



Increasing SSI Uptake

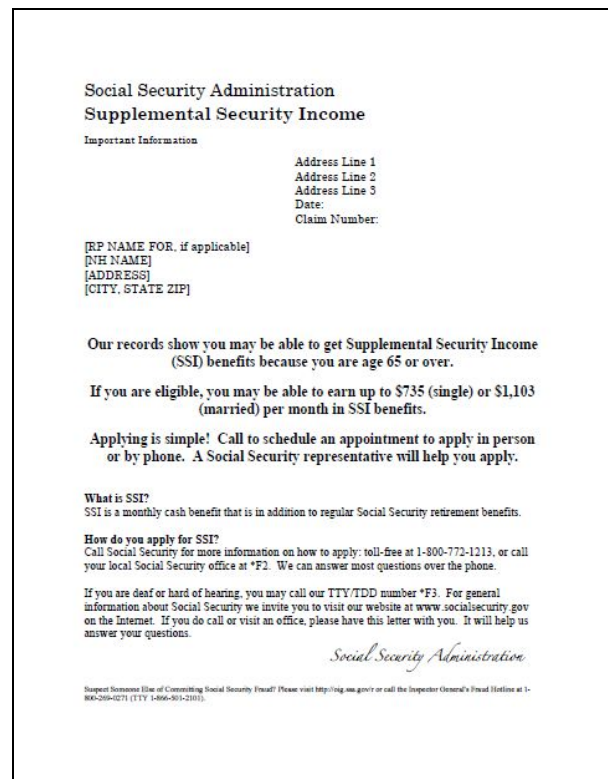
Letters to adults 65 or older increased SSI awards by 340%

Target a Priority Outcome The Social Security Administration (SSA) administers Supplemental Security Income (SSI) as a monthly means-tested cash payment to people who have low income and assets and are disabled, blind, or age 65 or older. Survey data from the National Institutes of Health-supported Health and Retirement Study suggest that less than 60 percent of individuals age 65 or older who may be eligible for SSI receive the benefit,¹ and administrative data from SSA suggest that uptake may be substantially lower.

Translate Evidence-Based Insights A search of existing literature identified at least three main barriers to SSI uptake among individuals age 65 or older. First, individuals may not be aware that they are eligible for SSI.² Second, the expected magnitude of benefits affects uptake;³ individuals with lower expectations about benefits are theoretically less likely to participate in SSI. Third, potential SSI participants may view the application process as confusing and burdensome.⁴ SSA, in collaboration with the Office of Evaluation Sciences (OES), developed and sent letters to test which of these barriers could be addressed through targeted outreach.

Embed Tests Three outreach variations were tested using a randomized evaluation with over 4 million individuals. In this study, individuals age 65-80 identified by SSA as being potentially eligible for SSI were randomly assigned to receive one of four letter types through US mail or to a control

condition (i.e., business as usual with no targeted information about potential SSI eligibility): (1) a basic letter stating potential eligibility; (2) a letter which states the maximum benefit; (3) a letter which states that applying is simple; (4) a letter combining the maximum benefit element and the “applying is simple” element (pictured below). Potential SSI eligibility was defined as having a Social Security benefit of less than \$755, which is the amount which would allow an SSI payment if the individual had no other income sources and other SSI eligibility criteria were met. One hundred thousand individuals were sent each letter variation, and over 3.6 million individuals were in the control condition. All letters were mailed in September 2017.



Analyze Using Existing Data Administrative data from SSA’s Supplemental Security Record was used to track SSI applications filed, SSI applications awarded, and SSI payment amounts. These outcomes were measured three, six, and nine months following the mailing.

Reanalyzed Results Nine months after the intervention, all of the letters had a relatively large

¹ McGarry, Kathleen, and Robert F. Schoeni. "Understanding Participation in SSI." *University of Michigan Retirement Research Center (MRRC) Working Paper*, WP 319 (2015): 4.

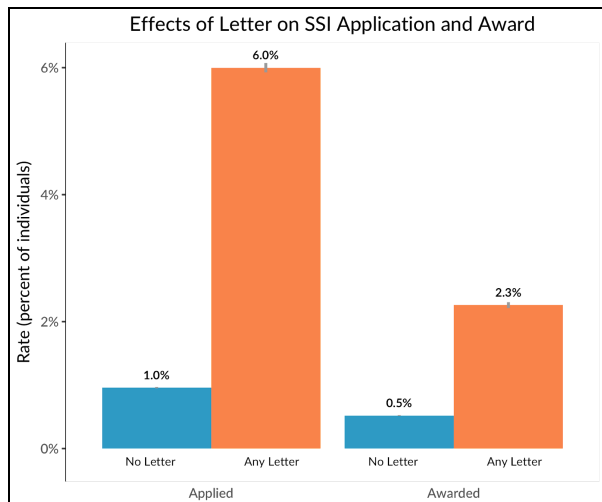
² Social Security Administration. 1976. "A Study of Recipient Awareness of SSI and Comprehension" (SSA Publication No. 75-11011), Office of Information, Social Security Administration, 1976. Warlick, Jennifer L. "Participation of the Aged in SSI." *Journal of Human Resources* (1982): 236-260.

³ McGarry, Kathleen. 2000. "Guaranteed Income: SSI and the Well-Being of the Elderly Poor." National Bureau of Economic Research (NBER) Working Paper 7574. McGarry and Schoeni (2015).

⁴ Warlick (1982). McGarry, Kathleen. "Factors determining participation of the elderly in supplemental security income." *Journal of Human Resources* (1996): 331-358. McGarry and Schoeni (2015).

and statistically significant impact on applications and awards. Of beneficiaries who received a letter, 6.00 percent applied for SSI in the nine months after the letters were sent out, compared with 0.96 percent of beneficiaries who did not receive a letter, a difference of 5.05 percentage points ($p=0.00$, 95% CI [4.97, 5.12]). Similarly, 2.26 percent of beneficiaries who received a letter were awarded SSI during this time, compared with 0.52 percent of beneficiaries who did not receive a letter, an increase of 1.75 percentage points, or 340 percent ($p=0.00$, 95% CI [1.70, 1.79]). Finally, monthly SSI payments were lower among those who received SSI after receiving a letter (\$185.38) compared to those who did not receive a letter (\$245.04), a difference of \$59.66, or 24 percent ($p=0.00$, 95% CI [53.03, 66.29]).

increase in SSI participation of over 63,000 low-Social-Security-benefit seniors to increase their income by \$76 million over the nine-month follow-up period. Adding behaviorally-informed statements increased the effectiveness of the communications at virtually zero cost. Our results reveal a large trade off between increasing applications and the award rate. Our letters generated a large increase in applications, yet a lower percentage of these applicants were awarded benefits: Less than 38 percent of individuals assigned to receive any letter compared to 54 percent of control group participants. Alternative and potential future communications could use SSA's vast data systems to better target potential SSI recipients, such as by sending letters at specific ages or as part of existing annual notices.



Including information about the maximum benefit boosted applications and awards by 0.84 percentage points ($p=0.00$, 95% CI [0.66, 1.02]) and 0.18 percentage points ($p=0.00$, 95% CI [0.06, 0.30]), respectively, above the basic letter. Including information that “applying is simple” boosted applications by 0.30 percentage points ($p=0.01$, 95% CI [0.06, 0.54]) but had no statistically significant effect on awards ($p=0.57$, 95% CI [-0.18, 0.10]). The same results held after three and six months, with the vast majority of SSI uptake in the letter arms occurring during the first three months after mailing.

Build Evidence Although small, these findings suggest that if the letters had been sent to the control group, there would likely have been an