

**Evaluation of New Content on the 2008 American Community Survey:
Service-Connected Disability Status and Ratings**

Kelly Ann Holder
Industry and Occupation Statistics Branch
Housing and Household Economic Statistics Division
August 2009

Introduction

In 2008, two new questions about service-connected disability status and ratings were added to the American Community Survey (ACS). These questions are asked of all people who indicate they had previously served on active duty in the U.S. Armed Forces, Reserves, or National Guard, they had trained with the Reserves or National Guard, or they were currently on active duty.

Figure 1. Questionnaire Image of New Content

27 a. Does this person have a VA service-connected disability rating?

☐ Yes (such as 0%, 10%, 20%, ... , 100%)

☐ No → *SKIP* to question 28

b. What is this person's service-connected disability rating?

☐ 0 percent

☐ 10 to 20 percent

☐ 30 to 40 percent

☐ 50 to 60 percent

☐ 70 percent or higher

“Service-connected” means the disability was a result of disease or injury incurred or aggravated during active military service. These disabilities are evaluated according to the Department of Veterans Affairs’ (VA) Schedule for Rating Disabilities in Title 38, U.S. Code of Federal Regulations, Part 4. Ratings are graduated according to the degree of the veteran’s disability on a scale from 0 to 100 percent, in increments of 10 percent. Zero percent is a valid rating and is different than having no rating at all. According to the VA, a zero-percent rating means a disability exists and is related to the veteran’s service, however it is not so disabling that it entitles the veteran to compensation payments.

Uses of the Data

The Department of Veterans Affairs (VA) uses data on service-connected disability status and ratings to measure the demand for VA health care services in local market areas across the country. These data classify veterans into priority groups for VA health care enrollment. This priority system is used to allocate health care services among veterans enrolled in VA programs.

Cautions

Service-connected disability ratings are not necessarily correlated with having a disability, as defined in the ACS. Veterans can receive a service-connected disability rating for a wide variety of conditions. For example, a veteran could receive disability compensation for an impairment of the knee, but his functioning and activity participation is such that he answers ‘no’ to “Does this person have serious difficulty walking or climbing stairs?” Many veterans have more than one disability, as defined by the VA. In these cases, a rating formula is applied to assess the overall disabling effect to determine a combined rating. Even a veteran with a service-connected disability rating of ‘70 percent or higher’ may not report having a limitation in a function or activity on the ACS questionnaire.

Caution should be used when trying to correlate these two concepts using ACS data. All discussions presented here only refer to veterans with a service-connected disability rating and not to veterans with disabilities.

Data Sources and Methods

The tables contained in this report compare the distributions of service-connected disability status and ratings by selected characteristics from the 2008 ACS with administrative data released in the Veterans Benefit Administration’s 2008 Annual Benefit Report on Compensation and Pension. These comparisons are meant to serve as a benchmark for how well the ACS instrument performed in its ability to capture quality data on this topic.

There are several differences worth noting between these two sources. Data from the Veterans Benefits Administration’s (VBA) report include all veterans within their records, including those that live in Puerto Rico, the Philippines, and other countries.

The ACS data shown here are for the 50 states and the District of Columbia only. All counts in the VBA report were tabulated by the VA, and the ACS data were recoded as closely as possible to make these comparisons. In some instances, particularly for the period of service estimates, assumptions had to be made in order to make the ACS estimates comparable. For instance, the VBA did not specify in its report how veterans who served in multiple periods of service were classified. The ACS data were recoded to disperse those respondents who reported multiple periods of service into the most recent period in which they served. As an example, a veteran who served during the Vietnam Era and the Gulf War would have been classified as a “Gulf War” veteran in the tables.

Another difference between the sources relates to the count of ‘0-percent’ disability ratings. The VBA report shows the number of veterans who received compensation for their disabilities. As mentioned earlier in this report, not all 0-percent ratings are compensated. The ACS questionnaire does not ask about compensation, only about the whether or not the veteran has a disability rating.

Finally, the ACS distribution of service-connected disability ratings includes the category “not reported” for those veterans who reported having a service-connected disability rating, but did not report the level of that rating. There is no comparable category in the VBA report since the Department of Veterans Affairs determines the ratings.

All comparisons have been tested to determine significance at the 90-percent confidence level. It should be noted that because the VBA report shows data from administrative records; there are no margins of error associated with these percentages in any of the tables.

Findings

Overall, the distributions of the veteran population who have a service-connected disability rating are similar in the ACS and the Veterans Benefits Administration (VBA) report. Table 1 shows that, in the 2008 ACS, 15 percent of the total veteran population had a service-connected disability rating. The VBA reported 13 percent of veterans received service-connected disability benefits in 2008. Part of this difference could be explained by the fact that the ACS estimate includes veteran who may not be receiving benefits while the VBA counts compensated veterans.

Table 1. Comparison of Veterans with a Service-Connected Disability Rating by Selected Characteristics: 2008				
Characteristic	ACS		VBA	Signif.
	Percent	MOE	Percent	
Total veteran population 18 years and older¹	22,424,712	67,194	23,442,489	*
Service-connected disability status				
Has a service-connected disability rating	15.1	0.1	12.6	*
Has no service-connected disability rating	84.9	0.1	87.4	*
Total veteran population 18 years and older with a service-connected disability rating	3,375,565	29,673	2,952,282	*
Service-connected disability rating				
0 percent	8.0	0.2	0.5	*
10 or 20 percent	41.5	0.4	41.5	
30 or 40 percent	16.0	0.3	21.8	*
50 or 60 percent	9.0	0.2	13.5	*
70 percent or higher	17.4	0.3	22.8	*
Not reported	8.1	0.3	N/A	
Age				
18 to 34 years	8.7	0.2	9.1	*
35 to 54 years	28.5	0.4	30.3	*
55 to 74 years	42.9	0.3	43.0	
75 years and older	19.9	0.3	17.6	*
Period of Military Service				
World War II	10.1	0.2	9.3	*
Korean Conflict	8.0	0.2	5.3	*
Vietnam Era	37.4	0.4	34.4	*
Gulf War	30.5	0.4	30.4	
Peacetime Eras	14.0	0.3	20.6	*
¹ Department of Veterans Affairs total veteran population comes from VetPop2007 projections, (http://www1.va.gov/vetdata). An asterisk (*) denotes a statistically significant difference at the 90-percent confidence level. Source: U.S. Census Bureau, 2008 American Community Survey; Veterans Benefits Administration 2008 Annual Report on Compensation and Pension (http://www.vba.va.gov/REPORTS/abr/2008_abr.pdf)				

The 2008 ACS found a higher percentage of ‘0 percent’ ratings than the VBA report (8 percent compared with 0.5 percent). As previously mentioned, the VBA report only shows data on compensable service-connected disabilities while the ACS shows data on the existence of service-connected disability ratings, without specifying whether compensation is received.

Eight percent of veterans with a service-connected disability rating did not report the level of that rating in the ACS. While the ACS appears able to produce similar, though statistically different, percentages of service-connected disability ratings compared with the actual administrative records, the data suggest that reporting whether a person has a service-connected disability rating may be easier for respondents and proxies than reporting the rating itself.

The VBA report provides some information on the characteristics of the veterans who are receiving compensation for service-connected disabilities. Table 1 shows the distributions of these veterans by age and period of military service. Though most of the ACS estimates are statistically different from the VBA records, the percentages suggest the veterans who reported having a service-connected disability rating in the ACS have characteristics similar to those who actually receive compensation from the VA. Both sources agree on the percentage of Gulf War veterans with a service-connected disability rating.

The large difference between the 2008 ACS data and the VBA report of ‘0 percent’ ratings suggest that either respondents are not fully grasping the concept of ‘0 percent’ versus not having any rating, or the ACS and VBA data are not directly comparable because of the compensation aspect of service-connected disability. For this reason, the distribution of ratings was analyzed for just veterans who have ratings higher than 0 percent. Table 2 shows the distribution for non-zero disability ratings.

The ACS estimates in Table 2 are all statistically different from the VBA report, but the distributions are reasonably comparable. About 63 percent of veterans in both data sources have ratings under 50 percent. The ACS found a higher percentage of ‘10 or 20 percent’ ratings and a lower percentage of all other ratings compared with the VBA report.

Table 2. Comparison of Non-Zero Service-Connected Disability Ratings: 2008				
Characteristic	ACS		VBA	Signif.
	Percent	MOE	Percent	
Total veteran population 18 years and older with a non-zero service-connected disability rating	3,104,334	28,982	2,938,964	*
Service-connected disability rating				
10 or 20 percent	45.1	0.4	41.7	*
30 or 40 percent	17.4	0.3	21.9	*
50 or 60 percent	9.8	0.2	13.6	*
70 percent or higher	19.0	0.3	22.9	*
Not reported	8.8	0.3	N/A	
Source: U.S. Census Bureau, 2008 American Community Survey; Veterans Benefits Administration				
An asterisk (*) denotes a statistically significant difference at the 90-percent confidence level.				
2008 Annual Report on Compensation and Pension (http://www.vba.va.gov/REPORTS/abr/2008_abr.pdf)				

Conclusion

The goal of this report was to benchmark the first year of data on service-connected disability status and ratings from the 2008 American Community Survey against data from the 2008 Annual Report on Compensation and Pension from the Veterans Benefits Administration. The results of this comparison indicate that the new ACS questions are capable of producing useful data on these topics.