 weeks after the second copy of the survey is mailed, follow-up phone calls, up to 15 attempts

Advance notification letter

$15 for returning completed survey; survey asks for interest in study participation.

2 weeks after the reminder postcard is mailed, a second copy of the survey is mailed to all sample members who have not returned a complete survey

Recruiting is not internet-based

Non-Internet respondents are offered a tablet and Internet.

All Information is Public and Transparent

Name	Initial mail out	Experiment	Gross sample	Completed mail survey	Consented to participate	Became panel member	Active
ASDE 2014-01 Nationally Representative	February 21, 2014	None	9285	42.9%	34.8%	19.5%	14.9%
ASDE 2014-01 Native American[3]	June 9, 2014	None	4064	45.4%	4.6%	3.5%	3.2%
ASDE 2014-11 Native American[3]	January 3, 2015	None	4225	40.9%	3.0%	2.6%	2.4%
LA County 2015/05 List Sample	April 14, 2015	None	1771	31.0%	28.1%	13.9%	11.9%
MSG 2015-07 Nationally Representative Batch 1	September 4, 2015	None	1799	40.4%	30.4%	13.3%	12.6%
MSG 2016-01 Nationally Representative Batch 2	January 26, 2016	None	3216	45.1%	31.0%	14.8%	14.4%

Sample Demographics (UAS vs CPS)
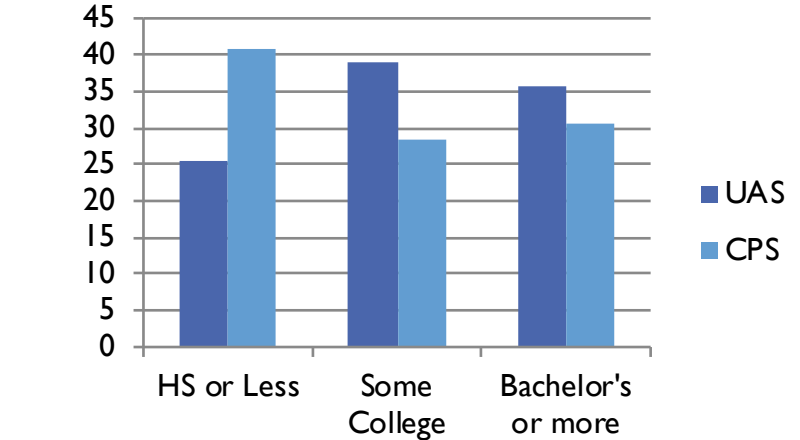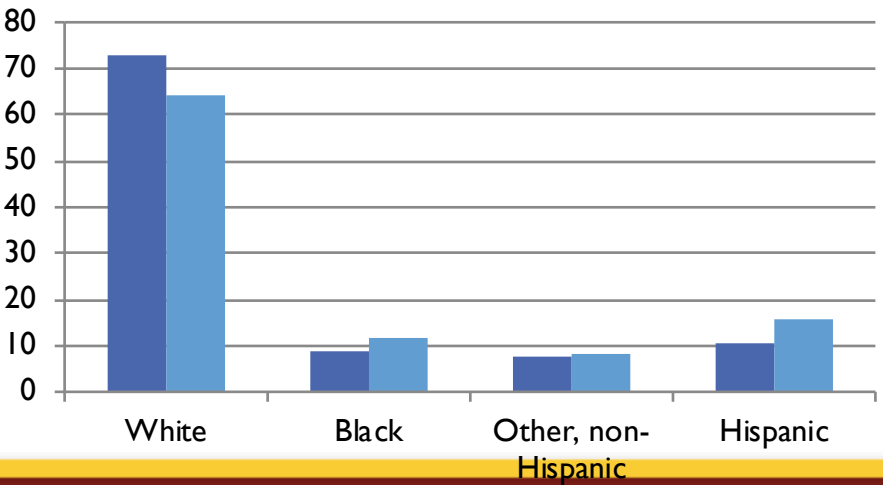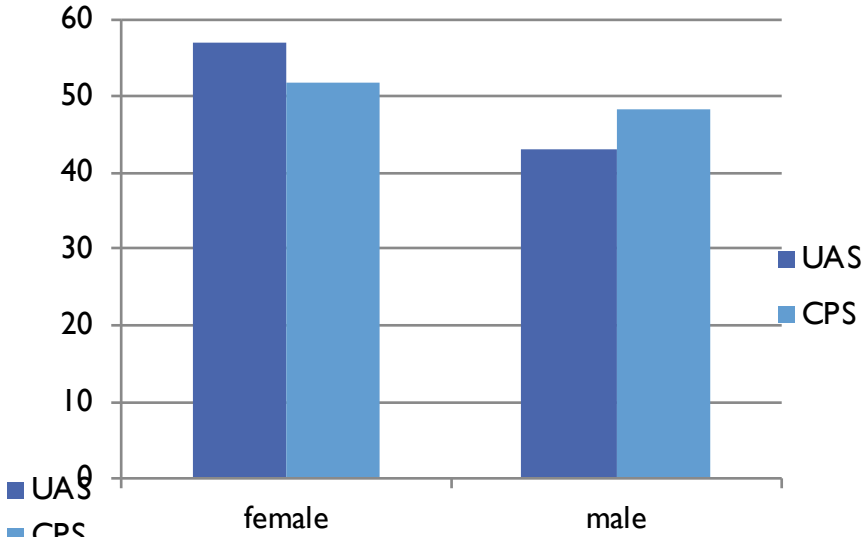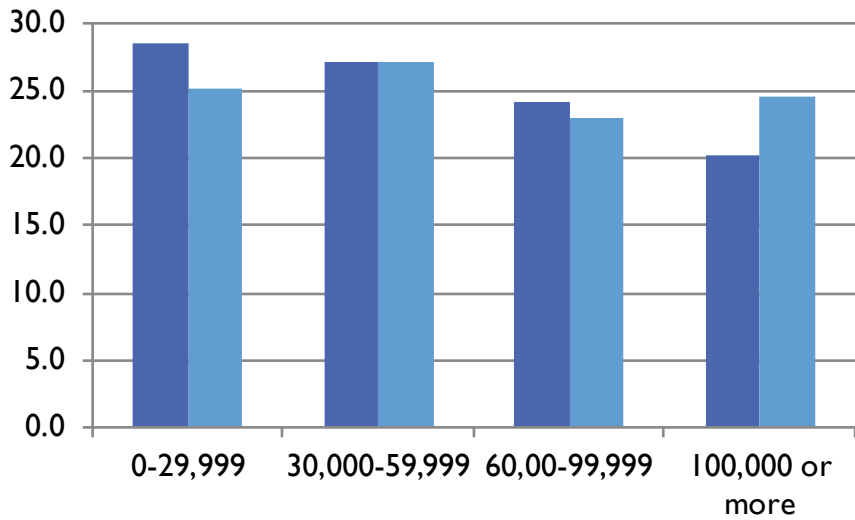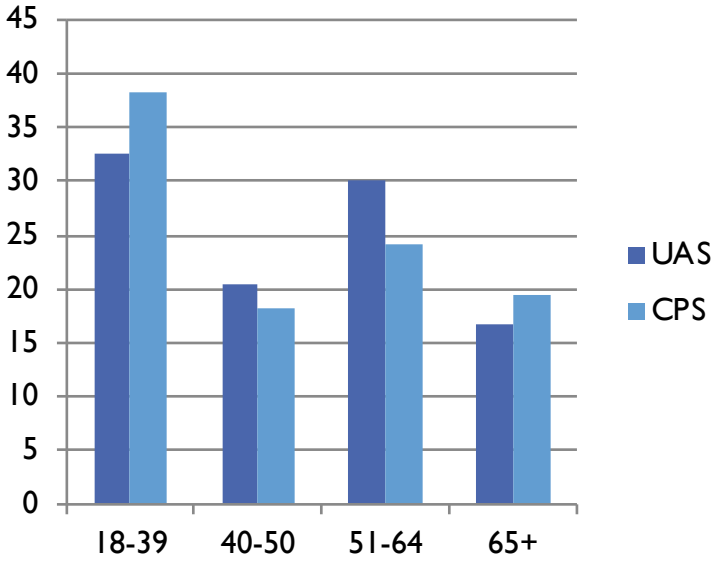
Improving Representativeness : Weighting

- UAS are weighted towards the CPS,
- The set of variables whose distributions are matched exactly is:
  - Gender x age, with 7 age categories: 18-24; 25-34; 35-44; 45-54; 55-64; 65-74; 75+.
  - Gender x race/ethnicity, with 3 categories: non-Hispanic white; non-Hispanic African American; Hispanic and other;
  - Gender x (household) income, with four categories: <$25,000; $25,000-$49,999; $50,000-$74,999; $75,000+;
  - Gender x education, with three categories: (1) high school or less; some college or a bachelor's degree; more than a bachelor's degree;

Improving Representativeness : Sampling

- Since we use addresses, we can move the sample composition in the direction of a target population using the following data sources
  - UAS demographic composition
  - CPS - 2016 ASEC
  - ACS - 5-year combined file with marginal distributions at the zip-code level.
  - Urbanicity by zip code (zcta) from a file based on the Census
- Draw from the collection of zip-codes, such that zip-codes that will bring the UAS distribution closer to the ACS distribution have a higher probability of being selected

What data does the UAS have?

- Researchers have fielded 150 + surveys in the UAS to date
  - Financial and Health Decision Making
  - Behavioral economics
  - Mobile and Connected Health
  - Health, Health Disparities, and Socio-Economic Status
  - Economic Development
  - Subjective Well-Being

- Most data is free to download either immediately or post-embargo

The UAS Comprehensive File

- Combines the biannual core HRS instrument with frequently-used datasets
  - Cognitive tests
  - Financial literacy
  - Personality (big five)
  - Financial wellbeing (CFPB)

- Provides key constructed variables in health and income built from several subcomponents from the raw data

- Pre-weighted to be population representative

- Ready-to-merge with special surveys

We use nineteen complex computer programs to create usable wealth and income data

This code is needed to create the variable "value of primary residence"

UnderStandingAmericaStudy - Data **Vis**ualization Toolkit

Surveys

How to Guide

Welcome to the Understanding America Study - Data Visualization (UASVis) Toolkit

The Understanding America Study (UAS) is a panel at the University of Southern California (USC) of approximately 5,500 individuals representing the entire United States. The study is an 'Internet Panel,' which means that respondents answer our surveys on a computer, tablet, or smart phone, wherever they are and whenever they wish to participate.

Surveys are designed by research teams around the world; programmed and tested by our team at the Center for Economic and Social Research, translated into Spanish and then fielded.

Final datasets for finished surveys are posted on our site with sample weights.

The UAS Visualization Toolkit allows users to interactively explore the these datasets on a variety of key indicators through interactive, customizable and animated charts, tables and maps.

These interactive visualizations are customized to each dataset and will be updated periodically.

Get Started   OR view   How to Guide

Financial Decisionmaking for Older Adults in the US

- In 2012 the Federal Reserve Board conducted an online survey – the Older Adult Survey – to study the financial lives of older U.S. adults, using the RAND American Life Panel (ALP)

- Since December of 2012 the American economy has steadily recovered from the Great Recession

- In April of 2015, together with the FRB, we fielded the Financial Management Survey in the University of Southern California's (USC) Understanding America Study to investigate how the financial lives of Americans have changed with the recovery

Findings

- Only a fifth of respondents in their 50s had planned for retirement
- One in six of those planners did not factor in ability to pay expenses in the future, inflation, major illness, or long stay in nursing home
- Among those 70 and over 4 in 10 owe mortgage debt and more than a third do not pay their credit card bills in full
- Only half of them would be able to pay for an unexpected expense of $10,000
- Social Security benefits are a primary source of support for many older Americans (although estimates of dependency vary)

Retirement and the Social Security Administration

Regular biannual survey of benefits knowledge, interactions with Social Security and claim behaviors

Special surveys on subsamples

Randomized experiments on potential policy levers and interventions

In-depth qualitative interviews with panel members

Social Security and the Claiming Decision

- Decide when to start receiving benefits between 62 and 70
  - Benefits are individually determined based on past earnings history

- Monthly benefits increase with delays in claiming (but nonlinearly)
  - Benefits can be claimed starting from the "Early Eligibility Age" of 62 but these result in a lower level of benefits compared to claiming at "Full Retirement Age" (generally 65)
  - "Delayed Retirement Credits" increase benefits further if claiming is deferred up to 70
  - If individuals are earning above a certain threshold (the Retirements Earning Test) but choose to claim their benefits before their personal FRA, benefits are paid out based on the threshold until after FRA (after which the withheld benefits are paid back with interest)

2017 Survey: What do people know ?

- As expected, the vast majority do not feel financially prepared for retirement.

- Knowledge of how Social Security works is relatively low (and may be even worse than self-reported) e.g. although many (70%) feel at least somewhat knowledgeable about claiming ages, only 35% and 21% correctly identified their own personal early and full retirement ages respectively,

- Knowledge and preparedness for retirement is lowest among the groups that need it

2017 Survey: What do people want to know ?

How to prepare for retirement	• "What do I need to do to plan better, or at least to learn and then plan, because we don't know much. I don't know much."
Amount of their Social Security benefit	• "I would like to know how much I need to put in and how much I will get out"
Claiming age	• "I would like to know how it will affect my benefits if I delay my retirement."
Social Security solvency	• "If the government defaults or the Social Security defaults, what's going to happen to all of my savings through them? That, I'm very curious about."

Survey underscored 4 opportunities/challenges

- High expectations of in Social Security, yet low benefit literacy and belief in SSA's long-term future.
- Few are using existing resources, yet strong desire for SSA to be more proactive in educating consumers
- Expressed interest in online tools and calculators, yet strong revealed preference for traditional means of outreach and dissemination (and almost no engagement on social media)
- Social Security Administration is the most trusted source of retirement information, yet Social Security's communication itself is confusing to people

Exploring New Terminology for SSA

Formative Phase 1

- Short survey of respondents exploring whether the terms "Early Eligibility Age", "Full Retirement Age", and "Delayed Retirement Credits" are well understood

Formative Phase 2

- qualitative interviews with a small number of respondents selected from the UAS to explore alternate terminology

Phase 3

- Experiment in UAS to test participants' responses to and understanding of alternate terminology

Formative Research

- Short survey on specific terms with full sample
- Overall, significant confusion
- "Early Eligibility Age" (EEA) and "Full Retirement Age" (FRA) are understood best
- Much confusion about DRCs - poor understanding of what the term means
  - only 10% knew at which age DRC is maximized.

Prepared a list of alternative names for the key terms (EEA, FRA, and DRC)

- Qualitative, structured interviews with a total of 24 UAS participants
- Used elements of cognitive interviewing to understand how people process information
  - including factors such as attention span, word recognition, memory, and language processing
  - involved 'think-aloud' questions and more specific probing
- This led to a set of alternative terms to be tested in Phase 3

Information screen example for participants in control group (current terminology)

UnderStandingAmericaStudy

What's the best time to start your Social Security retirement benefits? Here's some information to consider when planning when to claim your benefits.

You can start your Social Security retirement benefits as early as age 62 or as late as age 70. Your monthly benefit amount will be considerably different depending on when you start receiving it.

62 is [Early Eligibility Age] earliest age at which you can claim benefits. If you start claiming at the age of 62, your benefits will be the lowest to which you are entitled.

Your monthly benefits will be permanently reduced if you start them any time between age 62 and **67**, your **Full Retirement Age**. During this period, your monthly benefit increases about 6.5% per year you delay claiming.

Before you [Full Retirement Age] withheld if you work and have earnings above a certain amount. However, after you reach your o compensate you for any months in which part of your benefits were withheld. If you continue w your benefits will not be reduced no matter how much you earn.

If you deci nefit w [as you earn Delayed Retirement Credits.] period is an average of 8% per year.

There is no additional benefit increase after you reach age 70, even if you continue to delay taking benefits.

Information screen example for participants in treatment group (alternative terminology)

UnderStandingAmericaStudy

What's the best time to start your Social Security retirement benefits? Here's some information to consider when planning when to claim your benefits.

You can start your Social Security retirement benefits as early as age 62 or as late as age 70. Your monthly benefit amount will be considerably different depending on when you start receiving it.

62 [Minimum Benefit Age] claim at that age, your monthly payments will be the lowest to which you are entitled.

Your monthly benefits will be permanently reduced if you start them any time between age 62 and 67, your **Standard Benefit Age.** During this period, your monthly benefit increases about 6.5% per year you delay claiming.
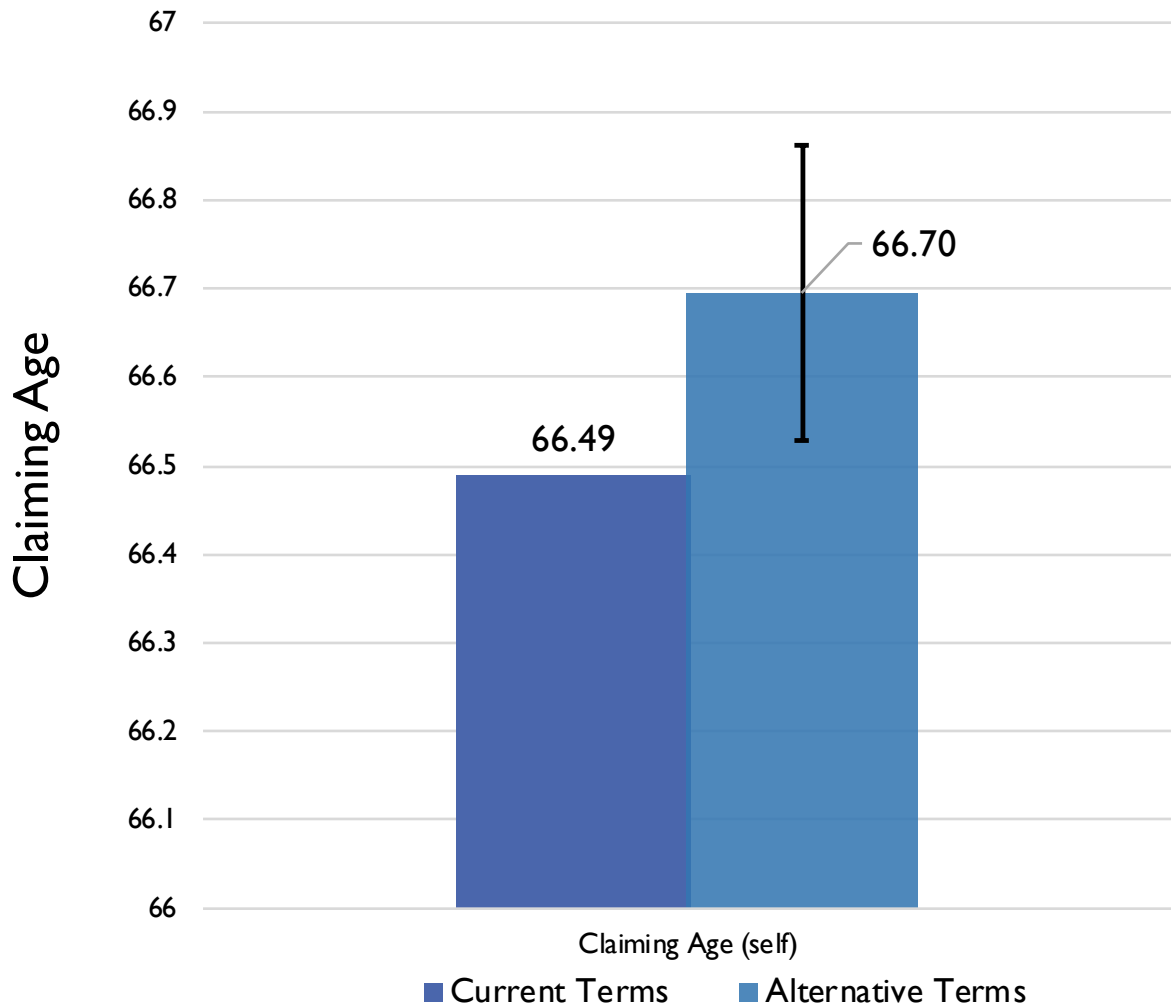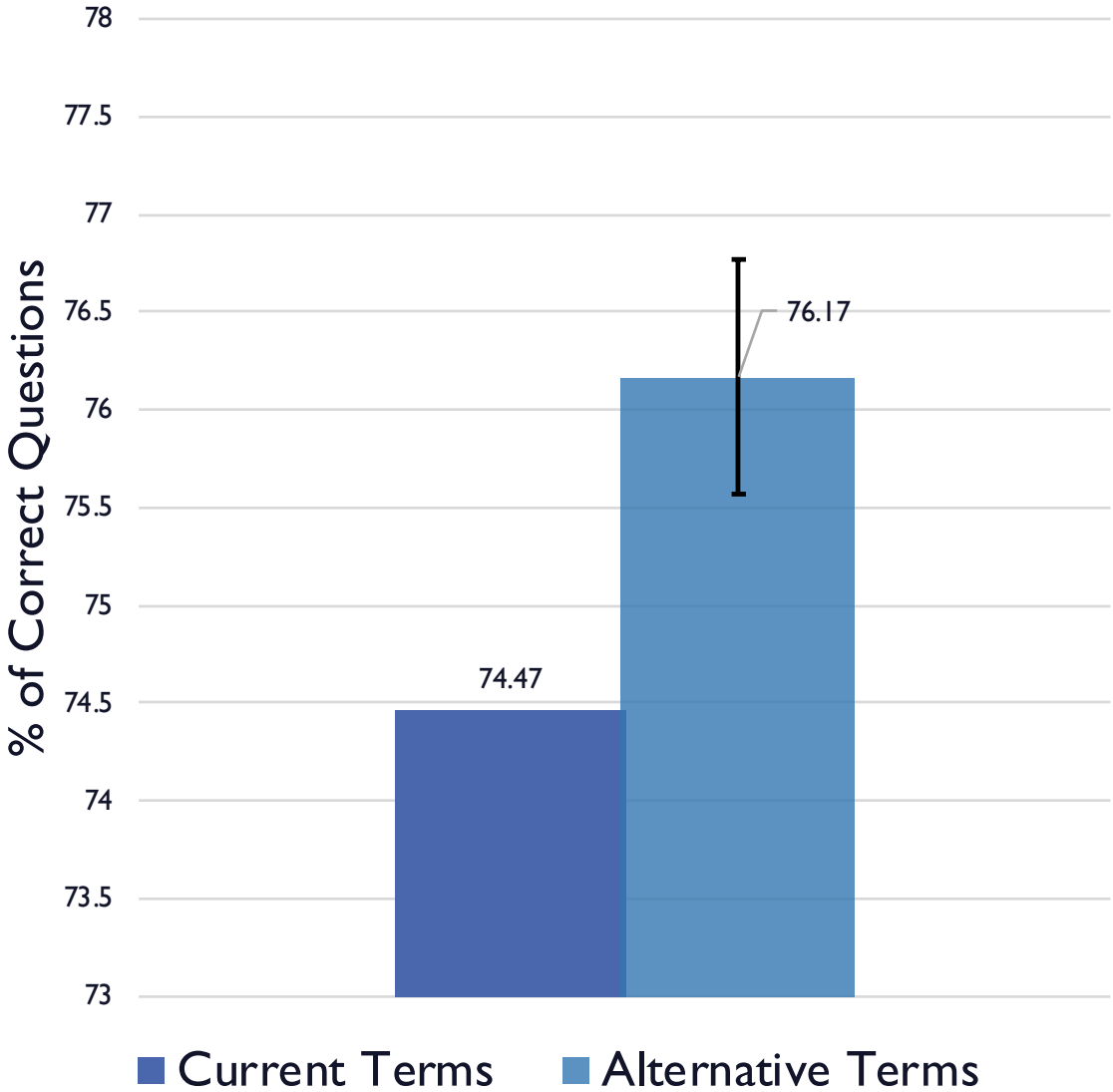
Before y[...] [Standard Benefit Age] withheld if you work and have earnings above a certain amount. However, after you reach y[...] compensate you for any months in which part of your benefits were withheld. If you continu[...] our benefits will not be reduced no matter how much you earn.

If you d[...] [...]efit will increase. The increase during this period is an average of 8% per year.

There is no additional benefit increase after yo[...] 70, your Maximum Benefit Age [...] to delay taking benefits.

<< Back   Next >>

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Small average effects on knowledge and claiming

But large effects on the least financially literate
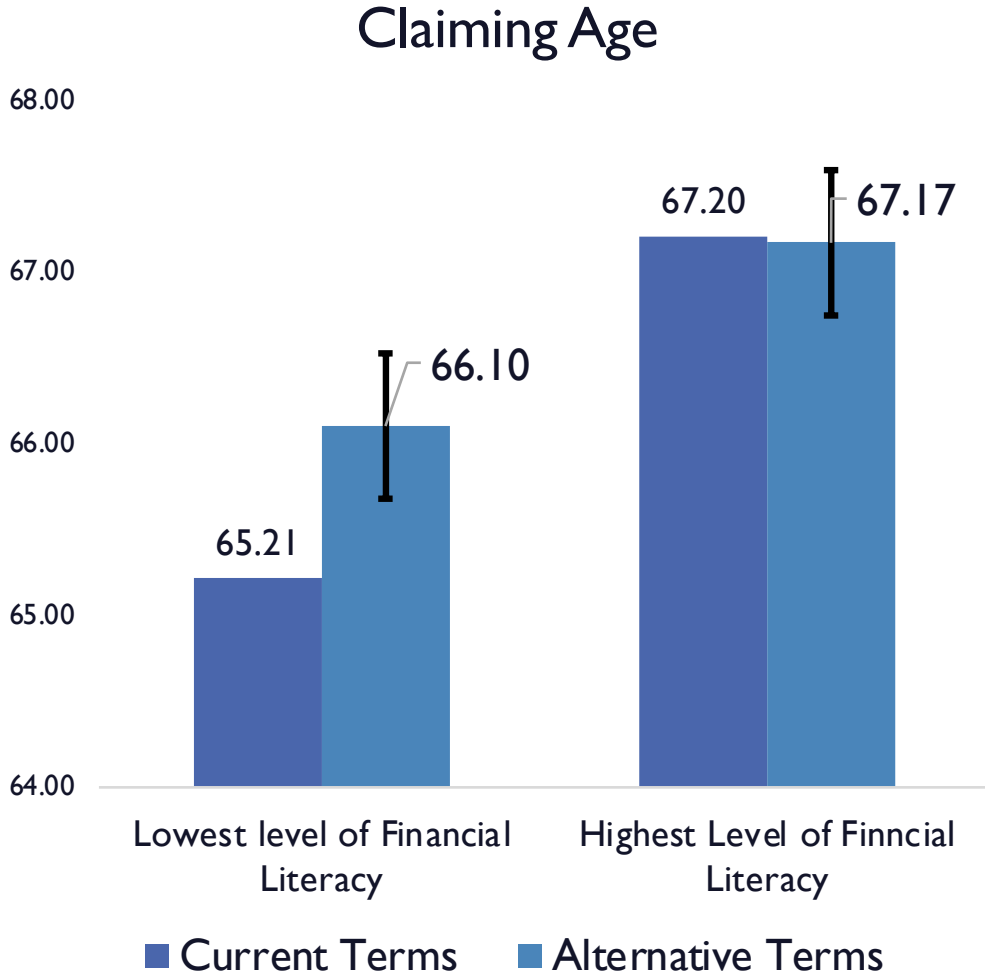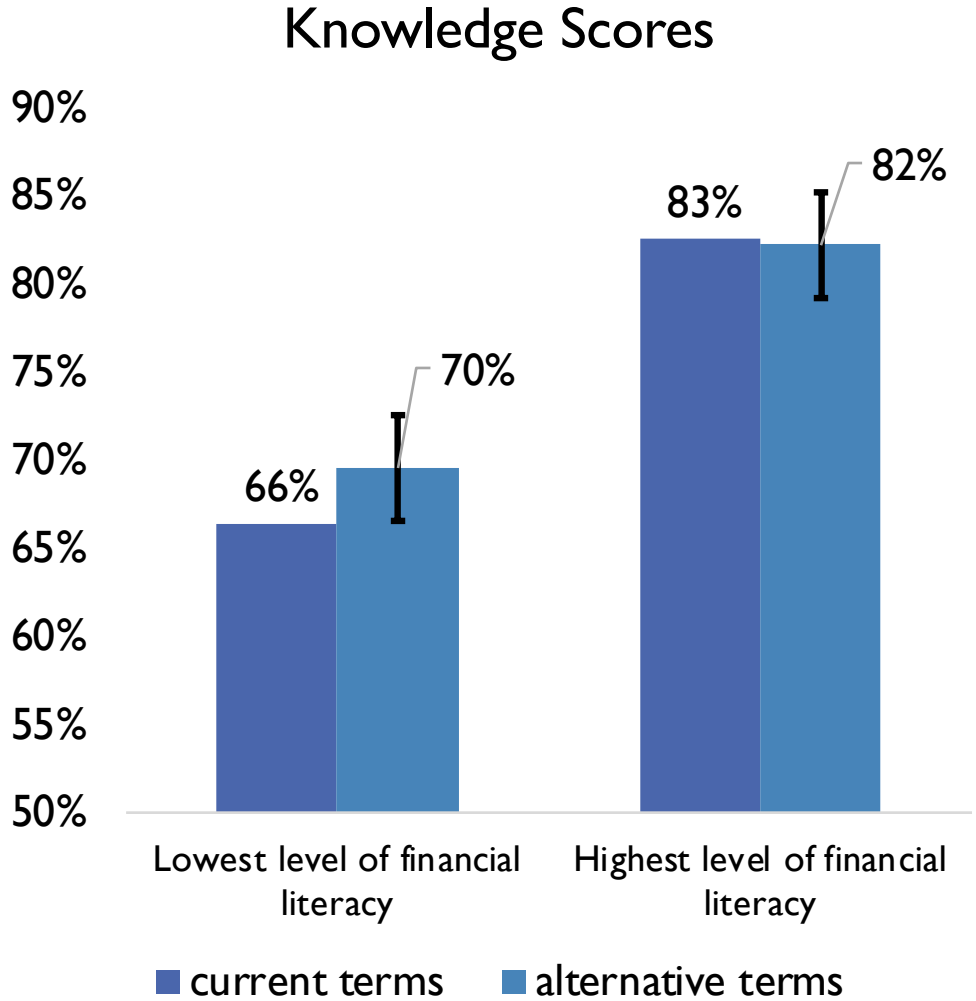
Other ongoing experimental studies in the UAS

Topic	Retirement Earning Test	Spousal Survivor Benefits	Policy Levers
Question	What does it take to get people to understand the RET?	How much do people value the survivor benefit for their spouses?	Would SS policy changes (increased payroll tax rate, increased wage ceiling, reduced benefits) affect people's benefit expectations and behavior?
Method	Randomly allocate people to alternative sets of information about RET	Randomly allocate respondents to groups that learn about spousal benefits	Expose respondents to alternative policy scenarios, and elicit benefit expectations.

Next steps for SSA & UAS

| Topic	Retirement Earning Test	Spousal Survivor Benefits	Policy Levers
Question	What does it take to get people to understand the RET?	How much do people value the survivor benefit for their spouses?	Would SS policy changes (increased payroll tax rate, increased wage ceiling, reduced benefits) affect people's benefit expectations and behavior?
Method	Randomly allocate people to alternative sets of information about RET	Randomly allocate respondents to groups that learn about spousal benefits	Expose respondents to alternative policy scenarios, and elicit benefit expectations.

- Monitor changes over time with biannual survey
- Linkages to actual Social Security earnings records and probabilistic expectations data on benefits

The next frontier of projects

- Measure all electronic transactions in real time by having panel members sign up to a financial aggregation web-site (NSF)

- Measure physical activity and relate to self-reports (NIA)

- Many more measurements of physical functioning and social engagement (R56)

- Develop administrative links, in particular with Social Security Earnings Records.
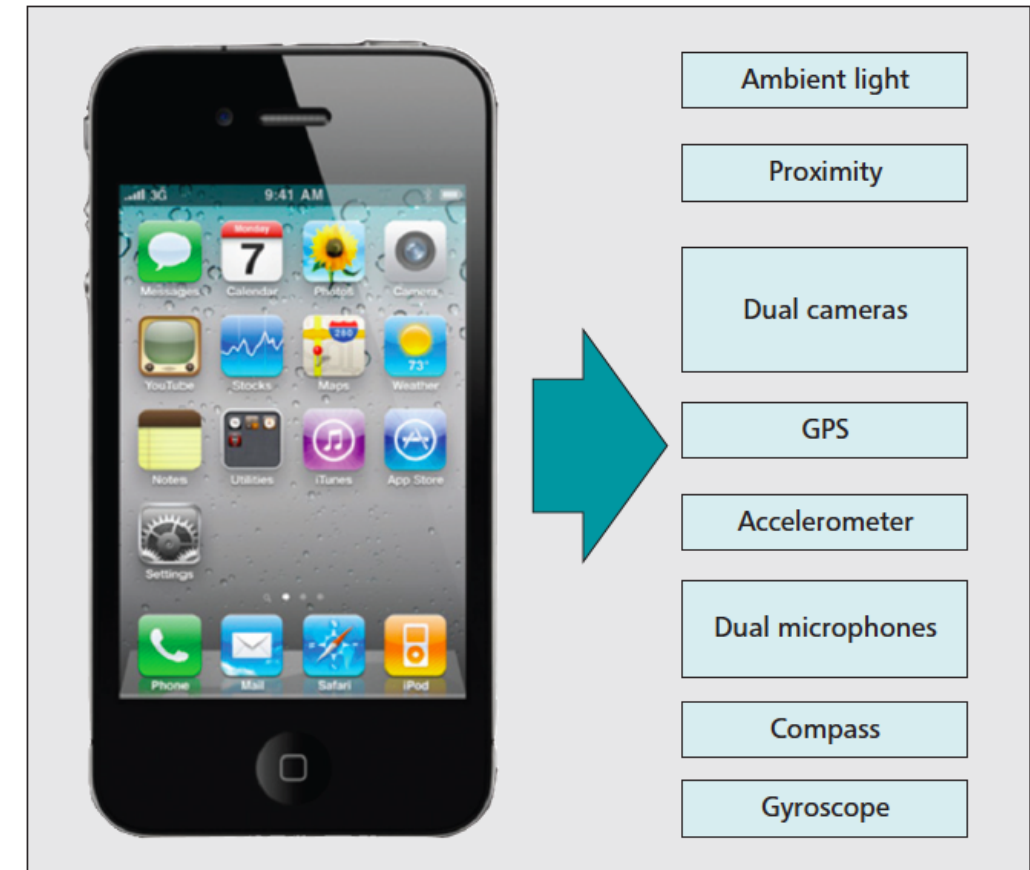
Reflections

- Nationally-representative online panels provide both a monitoring mechanism as well as a laboratory for policymakers to test interventions rapidly

- Technology moves fast: the challenge is to take advantage of new opportunities when they arrive

- But this has to be combined with "old fashioned" approaches
  - Transparency and accountability
  - Probability sampling and survey methods
  - Communication, stakeholder engagement and collaboration