

June 22, 2012

The Honorable Kathleen Sebelius
Secretary
Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Re: *Development of Standards for the Collection of Socioeconomic Status in Health Surveys Conducted by the Department of Health and Human Services*

Dear Madam Secretary:

The National Committee on Vital and Health Statistics (NCVHS) is the statutory advisory committee with responsibility for providing recommendations on health information policy and standards to the Secretary of the Department of Health and Human Services (HHS). Under Section 4302 of the Patient Protection and Affordable Care Act (ACA), HHS is required to establish data standards for race, ethnicity, sex, primary language, and disability status. Section 4302 also authorizes the Secretary to develop additional standards for data collection and analysis of health disparities.

Along with the initial standards, the importance of socioeconomic status (SES) and its relationship to health outcomes has been well established. NCVHS was asked by the HHS Data Council to consider the development of standards for the collection of SES data on health surveys conducted by HHS as follow up to the earlier work on ACA Section 4302. On March 8-9, 2012, the Subcommittee on Population Health conducted a hearing to identify current practices for the measurement of SES in federal health surveys and to consider the minimum variables necessary and the potential for standardization. The surveys represented at the hearing included some of the national population-based HHS health surveys (e.g., National Health Interview Survey), as well as the Census' Current Population Survey (CPS), the American Community Survey (ACS), the Survey of Income and Program Participation (SIPP), and others.

Policy makers, researchers, and other data users are better served with a consistent and reliable approach to the measurement and collection of information on SES, across all racial/ethnic populations, and socio-economic groups. Standardization of questions and code sets, and the consideration of modes of data collection allow more uniform data collection and comparison across surveys. Use of national code sets when available and applicable also contributes to comparability. On the other hand, there are substantial complexities and challenges in establishing a minimum standard when surveys have very different statutory purposes and populations.

While a number of concepts were identified for the measurement of SES, the charge for the hearing was to consider minimum standards. Therefore, education, occupation, and income were the focus of the hearing and are also the focus of the Committee's recommendations. Family size, relationships, and household composition were also included for purposes of producing the required HHS poverty statistics. The hearing included lessons learned from the analytic and research experiences of the federal statistical community and researchers in the evaluation of survey data and in the development of the recent HHS data standards.

Overall Recommendation:We recommend that HHS undertake additional efforts in exploring the gaps in data collection and analysis for the measurement of SES on health surveys to improve population health and the efforts to reduce health disparities.

Initial Recommendations: The Committee has confirmed the following areas are the key components necessary for the measurement of SES and its relationship to health and on which standardization efforts should focus:

- **Education:** Education is considered a key measure of socioeconomic status. Education should be measured in single years completed up to 5 or more years of college, and should also include collection of information on whether the individual obtained a high school diploma or equivalent. Surveys should also collect information on degree attainment.
- **Income:** Income is critical for policy analysis and is necessary to describe the economic condition of the population nationwide, for geographic areas and specific subgroups. Income is particularly important for research on disparities in health care access and utilization. Income should be asked for the individual survey respondent and for the respondent's entire family, as well as household income. The collection of income should include the measurement of total income, earned and unearned, from specific sources (e.g., wages and salaries, dividends and interest, Social Security, unemployment insurance, disability income, etc.).
- **Occupation:** Occupation and industry are core socioeconomic variables collected in most federal health surveys. Relevant distinctions in occupation are not detected by other indicators of SES. At a minimum, a set of two standardized questions should be implemented: one question to collect occupation and one question to collect industry. The set of four standardized questions used in the ACS that collect additional information about work tasks and employer should also be considered. Automated coding of occupation and industry of survey responses should be further developed.

- **Family Size and Relationships:** Family size and household composition are required to calculate poverty, and survey measures should collect information on family size and household composition in compliance with official federal poverty guidelines as issued and published each year.

Below is a brief summary of findings and observations from the hearing:

Interagency Collaboration:

- Interagency collaboration is critical for the development, adoption, and consistent implementation and use of SES standards in population surveys, particularly as it relates to racial and ethnic populations. Broad representation and discussion is required across the principal federal statistical agencies and the research community.
- Development of standards should include the participation of the federal statistical committees, such as the Federal Committee on Statistical Methodology and the Interagency Council on Statistical Policy.
- There is significant value in cross-agency collaboration to determine a minimum set of questions (that use the same question format and wording) necessary to measure SES that will produce reliable estimates across a range of surveys for different sub-groups within the population.

Census Surveys:

- The CPS is the official source of income and poverty statistics in the US, and is a key reference in the consideration of standards.
- The ACS is the largest survey in the US and the only source of small-area statistics on a wide range of economic, social and housing characteristics for all communities in the country. The ACS served as the standard for the recently adopted HHS data standards.

SES Dimensions:

- Area measures, such as, census tract and neighborhood characteristics, provide SES information when linked to individual records and may be less fraught with confidentiality and ascertainment issues than SES data collected directly from individuals.
- Changes in SES over time for individuals as well as families are difficult to measure, yet these changes may be closely related to adverse health outcomes-whether the cause or the consequence. There may be opportunities for cooperation and collaboration on measuring change in SES over time on health surveys.

- There are individual measures as well as composite indices and scales for SES using education, income, and occupation in combination and with other variables that have proven useful in examining the relationship between health outcomes and SES.

SES Key Measures:

- Education is a key factor in the vast literature in the social sciences and is often used as an explanatory variable in the analysis of earnings, unemployment, public assistance program take-up, etc. Most national surveys obtain information on the education completed or achieved by the respondent; however, differences exist in the granularity and detail of information collected on education, and these differences result in limitations to the data and to comparisons across surveys. The Behavioral Risk Factor Surveillance System (BRFSS) asks a single question on education using a total of six response categories. The National Health Interview Survey (NHIS) asks respondents the question with detailed single year response options and specific degrees earned. This greater granularity matches the Census measures and provides greater data utility and cross survey comparisons.
- Income is a critical component of SES and is a required variable for determining poverty status and for many policy analyses. Most federal population and household surveys collect information on income; however, the level of detail, the questionnaire reference periods and the content of the questions vary across the survey instruments. There is considerable variation in the number of questions used to capture income, from a single question on “annual household income from all sources” on the Behavioral Risk Factor Surveillance System (BRFSS) to the extensive series of more than 50 questions on income in the CPS Annual Social and Economic Supplement (ASEC). Survey questions on income have the additional complication of having a high rate of non-response, because respondents often view the subject of income as sensitive and personal. This non-response requires special handling and the application of additional statistical techniques that, in turn, add further complexity to the issue of data collection and interpretation.
- Occupation provides important information related to health and wellbeing. Relevant distinctions in occupation are not detected by other indicators of SES. The use of standard occupation and industry codes is critical to the understanding and use of occupation data. Industry information is needed to code occupation accurately both in clinical and administrative information systems as well as population-based health surveys. Standardized, tested questions have been developed and are used to collect industry and occupation in a number of federal economic and health surveys including, among others, the American Community Survey, the Current Population Survey, and the National Health Interview Survey. Standardized codes are assigned according to existing classification systems. Automated coding tools are under further development for

use by federal agencies to assign standardized industry and occupation codes to narrative text.

A summary of the hearing with greater details is posted on the NCVHS website: www.ncvhs.hhs.gov.

Concluding Comments

The measurement of SES is a critical but very challenging area, and it is too early at this time to provide more detailed recommendations to you regarding the adoption of specific standards for the measurement of SES. The purpose of the March hearing was to gather information regarding the measurement and collection of SES across the major federal statistical surveys. There is considerable expertise from the federal statistical community and others that can be leveraged to further this effort, and there is great potential for the value that can be gained from the standardization of SES across the federal health surveys. The Committee has a continuing interest in this issue and would appreciate reports from the Department on progress in this area. NCVHS will continue to support your efforts to identify standards in this important area.

Sincerely,

/s/

Justine M. Carr, M.D.
Chairperson,
National Committee on Vital and Health Statistics

Cc: Data Council Co-Chairs