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[Questions on Recently Reported Projection of Newly Arrived Aliens Receiving Supplemental Security Income]. HRD-78-136; B-164031(4). July 18, 1978. 10 pp. + enclosure (5 pp.).

Report to Rep. Edward R. Roybal; by Gregory J. Ahart, Director, Human Resources Div.

Issue Area: Income Security Programs (1300); Income Security Programs: Eligibility Determination (1301).

Contact: Human Resources Div.

Budget Function: Income Security: Public Assistance and Other Income Supplements (604).

Organization Concerned: Department of Health, Education, and Welfare; Department of Justice; Department of State; Social Security Administration.

Congressional Relevance: Rep. Edward R. Roybal.

Responses were supplied to questions relating to the number of newly arrived aliens who receive Supplemental Security Income (SSI). Of 23,000 SSI recipients surveyed by GAO, 1,084 were identified as aliens. It was estimated that 214,000, 5.1% of SSI recipients, were aliens for the sampling period. Of the 1,084 aliens, 199 were newly arrived. One hundred forty-eight of these lived in California, Florida, Illinois, New Jersey and New York. One hundred sixty-one of the newly arrived aliens were elderly. The newly arrived aliens resided in 25 States and were from 37 countries. Countries accounting for 163 of these aliens were Cuba, Italy, Korea, Mexico, Philippines, Portugal, Russia, Spain, Taiwan, and Vietnam. Of the newly arrived aliens, 37 were refugees. The following lengths of residence were identified for the aliens: less than 1 month--18; 1 to 6 months--62; 6 months to 1 year--38; 1 to 3 years--68; 3 to 5 years--13. The following lengths of residence were identified for the refugees: less than 1 month--5; 1 to 6 months--4; 6 months to 1 year--7; 1 to 3 years--19; 3 to 5 years--2. The SSI quality assurance sample, selected by State, was used for estimates. (HTW)

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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20348

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HUMAN RESOURCES
DIVISION

B-164031(4)

JULY 18, 1978

RELEASED

8/1/78

The Honorable Edward R. Roybal
House of Representatives

Dear Mr. Roybal:

In your February 9, 1978, letter, you referred to a December 20, 1977, Los Angeles Times article in which Senator Charles H. Percy quoted preliminary data we had provided him on newly arrived aliens receiving Supplemental Security Income. You indicated that "certain interpretations" of the data made by the Senator should be more carefully researched and asked us for specific information on this matter.

On February 22, 1978, we issued a report to the Congress entitled "Number of Newly Arrived Aliens Who Receive Supplemental Security Income Needs To Be Reduced" (HRD-78-50). The report, based on work requested by Senator Percy and Congressman Richard A. Gephardt, discusses legislative and administrative changes needed to reduce expenditures of Supplemental Security Income and other public assistance for newly arrived aliens.

Our report, which answers some of the questions raised in your letter, was given to your office in February. In addition, on March 2, 1978, we briefed your representatives on the report and answered the questions raised in your letter. However, because of the detailed nature of the statistical information you requested, we were asked to provide the answers to you in writing.

To determine the number of newly arrived aliens receiving Supplemental Security Income benefits, we asked the Social Security Administration to provide us with selected information on aliens in its Supplemental Security Income quality assurance sample files for July 1 through December 31, 1976. These files represent a stratified random sample of about 23,000 recipients selected from about 4.2 million receiving benefits during this period. We provided the names of the identified aliens to the Immigration and Naturalization Service. They provided us with the date each

HRD-78-136
(105048)

alien arrived in the United States. Based on this information, we estimated with precision the number of newly arrived aliens (in the United States less than 5 years) receiving Supplemental Security Income payments in California, Florida, Illinois, New Jersey, and New York. We did not identify enough newly arrived aliens receiving benefits in other States to make estimates that would be sufficiently precise for our purposes.

The quality assurance sample we used to make our estimates is designed to provide a uniform review of Supplemental Security Income payment actions to collect accurate data on the application of program policies and procedures. The system is supposed to identify problem areas and formulate corrective management action plans and recommendations for improving the operation and administration of the Supplemental Security Income program. The system also provides data which is used in determining the liability of the Federal Government to the States for incorrect Federal payment of State supplements. A more detailed description of the quality assurance sample is discussed below.

To test the reasonableness of our estimates, we compared them with estimates of newly arrived aliens receiving Supplemental Security Income developed by Social Security from its Evaluation and Measurement System. This sampling system is designed to provide a continuous evaluation of the validity of Social Security claims policies and procedures and to determine how well they are executed. We have provided you with the Evaluation and Measurement System findings where appropriate.

Following are answers to the questions you raised.

Of the 23,000 SSI recipients surveyed by GAO, exactly how many were found to be aliens?

Of the 23,000 Supplemental Security Income recipients in the quality assurance sample for July 1 through December 31, 1976, Social Security identified 1,084 aliens. Using stratified estimation procedures, we estimated that 214,000 aliens were receiving Supplemental Security Income. This is about 5.1 percent of the 4.2 million Supplemental Security Income recipients on the rolls during this period.

Evaluation and Measurement System sample results are in basic agreement with our estimate. Based on the sample, Social Security estimated that 4.7 percent of the Supplemental

Security Income applicants found eligible from January 1975 to June 1976 were aliens. According to Social Security, there is a 95-percent probability that a review of all individuals awarded Supplemental Security Income benefits during the sample period would find the percentage of total awards to aliens to be between 3.8 and 5.7 percent of all awards.

Exactly how many were found to be aliens who had applied for their SSI within 5 years after arriving in the United States?

Of the 1,084 aliens identified in our sample, 199 were newly arrived aliens. Using stratified estimation procedures, we estimated that 42,000, or 1 percent, of the 4.2 million Supplemental Security Income recipients were newly arrived aliens.

Our estimate is conservative compared to Social Security's estimate based on the Evaluation and Measurement System sample. Social Security estimates that 1.4 percent of Supplemental Security Income applicants found eligible from January 1975 to June 1976 were newly arrived aliens. According to Social Security, there is a 95-percent probability that a review of all individuals awarded Supplemental Security Income benefits during the sample period would find between 1 and 2 percent of the total awards to be for newly arrived aliens.

Of the newly arrived aliens in the survey, exactly how many were found to reside in each of the following states: California, Florida, Illinois, New Jersey, and New York?

Of the 199 newly arrived aliens, 148 lived in the five States. The breakdown by State is:

California	27
Florida	40
Illinois	8
New Jersey	48
New York	<u>25</u>
Total	<u>148</u>

By State, how many newly arrived aliens were found to be elderly?

Of the 199 newly arrived aliens, 161 were aged (65 years or older). In the five States for which we developed estimates, the breakdown by State is as follows:

California	21
Florida	30
Illinois	5
New Jersey	39
New York	<u>19</u>
Total	<u>a/114</u>

a/The other 47 aged aliens were in States for which we did not develop estimates.

By State, what countries were the newly arrived aliens found to have come from (how many aliens came from each source country)?

The 199 newly arrived aliens resided in 25 States and were from 37 countries. Five or more newly arrived aliens had come from each of 10 countries. These following 10 countries accounted for 163 of the 199 newly arrived aliens in our sample.

	<u>Newly arrived aliens</u>
Cuba	74
Italy	5
Korea	10
Mexico	5
Philippines	31
Portugal	6
Russia	5
Spain	6
Taiwan	14
Vietnam	<u>7</u>
Total	<u>163</u>

The following is a list of the 199 newly arrived aliens by State of residence and country of origin.

<u>California</u>		<u>Louisiana</u>		<u>Czechoslovakia</u>	1
Cuba	2	Cuba	$\frac{2}{2}$	Dominican Republic	1
Iran	1			Greece	1
Korea	1	<u>Massachusetts</u>		Haiti	2
Lebanon	1	Portugal	$\frac{1}{1}$	Italy	2
Mexico	4			Korea	2
Peru	1	<u>Michigan</u>		Peru	1
Philippines	10	Iraq	1	Philippines	3
Russia	1	Philippines	1	Poland	1
South Africa	1	Taiwan	2	Portugal	1
Taiwan	5	Vietnam	1	Russia	2
	<u>27</u>	Yugoslavia	$\frac{1}{6}$	Trinidad	1
<u>Delaware</u>				Turkey	2
Cuba	1	<u>Minnesota</u>			<u>25</u>
Italy	$\frac{1}{2}$	Philippines	$\frac{1}{1}$	<u>North Dakota</u>	
	<u>2</u>			Vietnam	$\frac{1}{1}$
<u>Florida</u>		<u>Missouri</u>		Ohio	
Cuba	35	Vietnam	$\frac{1}{1}$	Vietnam	$\frac{1}{1}$
Honduras	1			<u>Oregon</u>	
Jamaica	1	<u>Nevada</u>		Vietnam	$\frac{1}{1}$
Spain	2	Cuba	$\frac{4}{4}$	<u>Pennsylvania</u>	
Vietnam	1			Philippines	1
	<u>40</u>	<u>New Jersey</u>		Portugal	1
<u>Hawaii</u>		Colombia	2	Russia	$\frac{2}{4}$
Japan	2	Cuba	26	<u>Rhode Island</u>	
Korea	1	Egypt	1	Portugal	1
Philippines	6	Greece	1		<u>1</u>
	<u>9</u>	India	1	<u>Virginia</u>	
<u>Illinois</u>		Italy	2	Cuba	$\frac{1}{1}$
Cuba	2	Jordan	1		
Hungary	1	Korea	1	<u>Vermont</u>	
Mexico	1	Philippines	3	Korea	$\frac{1}{1}$
Philippines	3	Poland	1		<u>1</u>
Taiwan	$\frac{1}{8}$	Portugal	2	<u>Washington</u>	
	<u>8</u>	Spain	3	Japan	1
<u>Indiana</u>		Taiwan	4	Korea	4
Philippines	$\frac{1}{1}$		<u>48</u>	Philippines	1
	<u>1</u>	<u>New York</u>		Spain	1
<u>Iowa</u>		Argentina	1	Taiwan	$\frac{1}{8}$
Philippines	$\frac{1}{1}$	Barbados	1		
	<u>1</u>	Great Britain	1	<u>Wisconsin</u>	
<u>Kansas</u>		Colombia	1	Austria	1
Taiwan	$\frac{1}{1}$	Cuba	1	Vietnam	1
	<u>1</u>			Yugoslavia	$\frac{2}{4}$
					<u>4</u>
				<u>Total</u>	<u>199</u>

By State, how many newly arrived aliens were found to be refugees (as opposed to immigrants)? What countries did these aliens come from (how many from each country)?

Of the 199 newly arrived aliens, 37 were refugees. As shown on the list on page 6 of our February 1978 report, \$16 million or about 22 percent of the \$72 million in Supplemental Security Income benefits paid annually to newly arrived aliens was paid to refugees. 1/ Results from Social Security's Evaluation and Measurement System sample indicate that roughly 25 percent of newly arrived aliens receiving Supplemental Security Income were refugees.

Refugees fleeing racial, religious, or political persecution in the Middle East or Communist countries or who have been uprooted by catastrophic or natural calamity can be conditionally admitted to the United States by the Attorney General and converted to permanent resident status in 2 years. The Attorney General may also parole refugees into the United States temporarily if deemed in the public interest. The refugees identified in our sample were from two countries--Vietnam and Cuba. The following is a breakdown of refugees identified in our sample by State of residence and country of origin:

	<u>Vietnam</u>	<u>Cuba</u>	<u>Total</u>
California	-	2	2
Florida	1	22	23
Illinois	-	1	1
Michigan	1	-	1
New Jersey	-	4	4
Nevada	-	2	2
Ohio	1	-	1
Oregon	1	-	1
Virginia	-	1	1
Wisconsin	<u>1</u>	<u>-</u>	<u>1</u>
Total	<u>5</u>	<u>32</u>	<u>37</u>

1/ Aliens lawfully present in the United States under provisions of section 203(a)(7) (8 U.S.C. 1153(a)(7)) or section 212(d) (5) (8 U.S.C. 1182(d)(5)) of the Immigration and Nationality Act.

Most other newly arrived aliens from Vietnam and Cuba were immigrants. However, three Cubans from Florida and seven from New Jersey who were listed as refugees by the Immigration and Naturalization Service were not counted as refugees, for estimating purposes, because affidavits of support were on file. Affidavits of support are used for aliens applying for permanent residency in the United States who lack sufficient means to support themselves here. Refugees are generally not required to have affidavits of support. If these aliens were included as refugees, our estimate of Supplemental Security Income benefits to newly arrived refugees would increase from \$16 million to \$18 million, or from 22 to 25 percent of the \$72 million paid to newly arrived aliens.

Of the newly arrived aliens surveyed, exactly how many fell into each of the following lengths of residence: less than 1 month; 1 to 6 months; 6 months to 1 year; 1 year to 3 years; and 3 years to 5 years? (Please provide this same information by State for California, Florida, Illinois, New Jersey, and New York)

	<u>All States</u>	<u>Calif.</u>	<u>Fla.</u>	<u>Illinois</u>	<u>New Jersey</u>	<u>New York</u>
Less than						
1 mo.	18	2	5	-	1	2
1-6 mos.	62	9	15	4	14	4
6 mos. -						
1 yr.	38	8	8	-	7	7
1 yr. -						
3 yrs.	68	7	11	4	21	10
3 yrs. -						
5 yrs.	<u>13</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>5</u>	<u>2</u>
Total	<u>199</u>	<u>27</u>	<u>40</u>	<u>8</u>	<u>48</u>	<u>25</u>

By State, how many of the aliens in each length of residence category were refugees?

	<u>All States</u>	<u>Calif.</u>	<u>Fla.</u>	<u>Illinois</u>	<u>New Jersey</u>	<u>New York</u>
Less than						
1 mo.	5	-	4	-	-	-
1-6 mos.	4	-	1	-	-	-
6 mos. -						
1 yr.	7	-	6	-	1	-
1 yr. -						
3 yrs.	19	2	11	1	3	-
3 yrs. -						
5 yrs.	<u>2</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>a/37</u>	<u>2</u>	<u>23</u>	<u>1</u>	<u>4</u>	<u>-</u>

a/Two refugees were in Nevada. There was one refugee in each of the following States: Michigan, Ohio, Oregon, Virginia, and Wisconsin.

Please provide a detailed explanation of the statistical methodology used by GAO to project the above requested figures, and their reliability, which were given to Senator Percy by letter on November 1st. If more than one methodology was used, please explain and tell me what methodology applies to each of the analyses that were given to Senator Percy.

As stated earlier, the Supplemental Security Income quality assurance sample was used for estimating the number of newly arrived aliens receiving Supplemental Security Income. This sample is selected by State. Within each State, sample cases are selected in two subgroups or strata. One stratum consists of Supplemental Security Income recipients who receive Federal payments only; the other stratum consists of recipients who receive both Federal and State payments. For example, in New Jersey during the period covered by our review, 49,804 Supplemental Security Income recipients received both a Federal payment and a State supplement. A sample of 1,142 cases was drawn from this group of recipients. There were 28,449 recipients who received a Federal payment only. From this group, a sample of 197 cases was drawn. In our review, we found 32 newly arrived aliens in the first sample and 16 in the second.

Every month, a random sample of cases is selected from the Supplemental Security Income recipients in each stratum within each State. The monthly samples for a 6-month period are combined to achieve the precision required for the quality assurance program.

From a preliminary analysis of the sample data for the 6-month period July to December 1976, we determined that there were only five States in which more than 1,000 newly arrived aliens were receiving Supplemental Security Income benefits: California, Florida, Illinois, New Jersey, and New York. Four of the five States had two subgroups, or strata--recipients of Federal payments and State supplements, and recipients of Federal payments only. Illinois had only one stratum--recipients of Federal payments only. Thus, there were nine groups, or strata, on which we based our estimate.

For these five States, we decided to develop three statistical estimates for our report. The estimates were the

- total number of newly arrived aliens in the five States receiving Supplemental Security Income,
- total Supplemental Security Income payments to newly arrived aliens in the five States, and
- percentage of newly arrived aliens receiving Supplemental Income in the five States who applied within 1 year or less of arrival in the United States.

The statistical procedures and formulas we used to make these estimates are contained in enclosure I. These formulas must be used to take into account variations in populations of Supplemental Security Income recipients and sample sizes of the strata. The precision of our estimates is also discussed in enclosure I.

As arranged with your office, we plan no further distribution of this report until 14 days from the date it is issued to you, unless you publicly announce its contents earlier. In 14 days we will send copies to the Department of Health, Education, and Welfare; the Department of Justice; the Department of State; and other interested parties, and make copies available to others upon request.

Sincerely yours,


Gregory J. Ahart
Director

Enclosure

PROCEDURES AND FORMULAS USED TO
ESTIMATE IMPACT OF NEWLY ARRIVED ALIENS ON
SUPPLEMENTAL SECURITY INCOME IN CALIFORNIA, FLORIDA,
ILLINOIS, NEW JERSEY, AND NEW YORK
BASIS FOR ESTIMATE OF NUMBER OF NEWLY
ARRIVED ALIENS RECEIVING BENEFITS

The following procedure was used to estimate that 37,511 newly arrived aliens were receiving Supplemental Security Income in California, Florida, Illinois, New Jersey, and New York.

- Within each stratum, the proportion of newly arrived aliens was calculated by dividing the number of newly arrived aliens by the stratum sample size.
- The proportion of newly arrived aliens in the stratum was multiplied by the total number of Supplemental Security Income recipients in the stratum to obtain the estimated number of newly arrived aliens in the stratum.
- Finally, estimates of the number of newly arrived aliens were summed over all nine strata to obtain the weighted estimate of the number of newly arrived aliens for all five States combined.

The following formula was used to estimate the number of newly arrived aliens in the five States:

$$\hat{A}_{st} = \sum_{h=1}^9 N_h \frac{a_h}{n_h}, \text{ where}$$

\hat{A}_{st} = the stratified estimate of the number of newly arrived aliens in the five States,

h = the stratum number,

N_h = the total population of Supplemental Security Income recipients in stratum h ,

a_h = the number of newly arrived aliens in the quality assurance sample for stratum h , and

n_h = the size of the quality assurance sample in stratum h .

Estimated annual payments to newly arrived aliens in five States

The following procedure was used to estimate that \$72.3 million in Supplemental Security Income benefits was paid annually to newly arrived aliens in California, Florida, Illinois, New Jersey, and New York:

- We first determined Supplemental Security Income benefits during the 6-month sample period paid to each newly arrived alien in the sample.
- Within each stratum, we totaled the benefits paid to newly arrived aliens and divided the total by the stratum sample size.
- The resulting quotient was multiplied by the total number of Supplemental Security Income recipients in the stratum giving the estimated total payments to newly arrived aliens for the stratum.
- Finally the estimated total payments to newly arrived aliens were summed over all nine strata to obtain the weighted estimate of the total payments to newly arrived aliens during a 6-month period for the five States combined. The annual estimate was obtained by doubling the 6-month estimate.

The following formula was used to estimate the amount paid annually to newly arrived aliens in the five States:

$$\hat{Y}_{st} = 2 \sum_{h=1}^9 N_h \frac{\sum_{i=1}^{n_h} Y_{hi}}{n_h}, \text{ where}$$

\hat{Y}_{st} = the stratified estimate of the amount paid annually to newly arrived aliens in the five States,

h = the stratum number,

N_h = the total population of Supplemental Security Income recipients in stratum h ,

i = the number of the sample alien in the quality assurance sample for stratum h ,

n_h = the size of the quality assurance sample in stratum h , and

Y_{hi} = the amount paid during the sample period to newly arrived alien i in stratum h .

Estimated percentage of newly arrived aliens in the five States who applied for benefits within 5 years of entering the United States

We used the following procedure to estimate that 63 percent of the newly arrived aliens receiving Supplemental Security Income in the five States were in the United States for 1 year or less when they applied for benefits:

- Within each stratum, we divided the number of sample aliens who had been in the United States for less than 1 year when they began receiving Supplemental Security Income by the total sample size for the stratum.
- The resulting quotient was multiplied by the total number of Supplemental Security Income recipients in the stratum to obtain the estimated number of aliens who had been in the United States less than 1 year when they received Supplemental Security Income.
- The estimated number of aliens who had been in the United States less than 1 year when they began receiving Supplemental Security Income were summed over all nine strata to obtain the weighted estimate of aliens who had been in the United States for less than 1 year for the five States combined.
- The weighted estimate obtained above was divided by the estimate of the number of newly arrived aliens for all five States to obtain the weighted percentage of newly arrived aliens who had been in the United States less than 1 year when they began receiving Supplemental Security Income.

The following formula was used to estimate the percentage of newly arrived aliens who had been in the United States less than 1 year in the five States:

$$\hat{P}_{st} = \frac{\sum_{h=1}^g N_h \frac{b_h}{n_h}}{\hat{A}_{st}}, \text{ where}$$

\hat{P}_{st} = the stratified estimate of the percentage of newly arrived aliens who had been in the United States less than 1 year,

h = the stratum number,

N_h = the total population of Supplemental Security Income recipients in stratum h ,

b_h = the number of newly arrived aliens in the quality assurance sample in stratum h who had been in the United States less than 1 year,

n_h = the size of the quality assurance sample in stratum h , and

\hat{A}_{st} = the stratified estimate of the number of newly arrived aliens in the five States.

PRECISION OF ESTIMATE

Because the estimates were developed from random samples, their precision and reliability (confidence level) can be calculated. The precision of the estimates at the 95-percent confidence level is shown below:

<u>Description of estimate</u>	<u>Precision</u>
Number of newly arrived aliens	6,787
Amount paid to newly arrived aliens	\$14.9 million
Percentage of newly arrived aliens who have been in the United States less than 1 year	8.8 percent

The above data on the confidence and precision of the estimates means that, if it were possible to audit the records of all persons receiving Supplemental Security Income benefits in the five States, the chances are 19 out of 20 that the results of the complete audit would differ from our estimates by less than the figures for precision shown above. For example, if we were to identify all newly arrived aliens receiving Supplemental Security Income benefits in the five States the chances are 19 out of 20 that the results would differ from the sample estimate by less than 6,787. That is, the results of the complete audit would be within 37,511 \pm 6,787.