

Income, Poverty, and Health Insurance Coverage: 2014

September 2015

URL: http://www.census.gov/newsroom/press-kits/2015/income_poverty.html

Presenters

Host	Michael C. Cook, Sr. Chief, Public Information Office
Presenter	Victoria Velkoff, Ph.D. Chief, Social, Economic, and Housing Statistics Division

Resources for Today's Webinar

Go to www.census.gov and click on the slider at the top to access –

- Today's Webinar Presentation
- News Release and Supporting Tables
- Links to the Reports and Other Reference Pages
- Links to Fact Sheets

2014 Highlights

- Median household money income for the nation was \$53,700.
- The official poverty rate for the nation was 14.8 percent. There were 46.7 million people in poverty.
- The Supplemental Poverty Measure (SPM) rate was 15.3 percent.
- The percentage of people without health insurance coverage for the entire calendar year was 10.4 percent, or 33.0 million people. This was a decrease of 2.9 percentage points from the previous year.

Income and Poverty in the United States: 2014

Current Population Reports

By Carmen DeNavas-Walt and Bernadette D. Proctor
Issued September 2015
P60-252

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Health Insurance Coverage in the United States: 2014

Current Population Reports

By Jessica C. Smith and Carla Medalia
Issued September 2015
P60-253

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The Supplemental Poverty Measure: 2014

Current Population Reports

By Kathleen Short
Issued September 2015
P60-254

INTRODUCTION

This is the fifth report describing the Supplemental Poverty Measure (SPM) released by the U.S. Census Bureau, with support from the Bureau of Labor Statistics (BLS). The SPM extends the official poverty measure by taking account of many of the government programs designed to assist low-income families and individuals that are not included in the current official poverty measure.

Concerns about the adequacy of the official measure culminated in a congressional appropriation in 1990 for an independent scientific study of the concepts, measurement methods, and information needed for a poverty measure. In response, the National Academy of Sciences (NAS) established the Panel on Poverty and Family Assistance, which released its report, *Measuring Poverty: A New Approach*, in the spring of 1995 (Citro and Michael, 1995). In March of 2010, an Interagency Technical Working Group on Developing a Supplemental Poverty Measure (ITWG) listed suggestions for a new measure that would supplement the current official

measure of poverty.¹ The ITWG was charged with developing a set of initial starting points to permit the Census Bureau, in cooperation with the BLS, to produce the SPM that would be released along with the official measure each year. Their suggestions included:

- The *SPM thresholds* should represent a dollar amount spent on a basic set of goods that includes food, clothing, shelter, and utilities (FCSU), and a small additional amount to allow for other needs (e.g., household supplies, personal care, nonwork-related transportation). This threshold should be calculated with 5 years of expenditure data for family units with exactly two children using Consumer Expenditure Survey (CE) data, and it should be adjusted (using a specified equivalence scale) to reflect the needs of different family types and geographic differences in housing costs. Adjustments to thresholds should be made over time to reflect real change

in expenditures on this basic bundle of goods around the 33rd percentile of the expenditure distribution. So far as possible with available data, the calculation of FCSU should include any noncash benefits that are counted on the resource side for food, shelter, clothing, and utilities. This is necessary for consistency of the threshold and resource definitions.

- The *SPM family unit* resources should be defined as the value of cash income from all sources, plus the value of noncash benefits that are available to buy the basic bundle of goods (FCSU) minus necessary expenses for critical goods and services not included in the thresholds. Non-cash benefits include nutritional assistance, subsidized housing, and home energy assistance. Necessary expenses that must be subtracted include income taxes, Social Security payroll taxes, childcare and other work-related expenses, child support payments to another household, and contributions toward the cost of medical care, health insurance premiums, and other medical out-of-pocket expenditures.

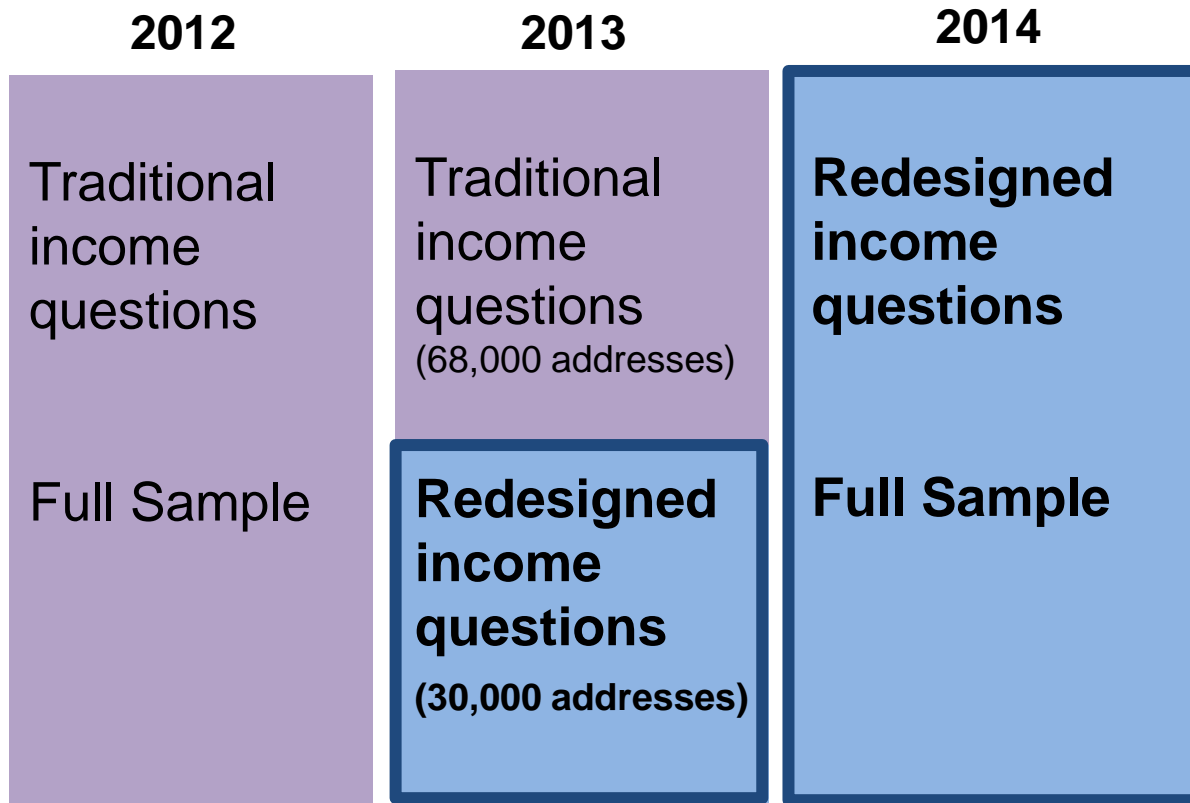
¹ For information, see ITWG, *Observations From the Interagency Technical Working Group on Developing a Supplemental Poverty Measure* (Interagency), March 2010, available at <www.census.gov/hhes/www/poverty/SPM_TWCObservations.pdf>.

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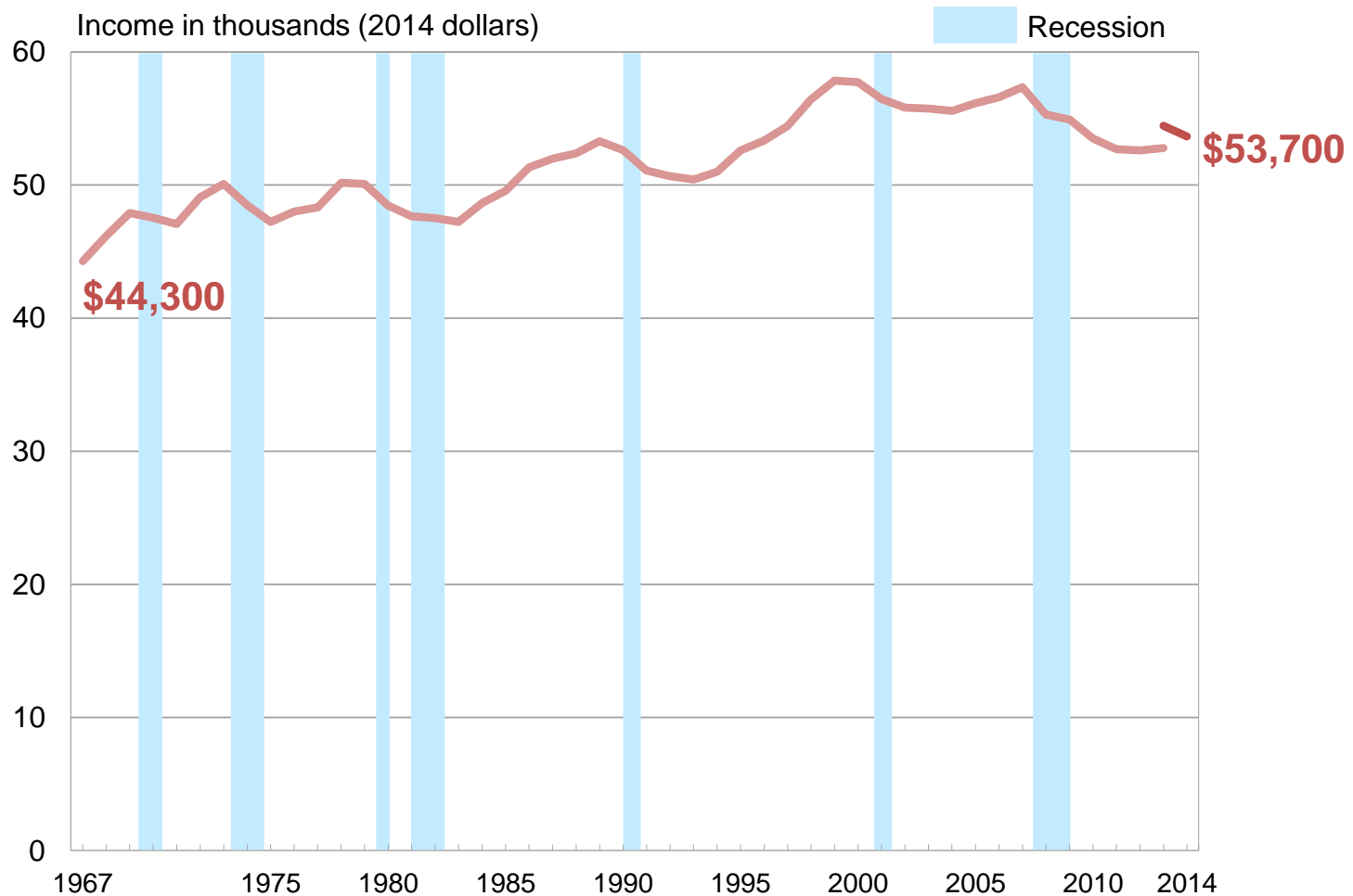
September 2015 Release

Income and Poverty Estimates

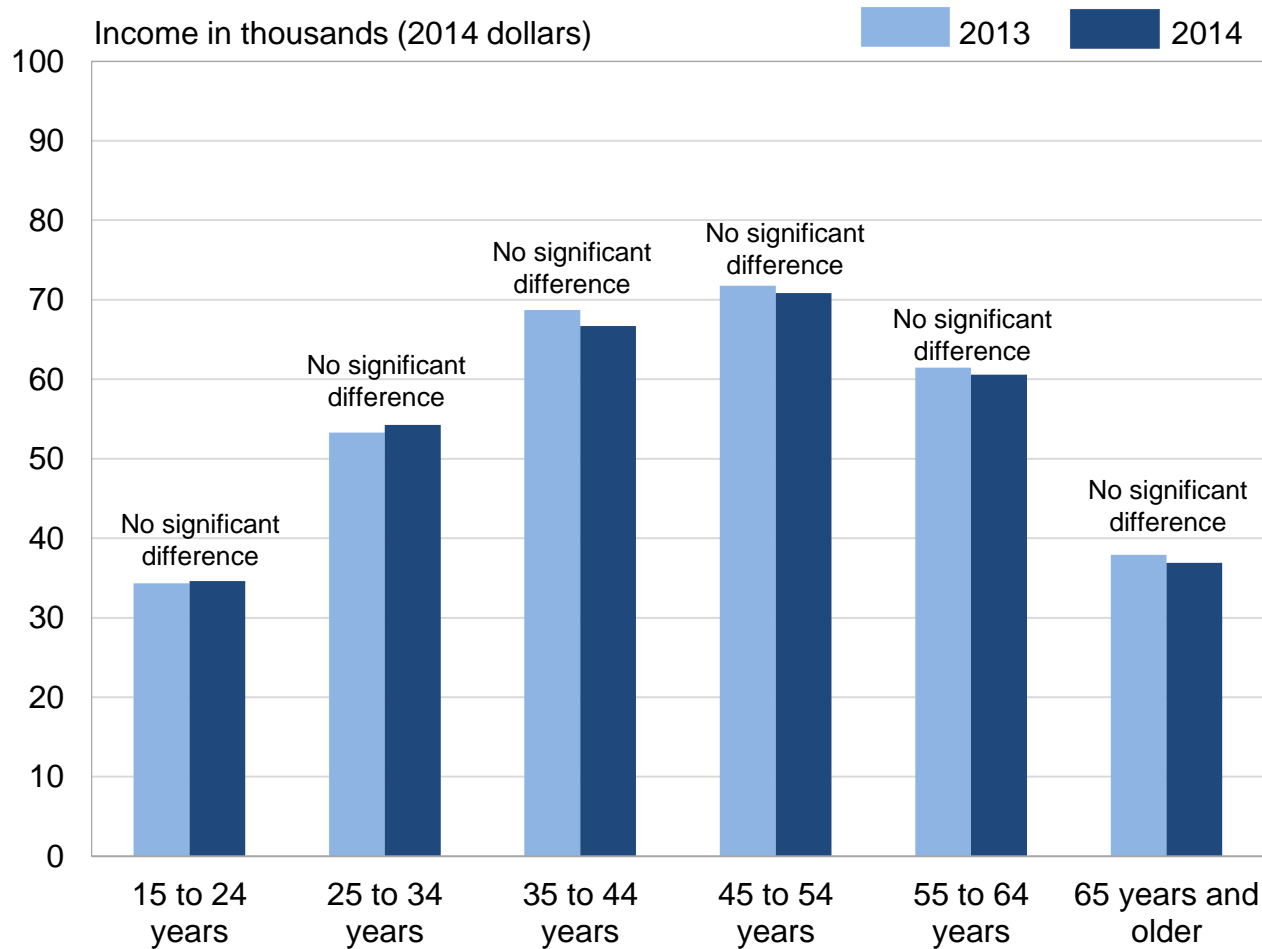


- All 2013 estimates in the report will be based on the redesigned set of questions
- Preserved continuity between the years
 - Consistent questions
 - Used the same processing system

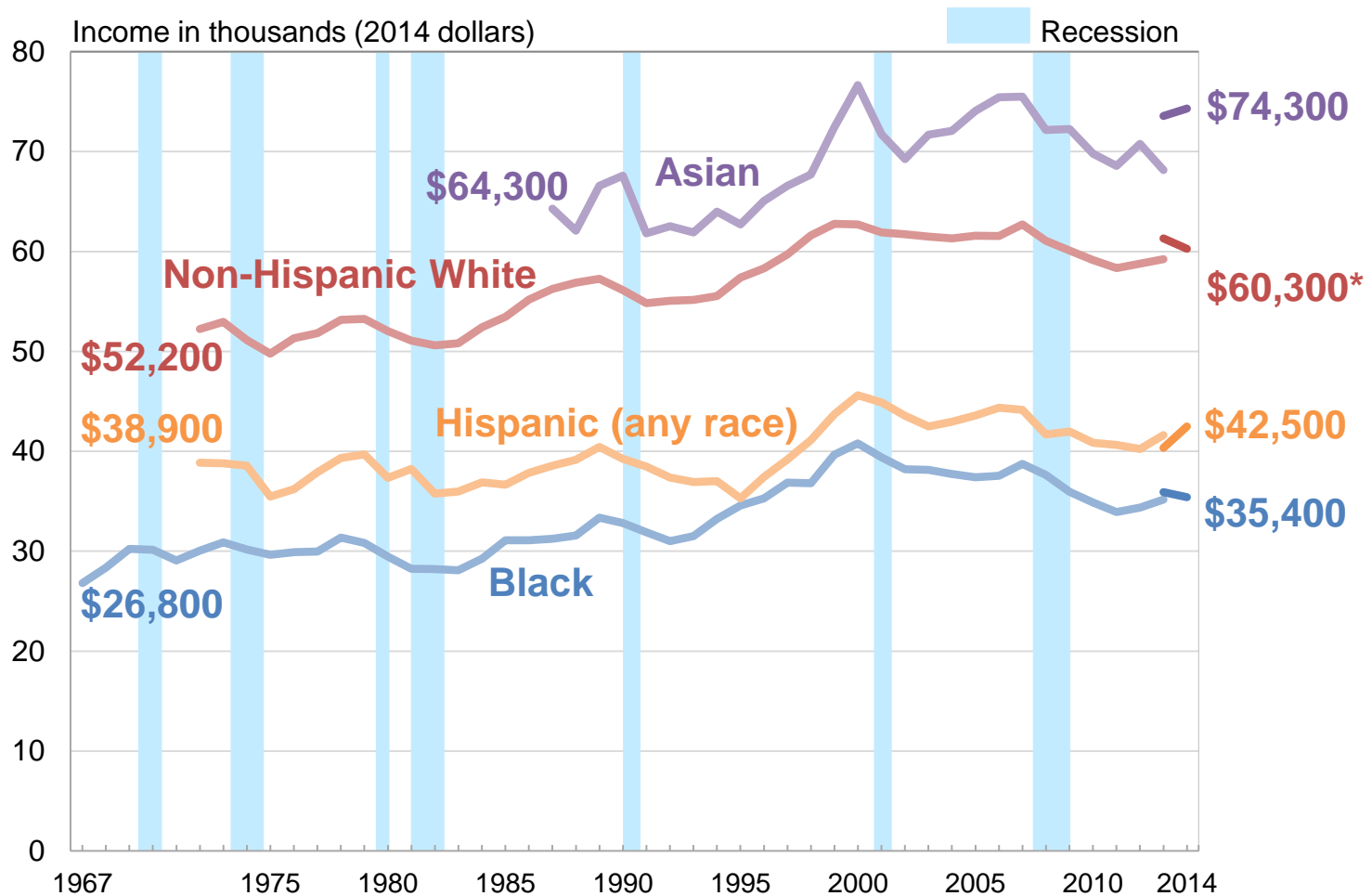
Real Median Household Income: 1967 to 2014



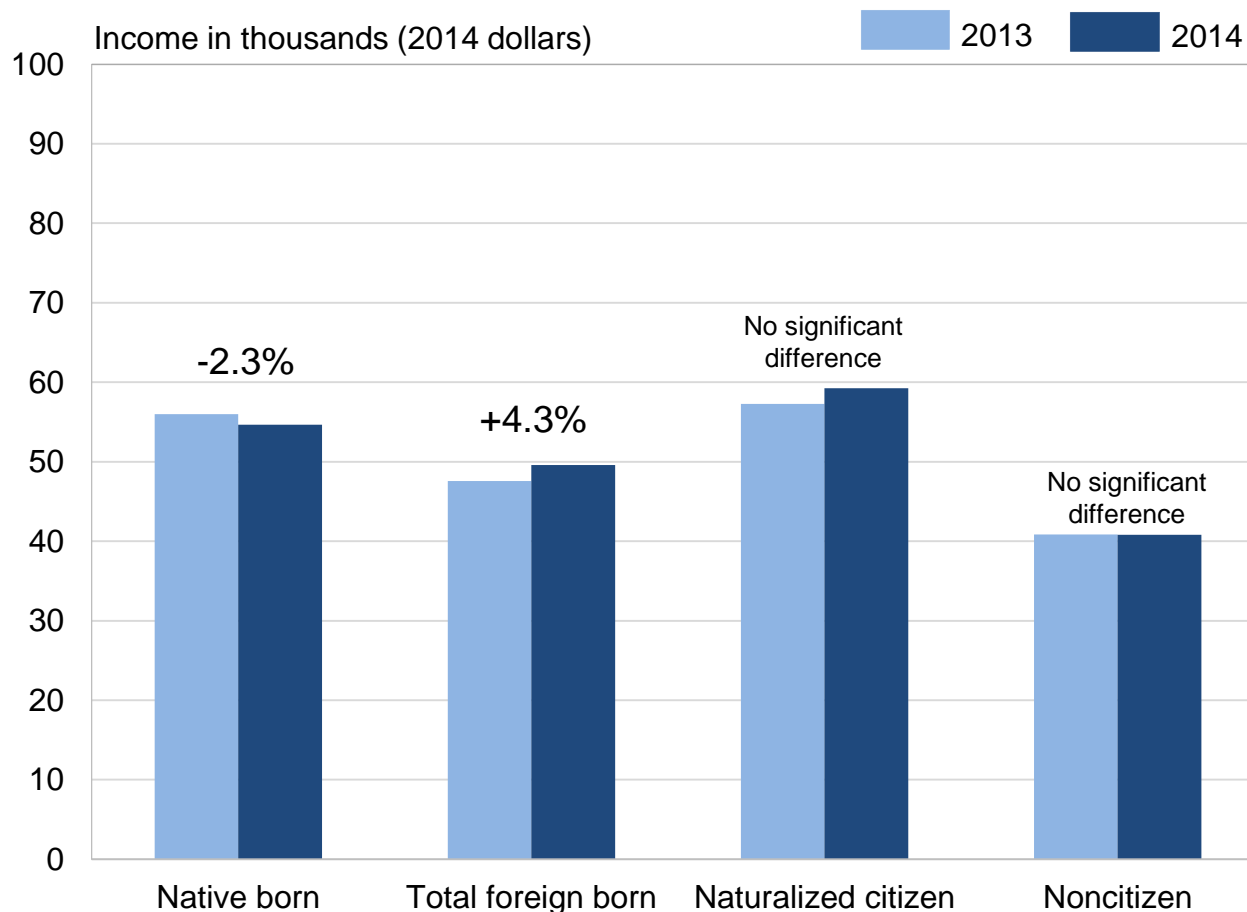
Real Median Household Income by Age of Householder: 2013 and 2014



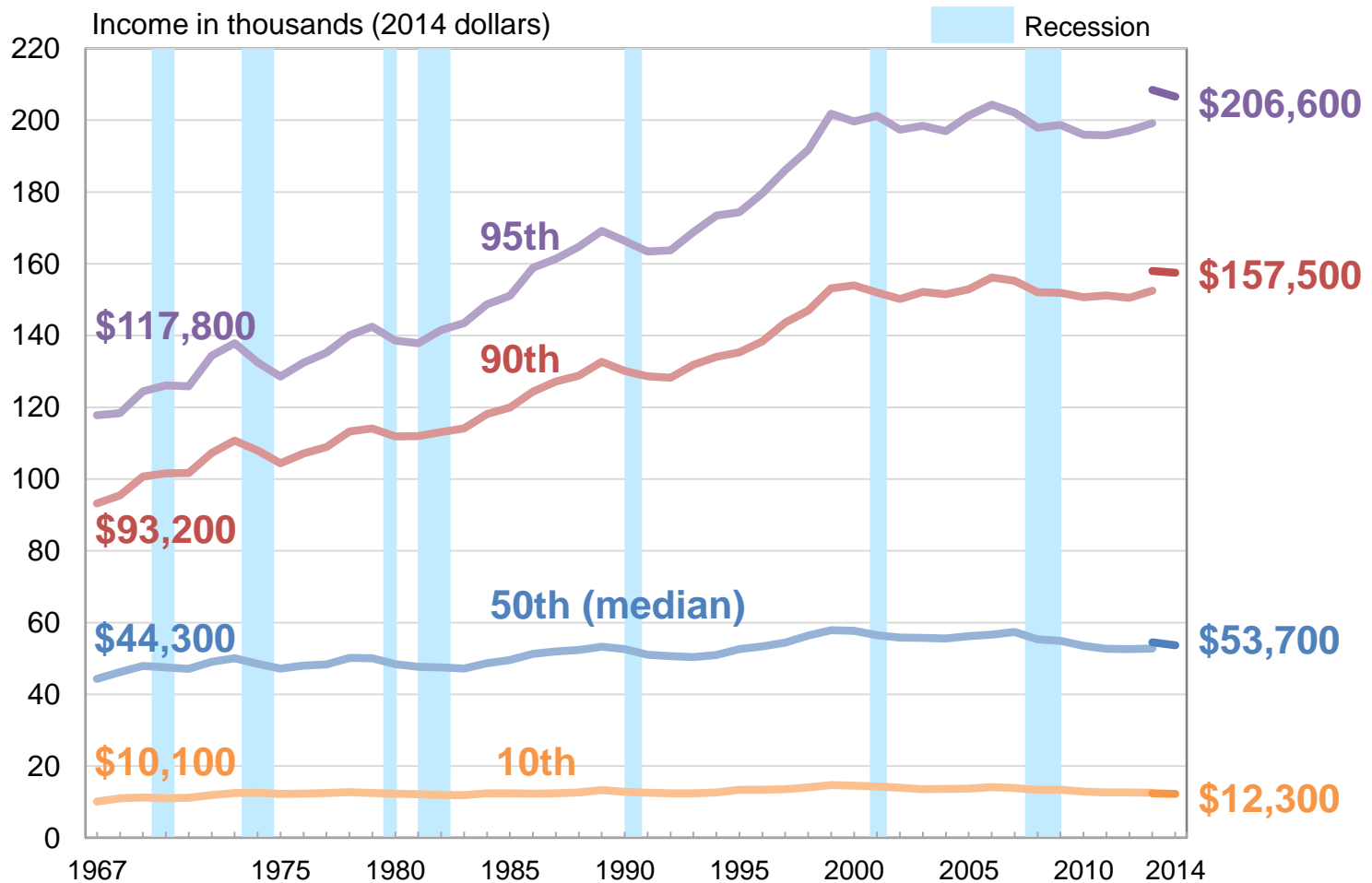
Real Median Household Income by Race and Hispanic Origin of Householder: 1967 to 2014



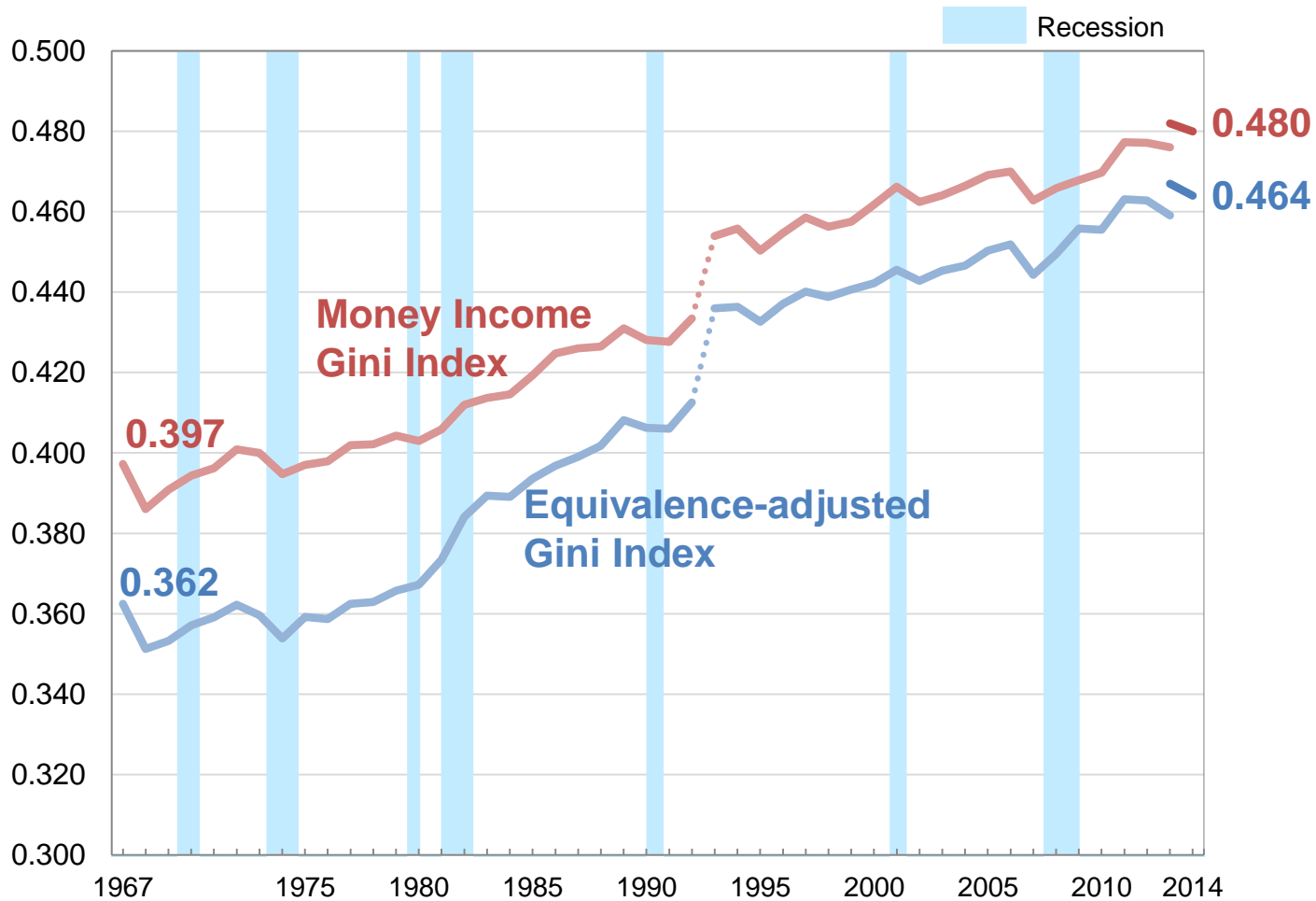
Real Median Household Income by Nativity of Householder: 2013 and 2014



Real Household Income at Selected Percentiles: 1967 to 2014

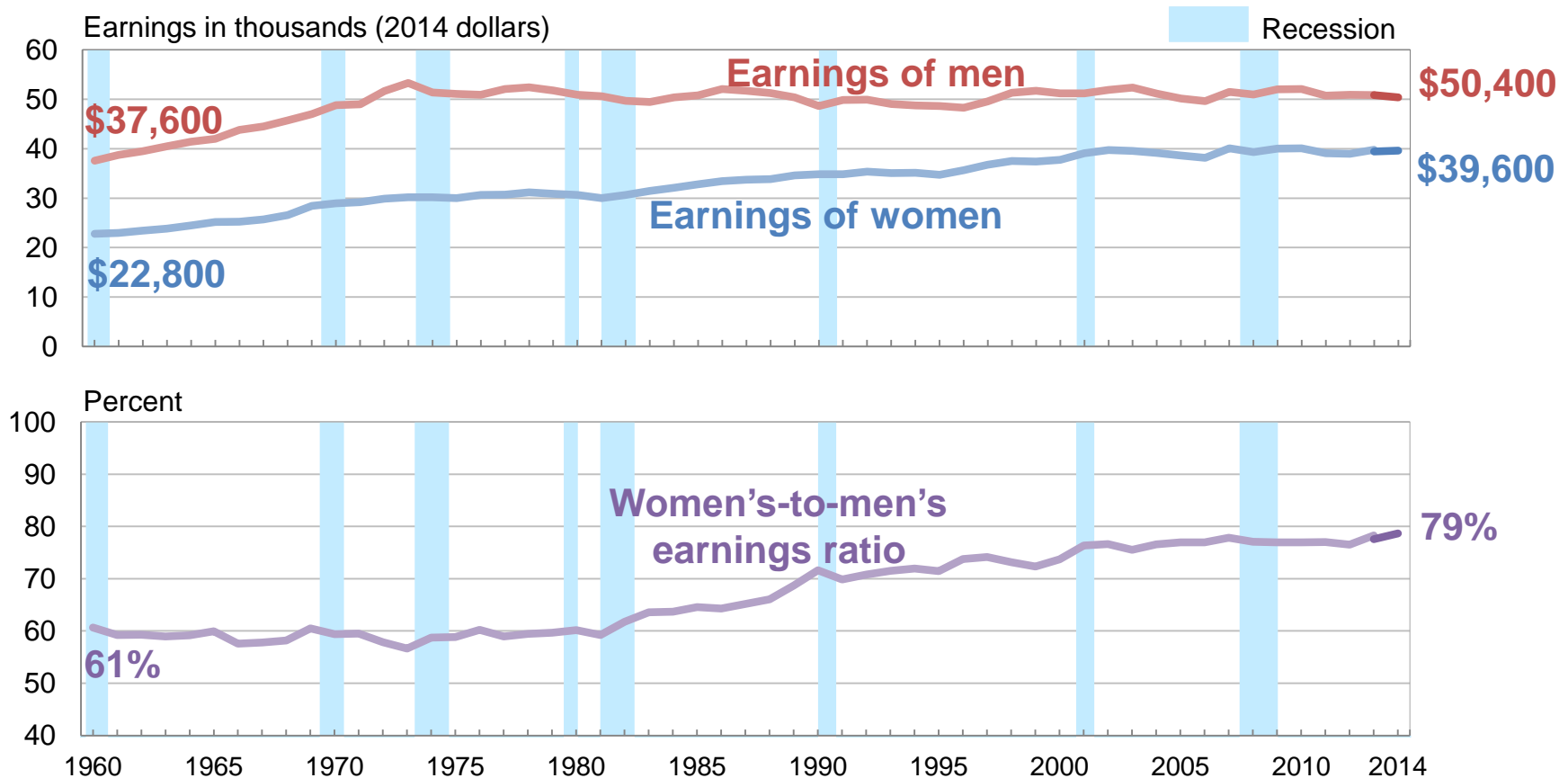


Gini Index of Money Income and Equivalence-Adjusted Income: 1967 to 2014

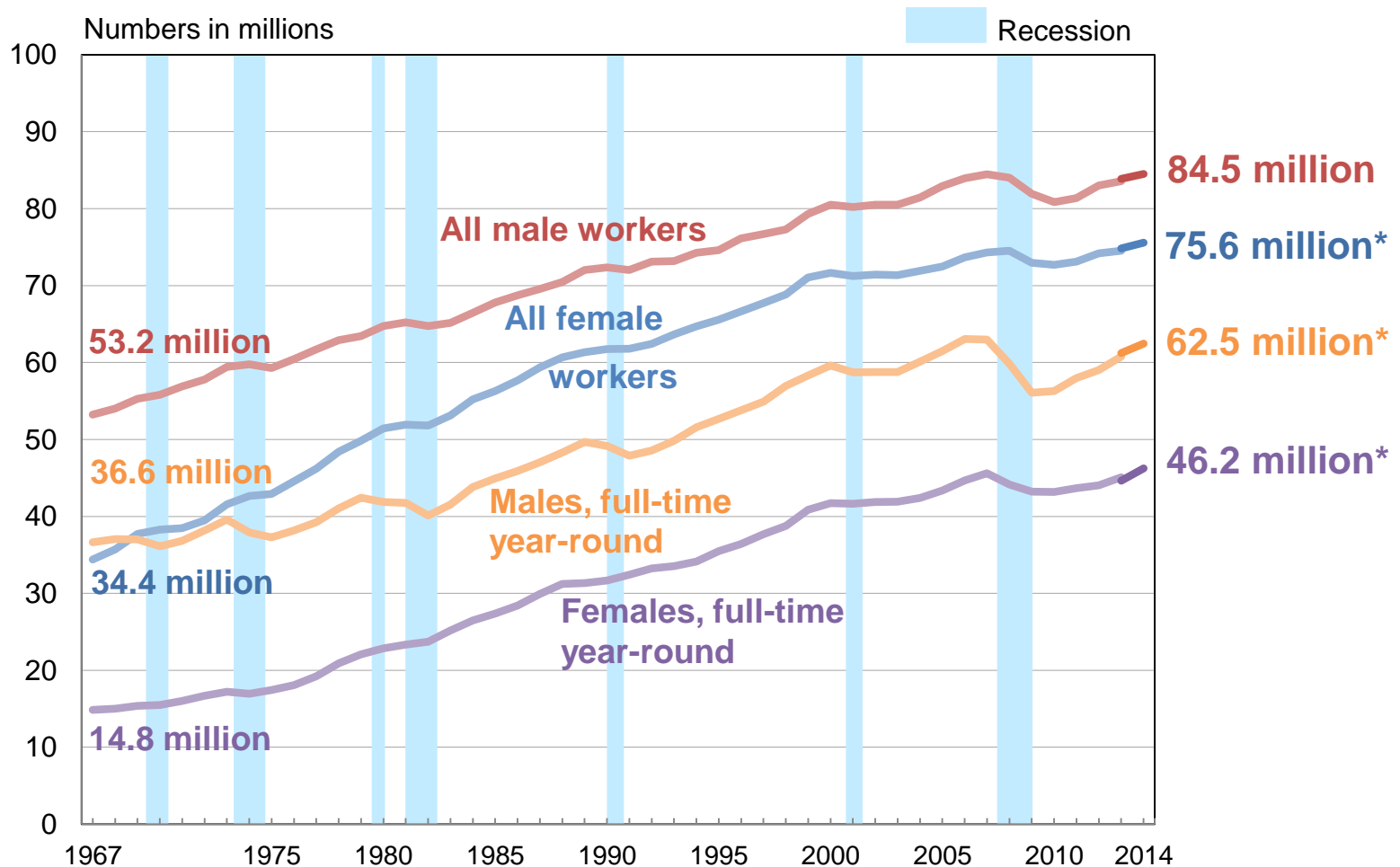


Real Median Earnings and Women's-to-Men's Earnings Ratio: 1960 to 2014

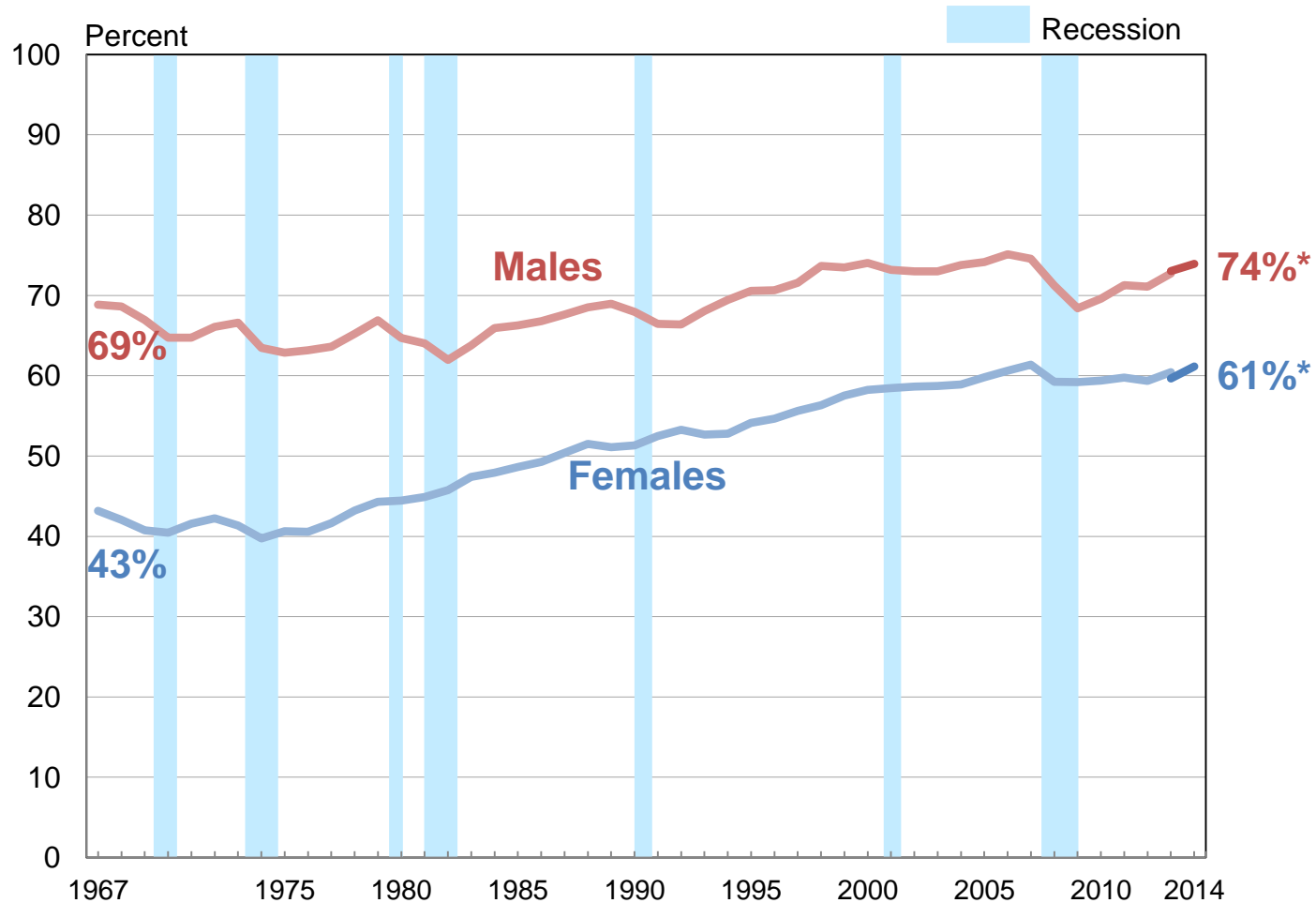
(Full-time, year-round workers)



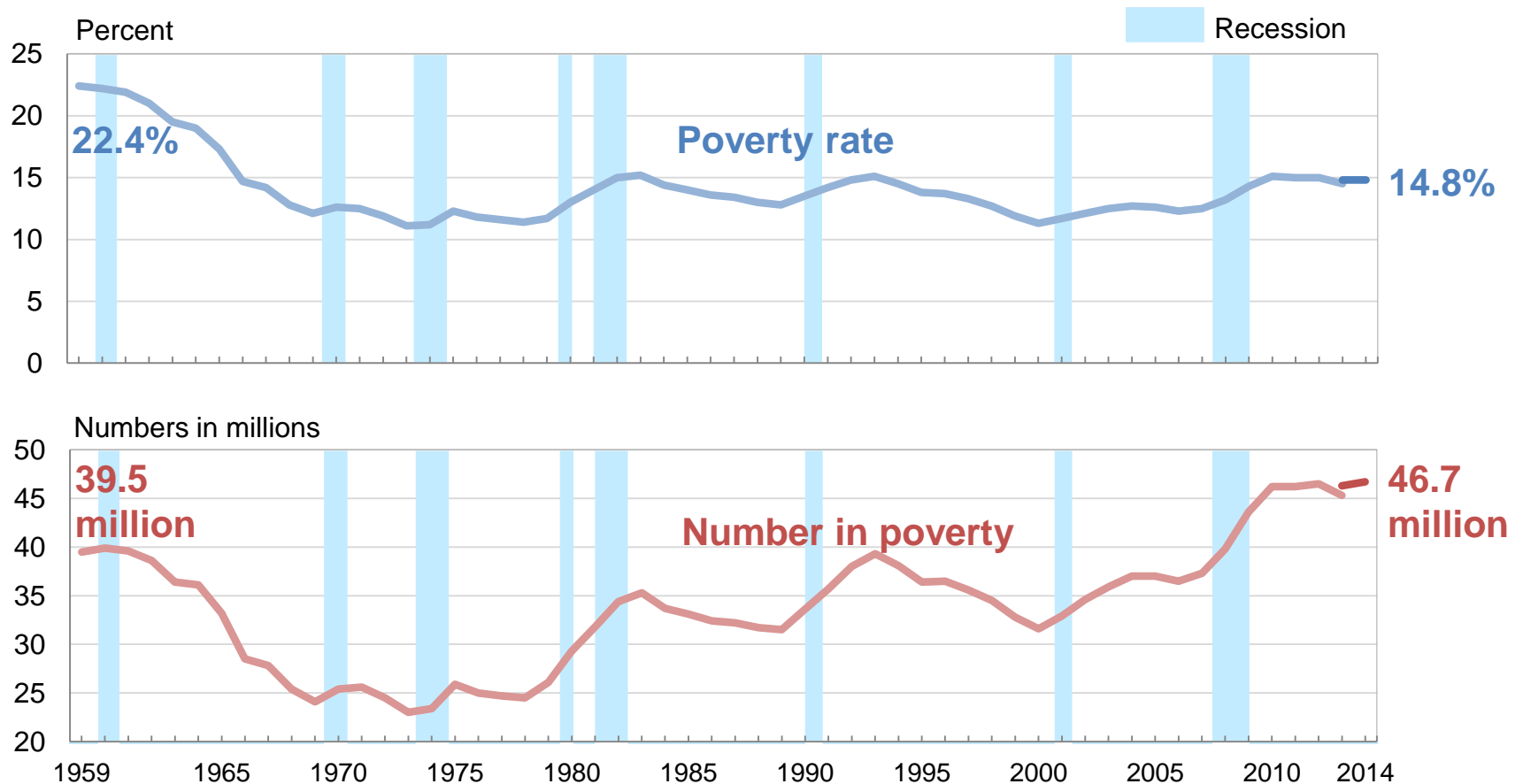
Total and Full-Time, Year-Round Workers with Earnings by Sex: 1967 to 2014



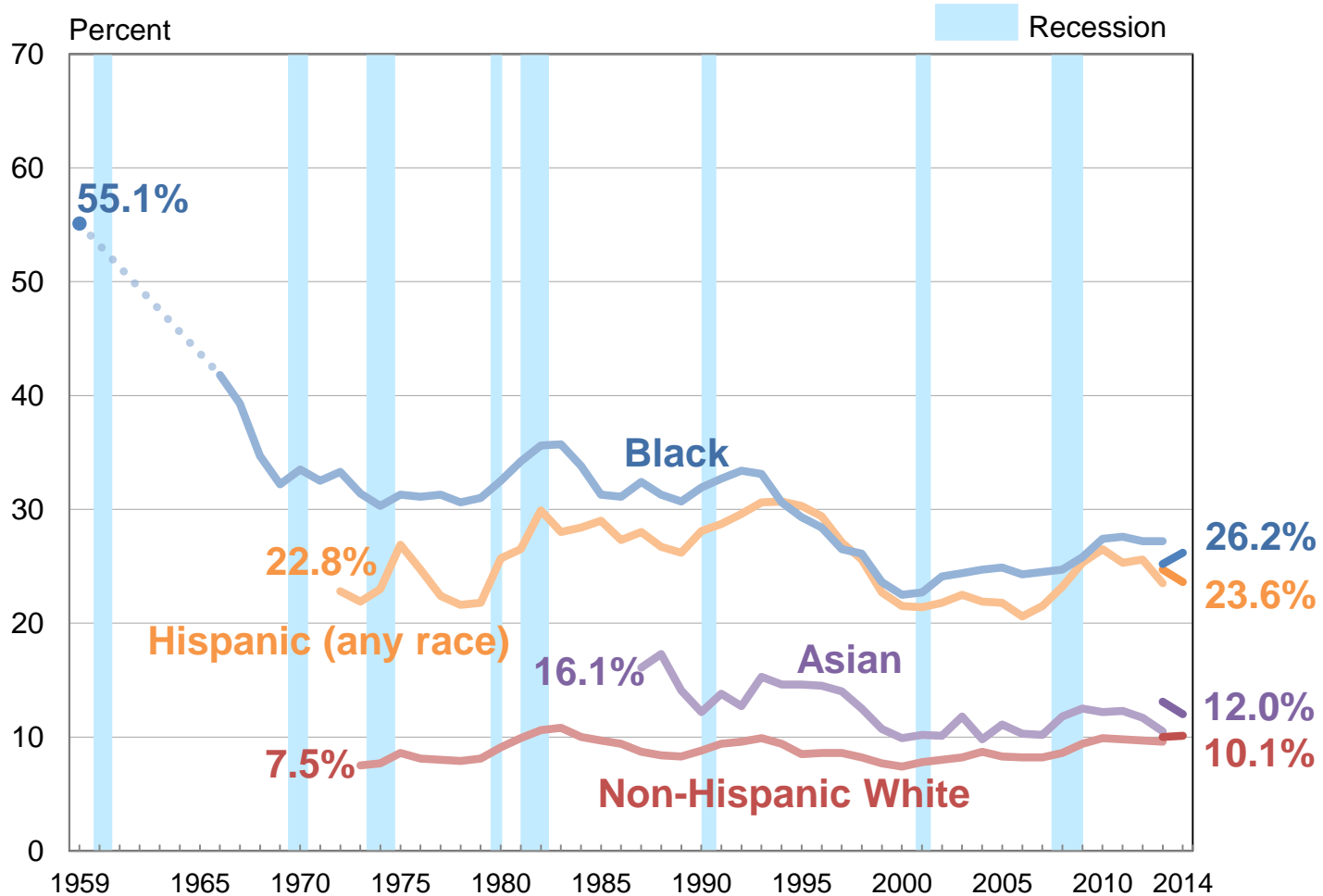
Full-Time, Year-Round Workers with Earnings as a Percentage of All Workers with Earnings by Sex: 1967 to 2014



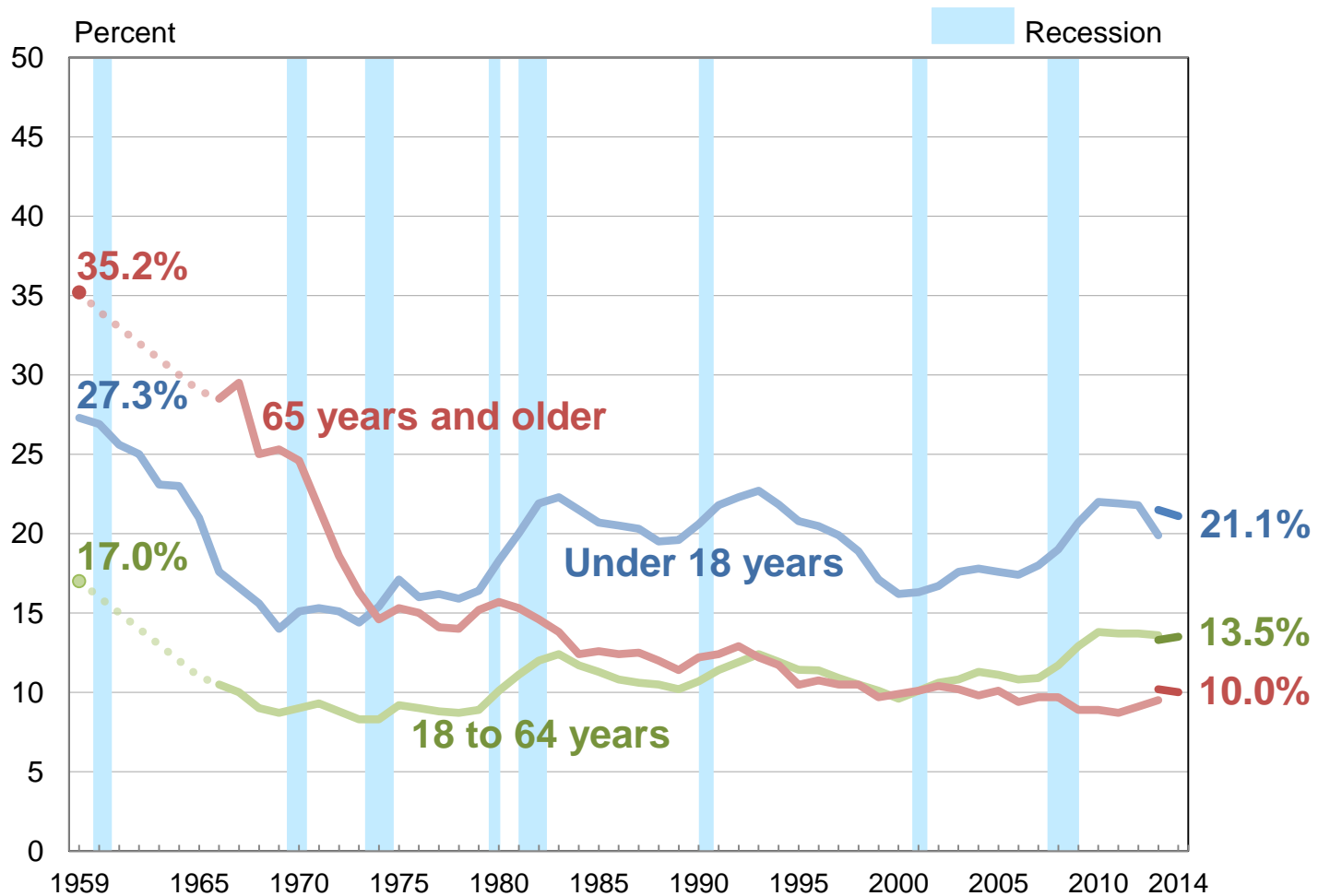
Poverty Rate and Number in Poverty: 1959 to 2014



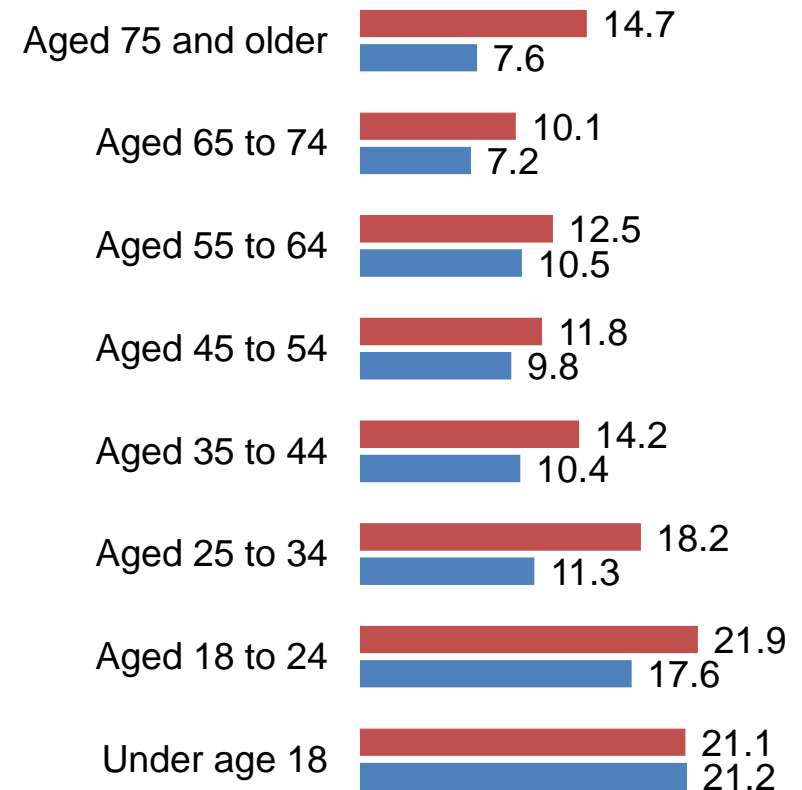
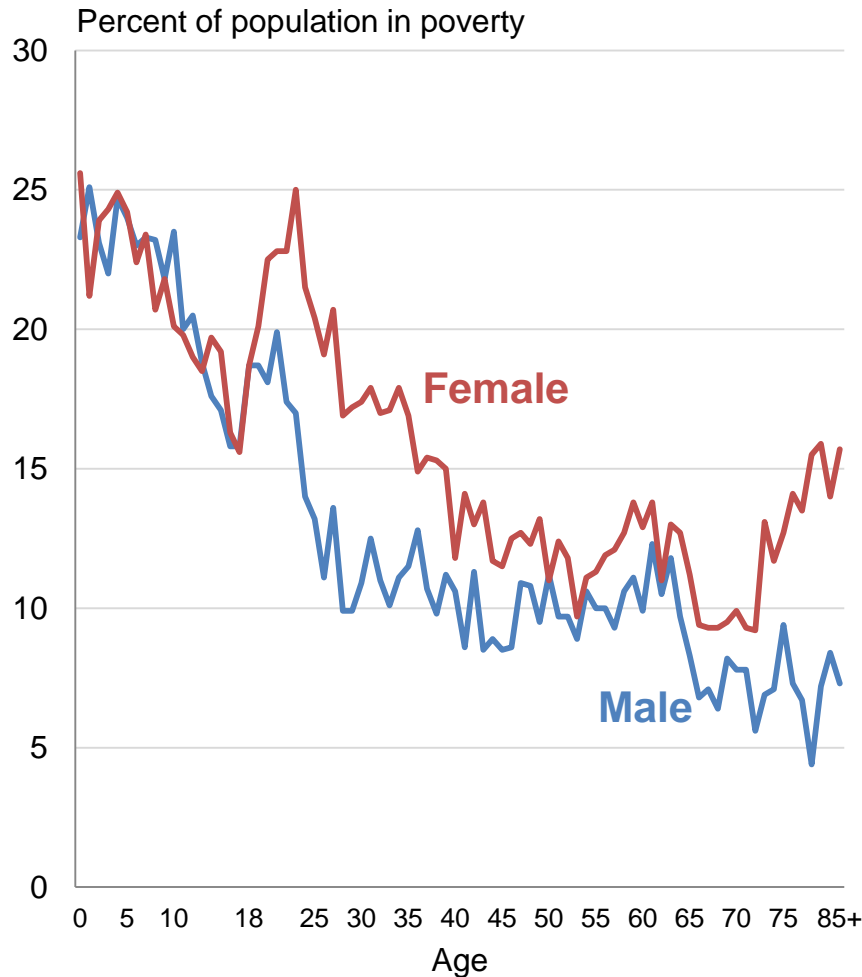
Poverty Rates by Race and Hispanic Origin: 1959 to 2014



Poverty Rates by Age: 1959 to 2014



Poverty Rates by Age by Sex: 2014



Supplemental Poverty Measure (SPM)

Observations from the Interagency Technical Working Group

- Will not replace the official poverty measure
- Will not be used for resource allocation or program eligibility
- Census Bureau and Bureau of Labor Statistics responsible for improving and updating the measure
- Continued research and improvement
- Based on National Academy of Sciences panel 1995 recommendations

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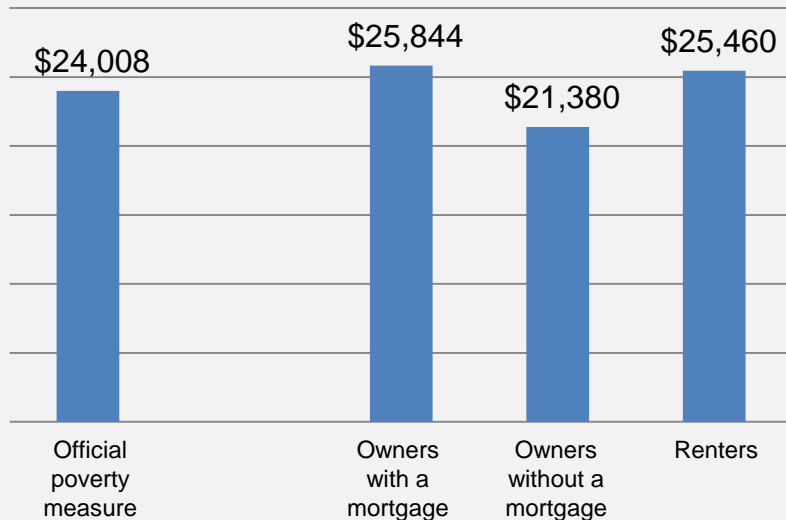
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Supplemental Poverty Measure Thresholds and Resources

Official and SPM Thresholds for Units with Two Children, Two Adults: 2014



Supplemental Poverty Measure Thresholds

Source: Official Poverty Thresholds, www.census.gov/hhes/www/poverty/data/threshld/index.html, Supplemental Poverty Measure Thresholds, Bureau of Labor Statistics (BLS), www.bls.gov/pir/spmhome.htm.

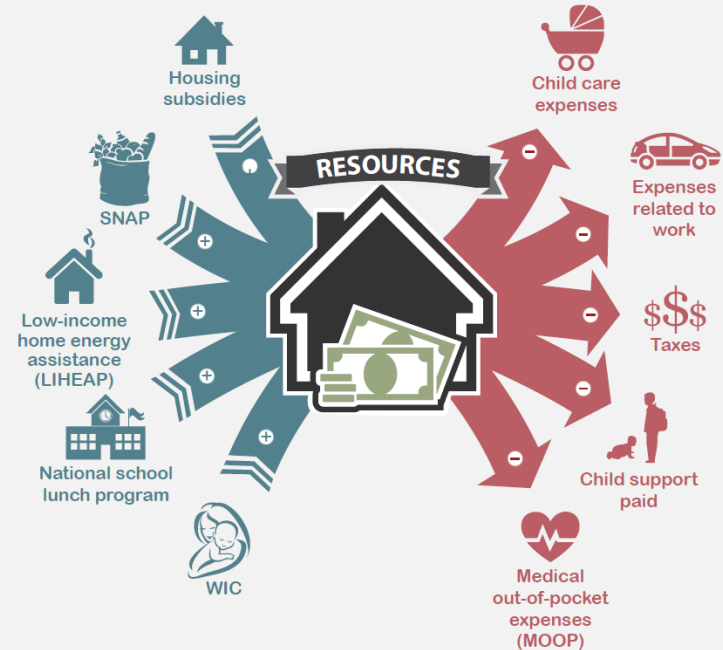
The SPM starts with cash income, then...

ADDING BENEFITS

The SPM adds benefits from the government that are not cash but help families meet their basic needs.

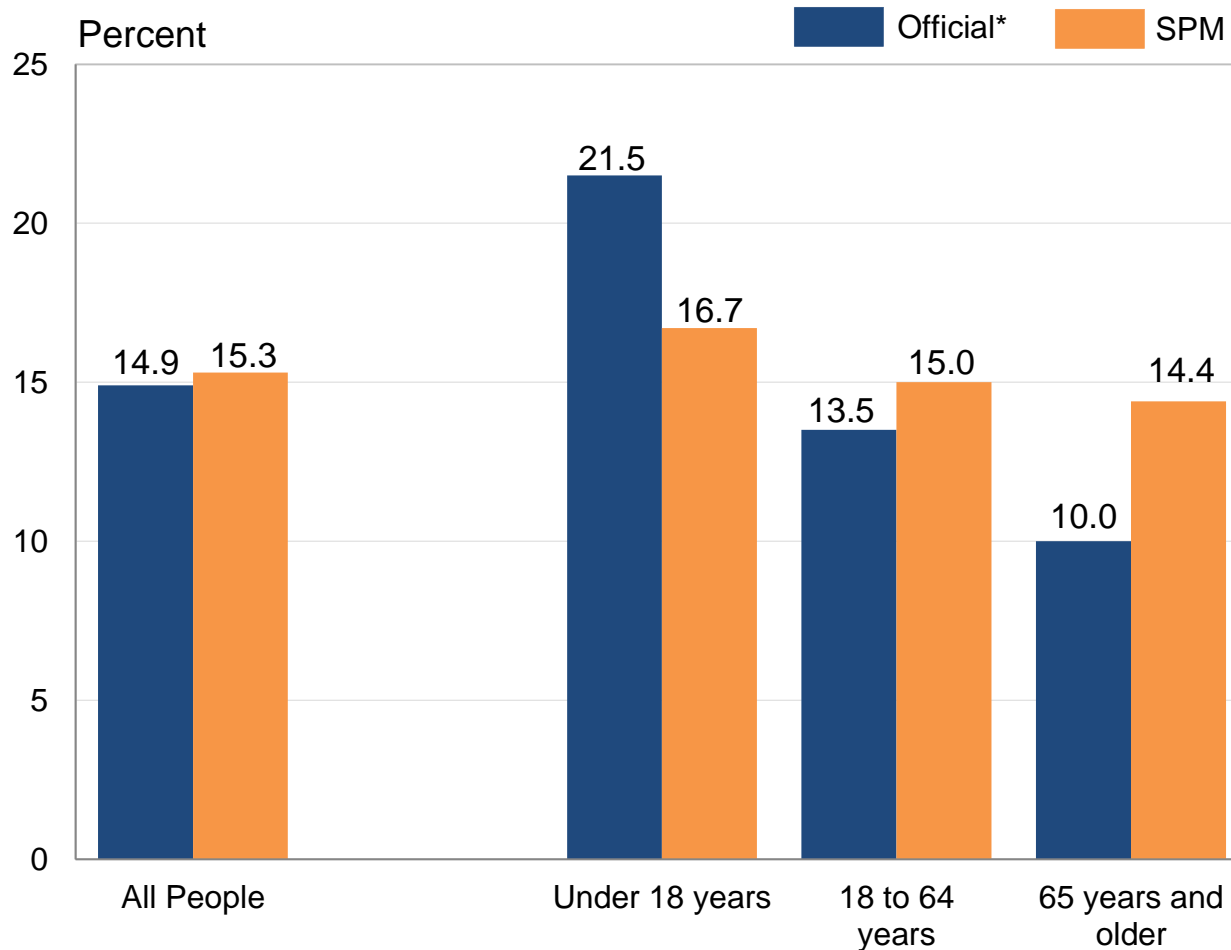
SUBTRACTING EXPENSES

The SPM subtracts necessary expenses like taxes, health care, commuting costs for all workers, and child care expenses while parents work.

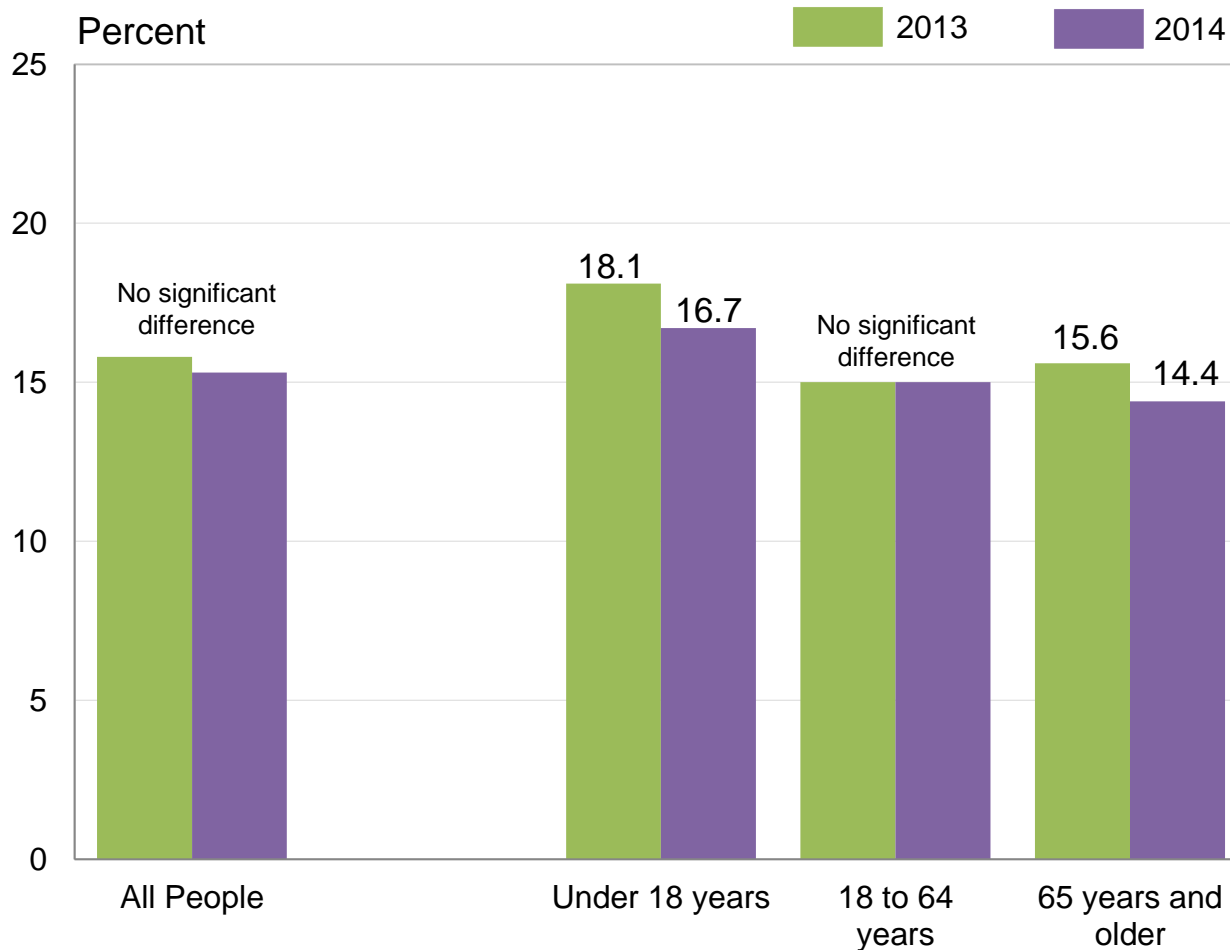


Source: U.S. Census Bureau
www.census.gov/library/infographics/poverty_measure-how.html

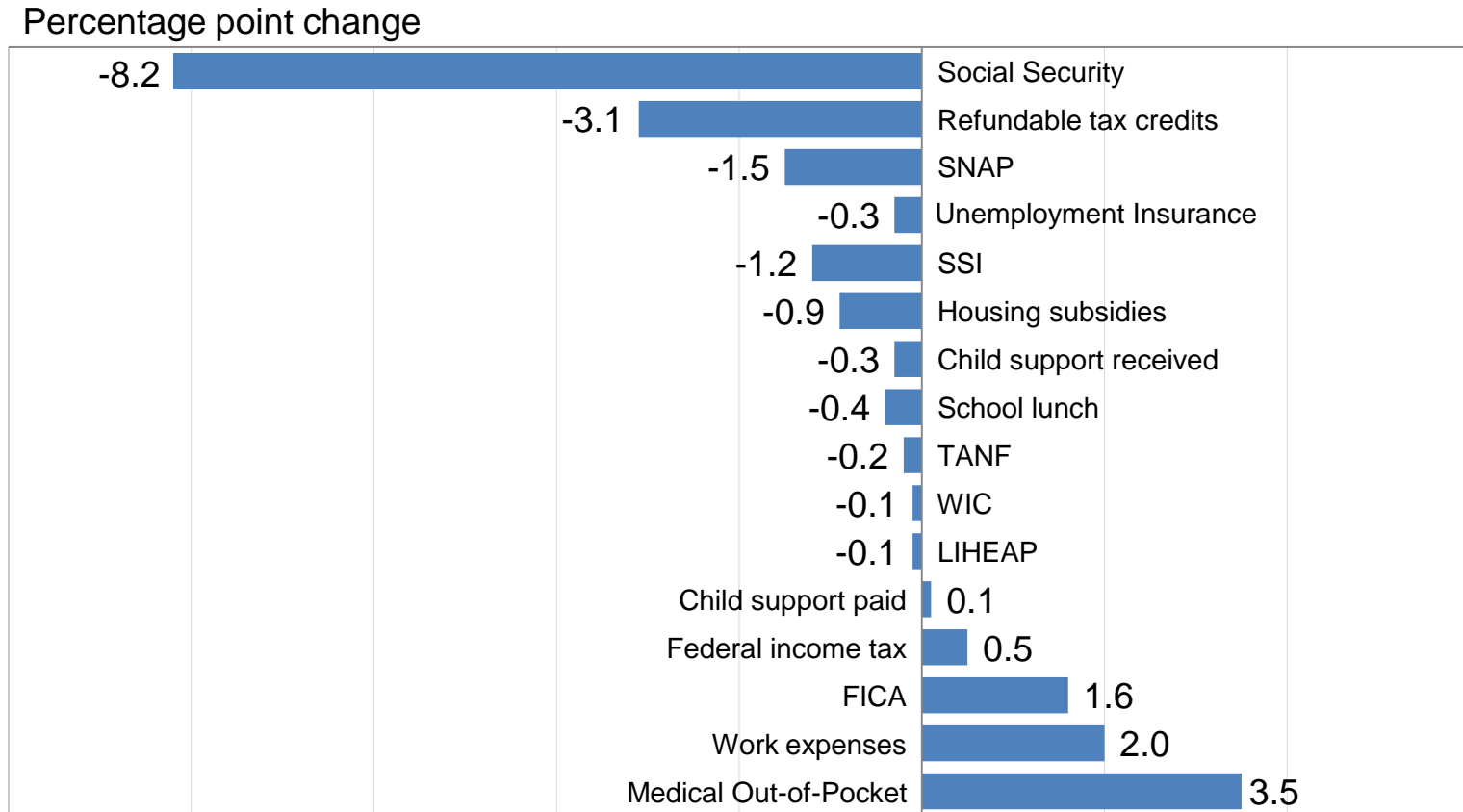
Comparison of SPM and Official Poverty Estimates: 2014



Comparison of SPM Poverty Estimates: 2013 and 2014



Difference in SPM Rate After Including Each Element: 2014



Health Insurance Coverage in the United States: 2014

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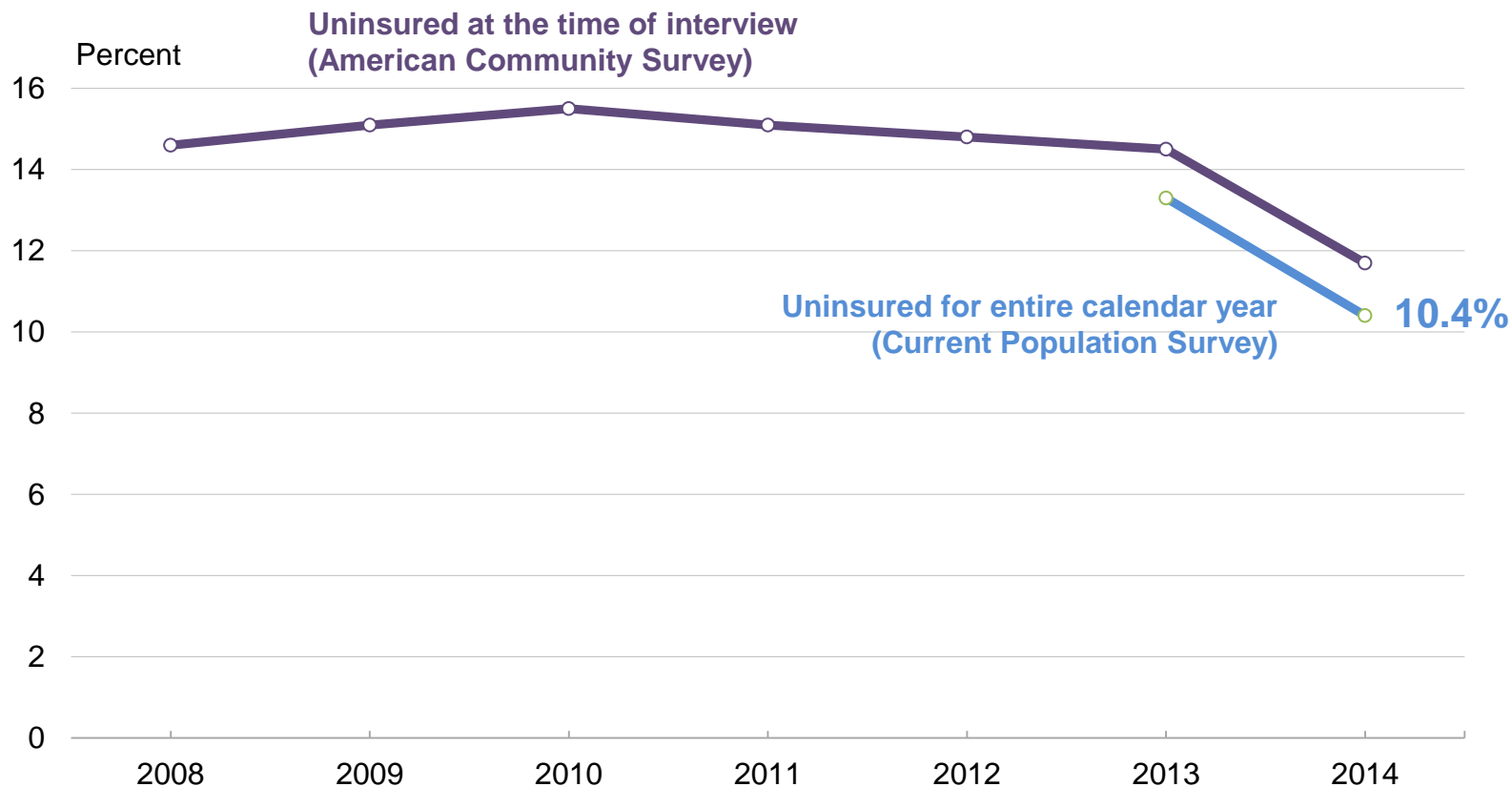
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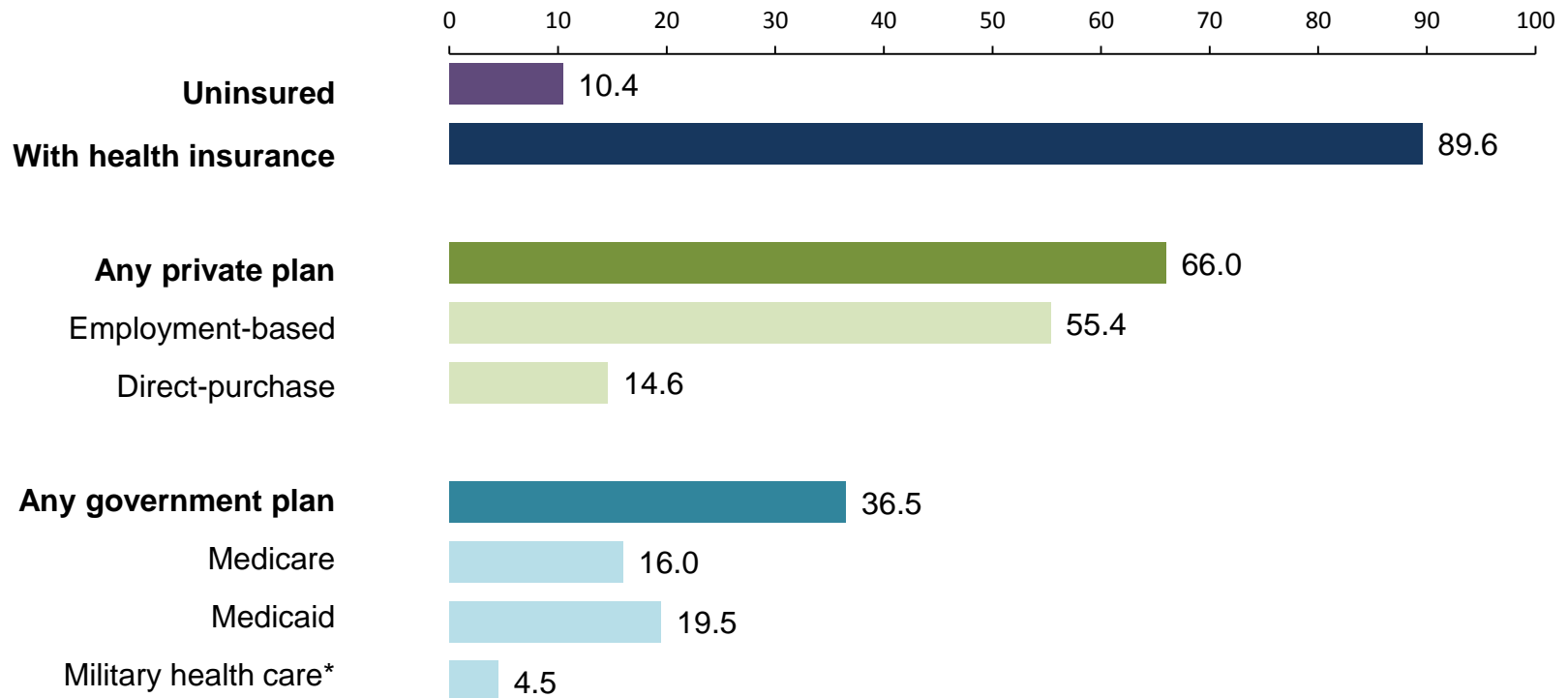
Changes in the rate of health insurance coverage reflect:

- Economic trends
- Demographic shifts
- Policy changes, such as the Affordable Care Act (ACA)

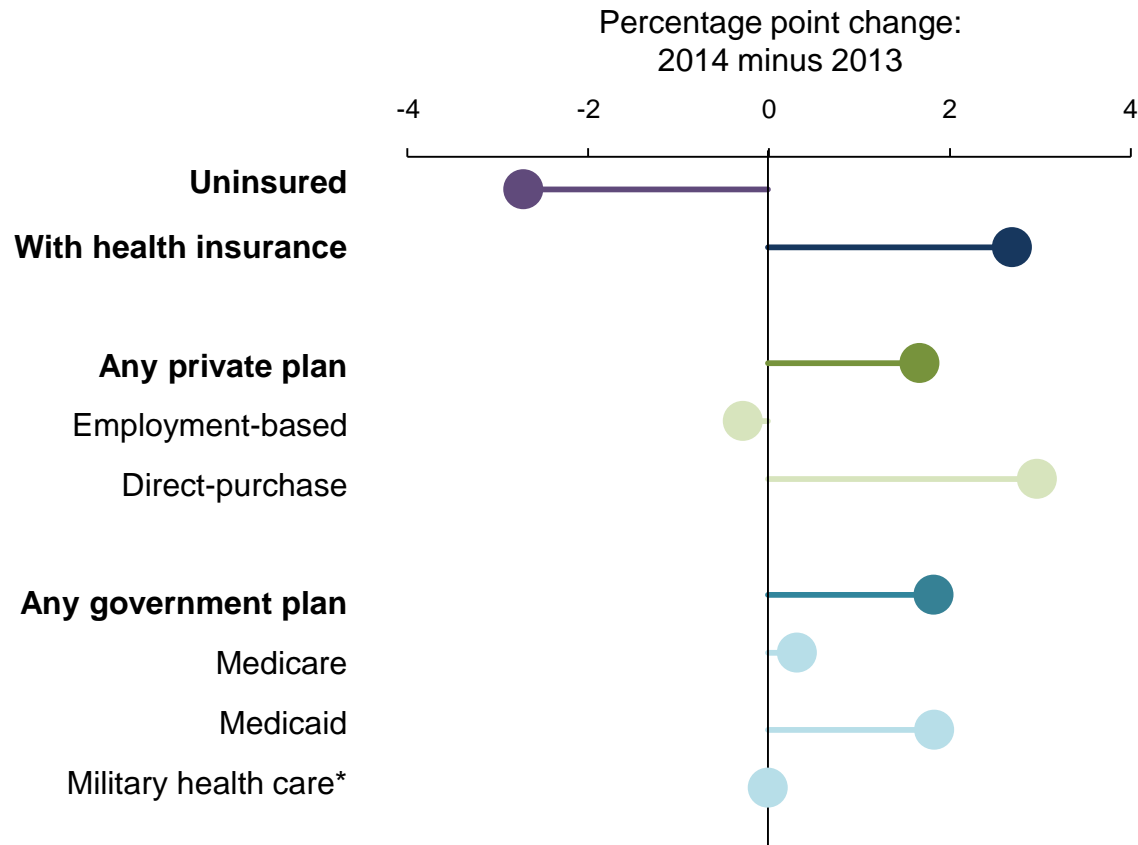
Uninsured Rate: 2008 to 2014



Percentage of People by Type of Health Insurance Coverage: 2014



Change in Percentage of People by Type of Health Insurance Coverage: 2013 to 2014

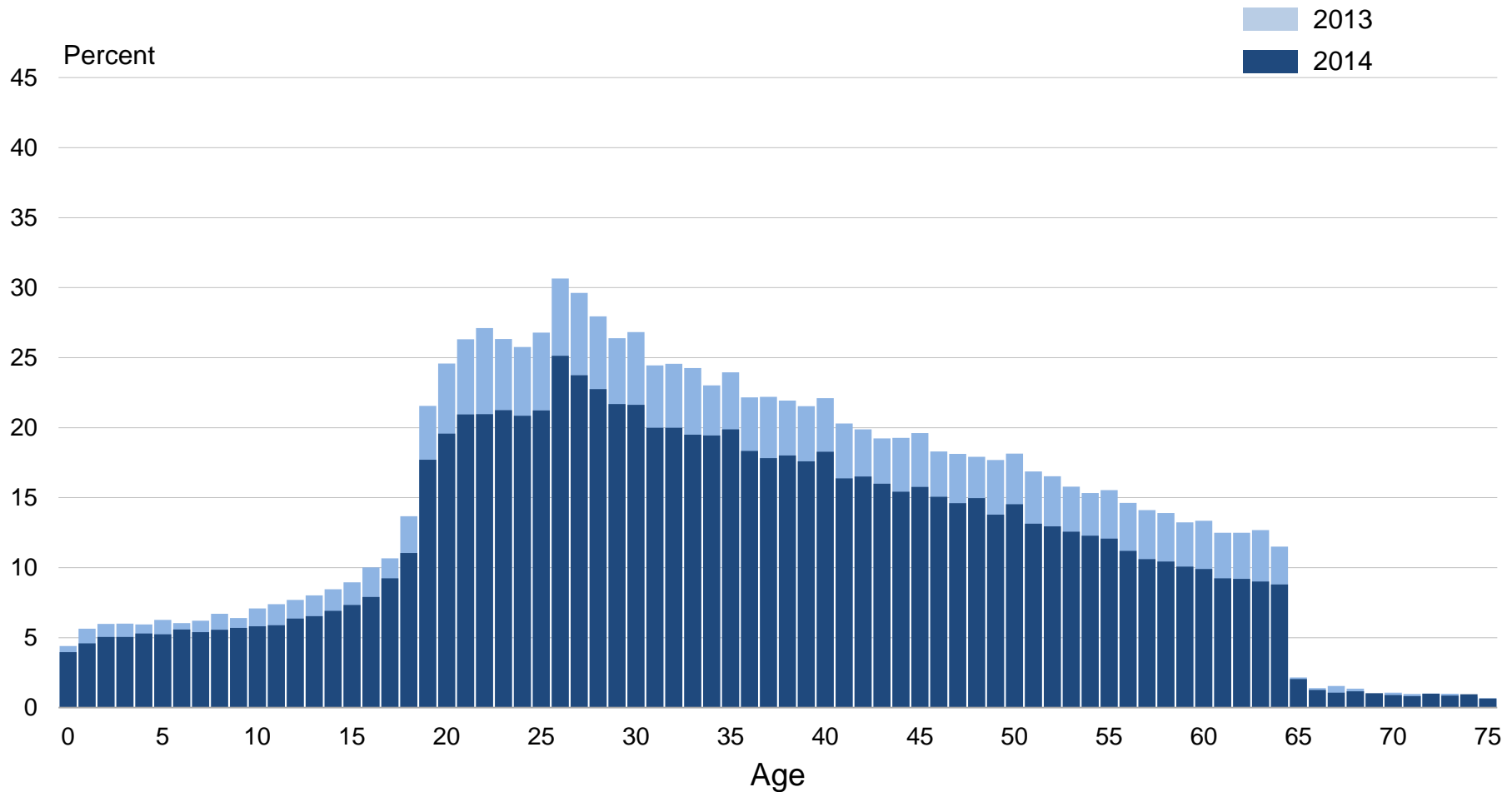


Note: Between 2013 and 2014, there was not a statistically significant change in the percentage of people covered by employment-based health insurance or military health care.

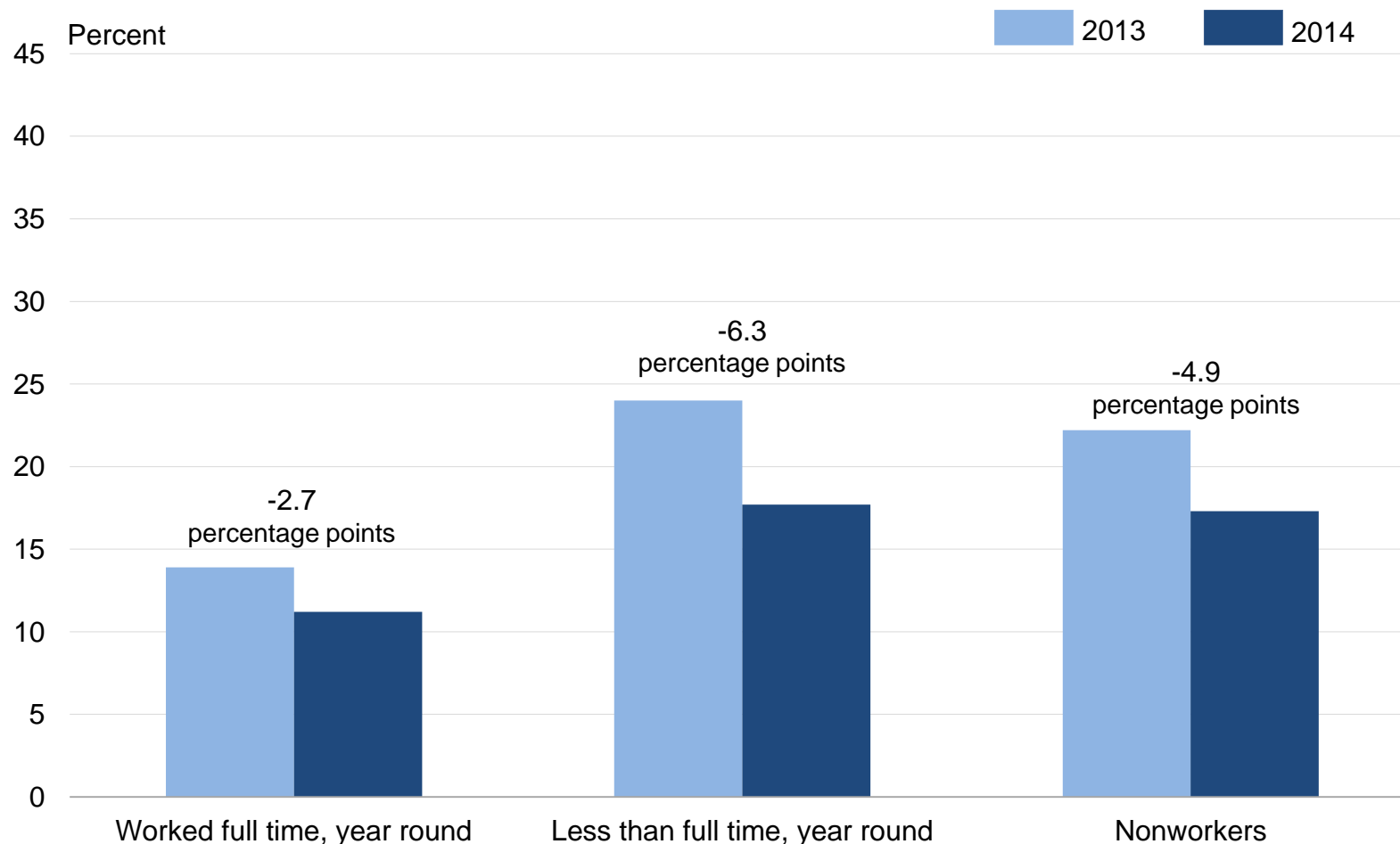
*Military health care includes TRICARE and CHAMPVA (Civilian Health and Medical Program of the Department of Veterans Affairs) as well as care provided by the Department of Veterans Affairs and the military.

Source: U.S. Census Bureau, Current Population Survey, 2014 and 2015 Annual Social and Economic Supplements.

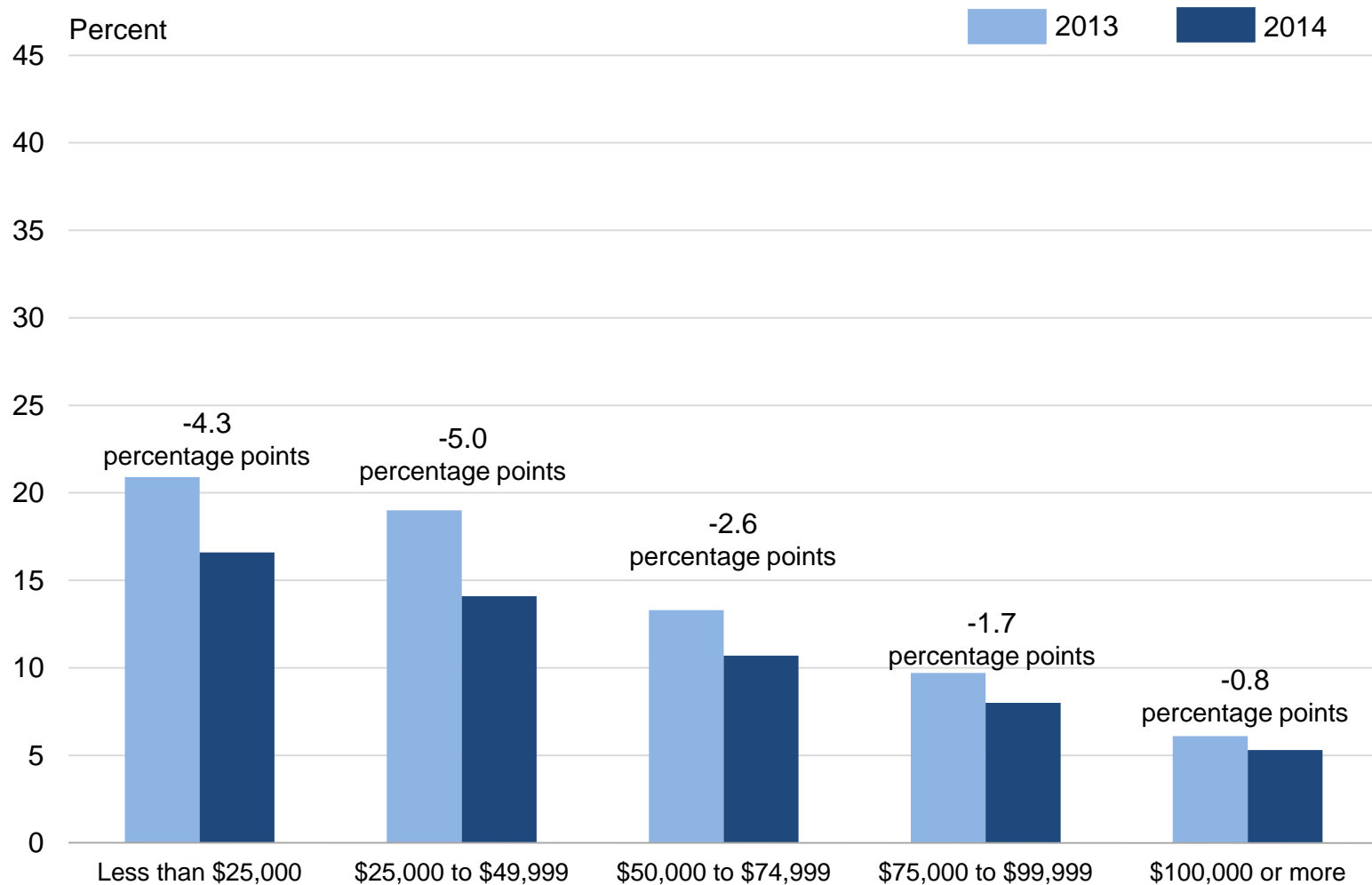
Uninsured Rate by Single Year of Age: 2013 and 2014



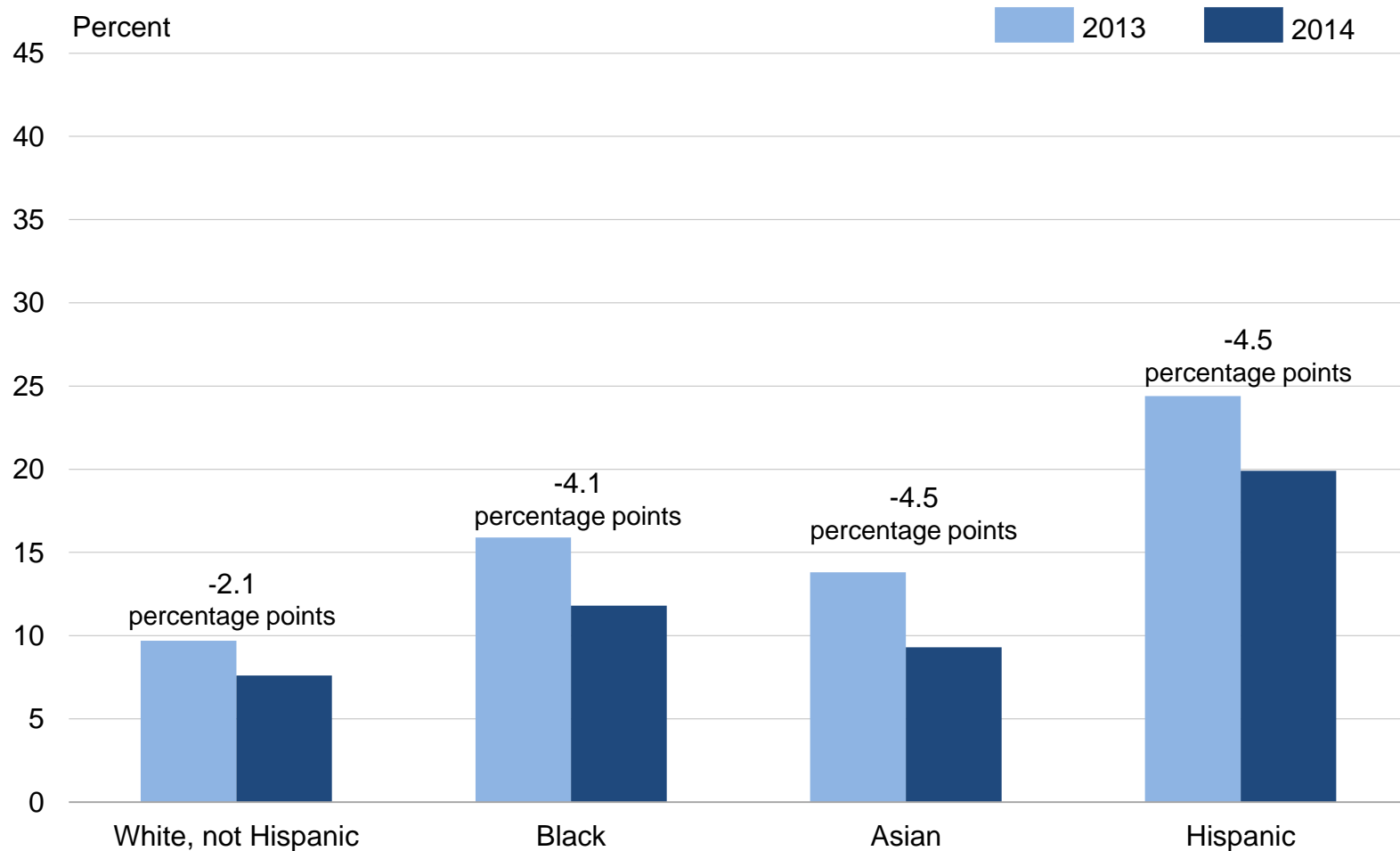
Uninsured Rate by Work Experience, Ages 18 to 64 Years: 2013 and 2014



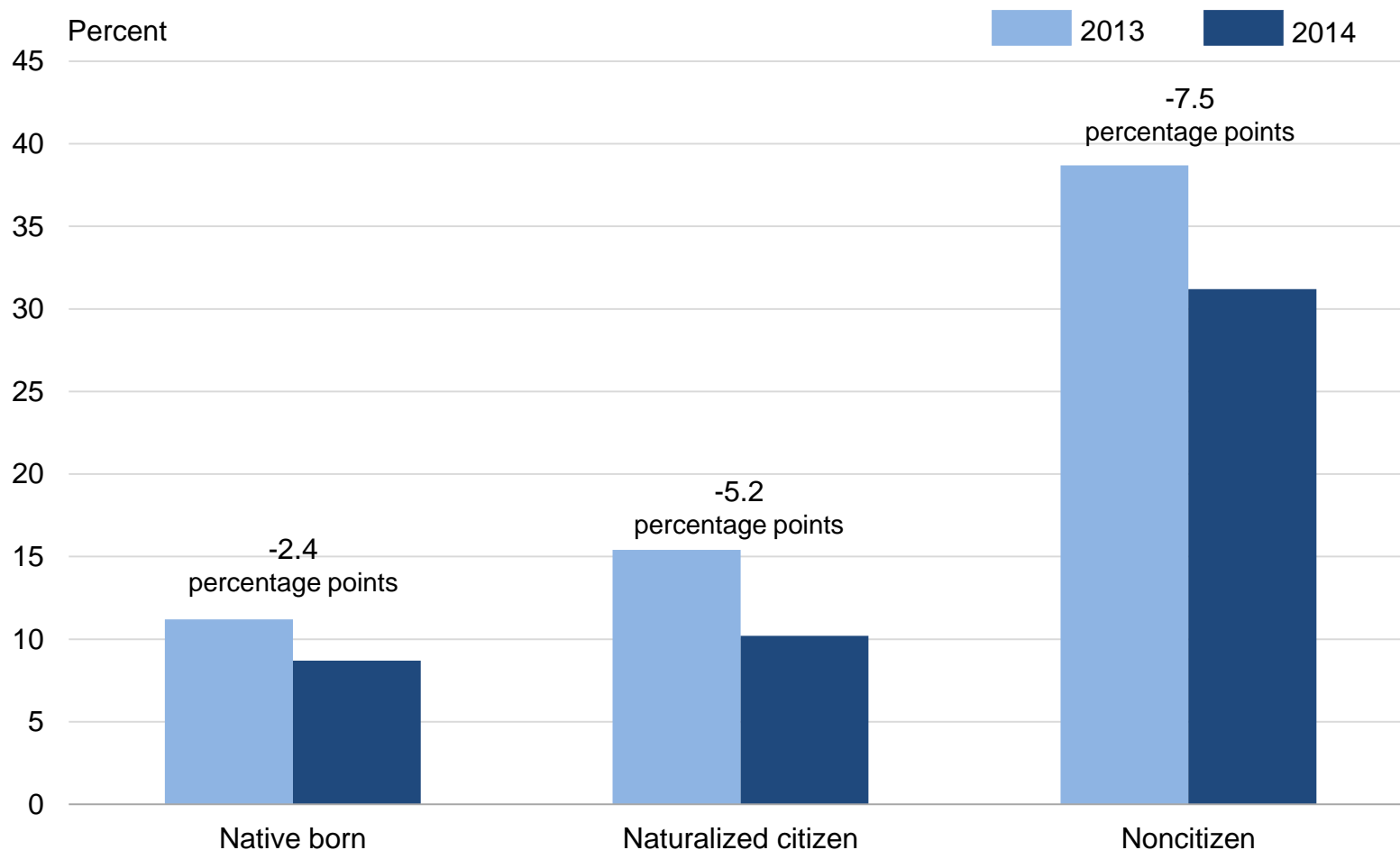
Uninsured Rate by Household Income: 2013 and 2014



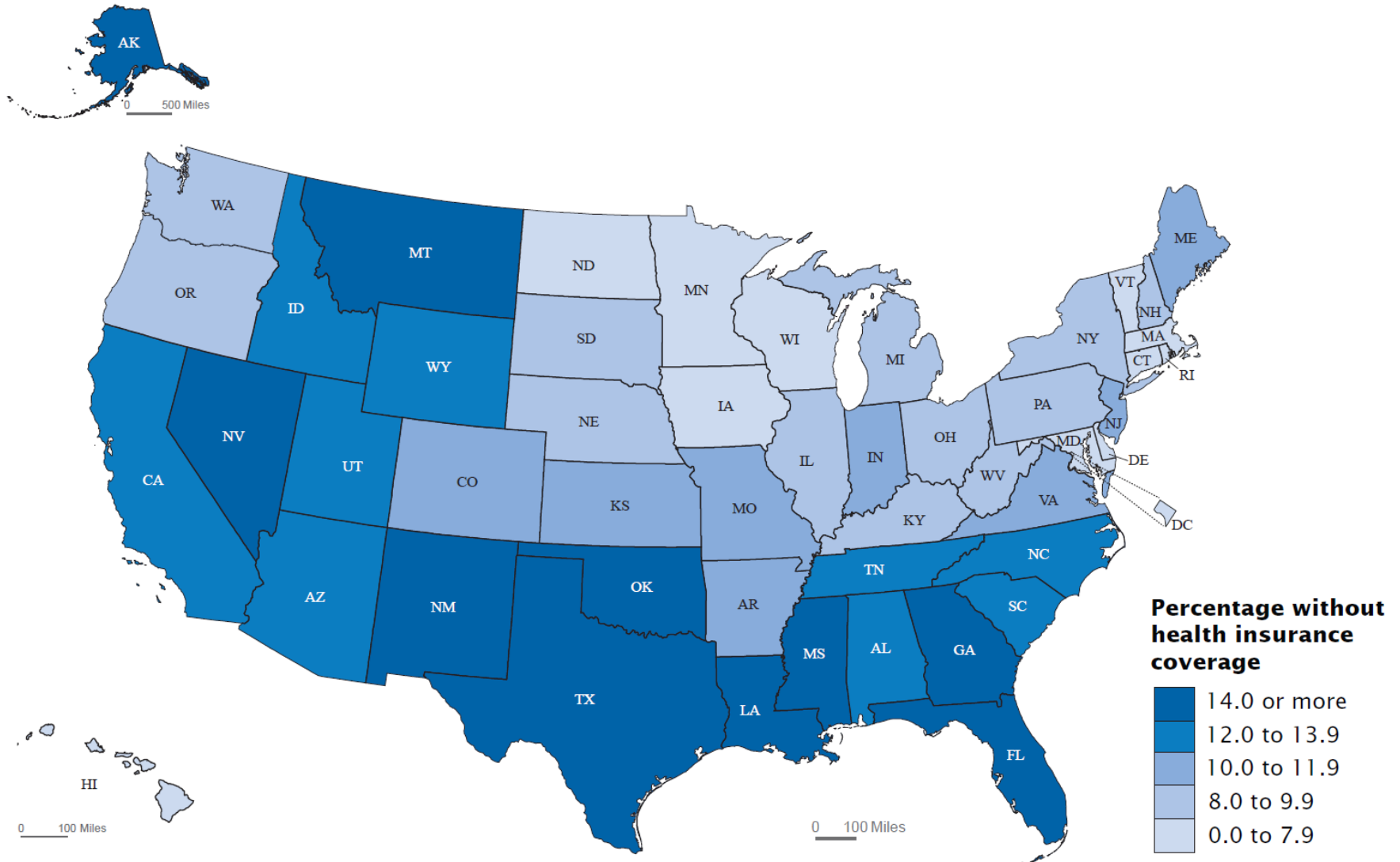
Uninsured Rate by Race and Hispanic Origin: 2013 and 2014



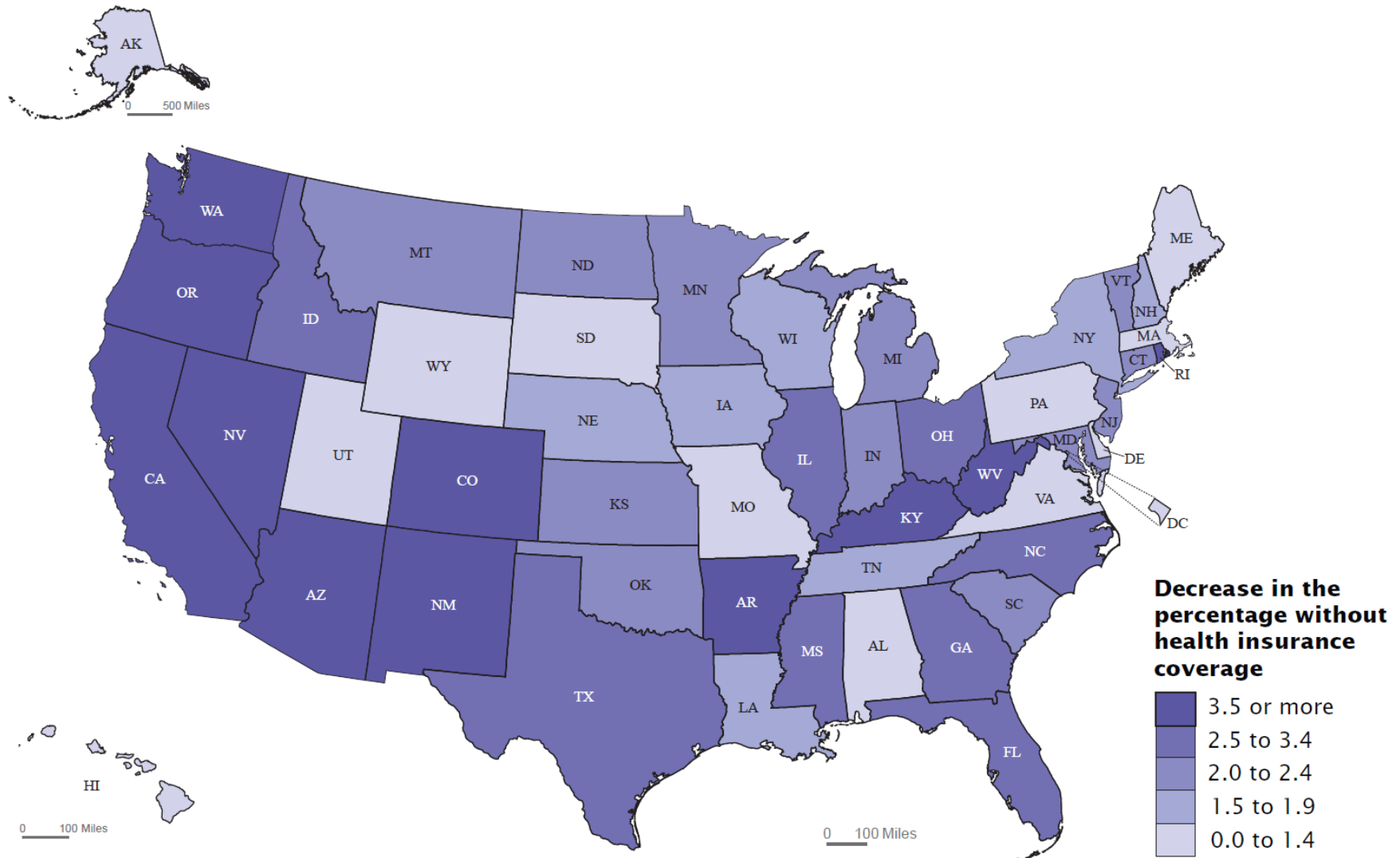
Uninsured Rate by Nativity: 2013 and 2014



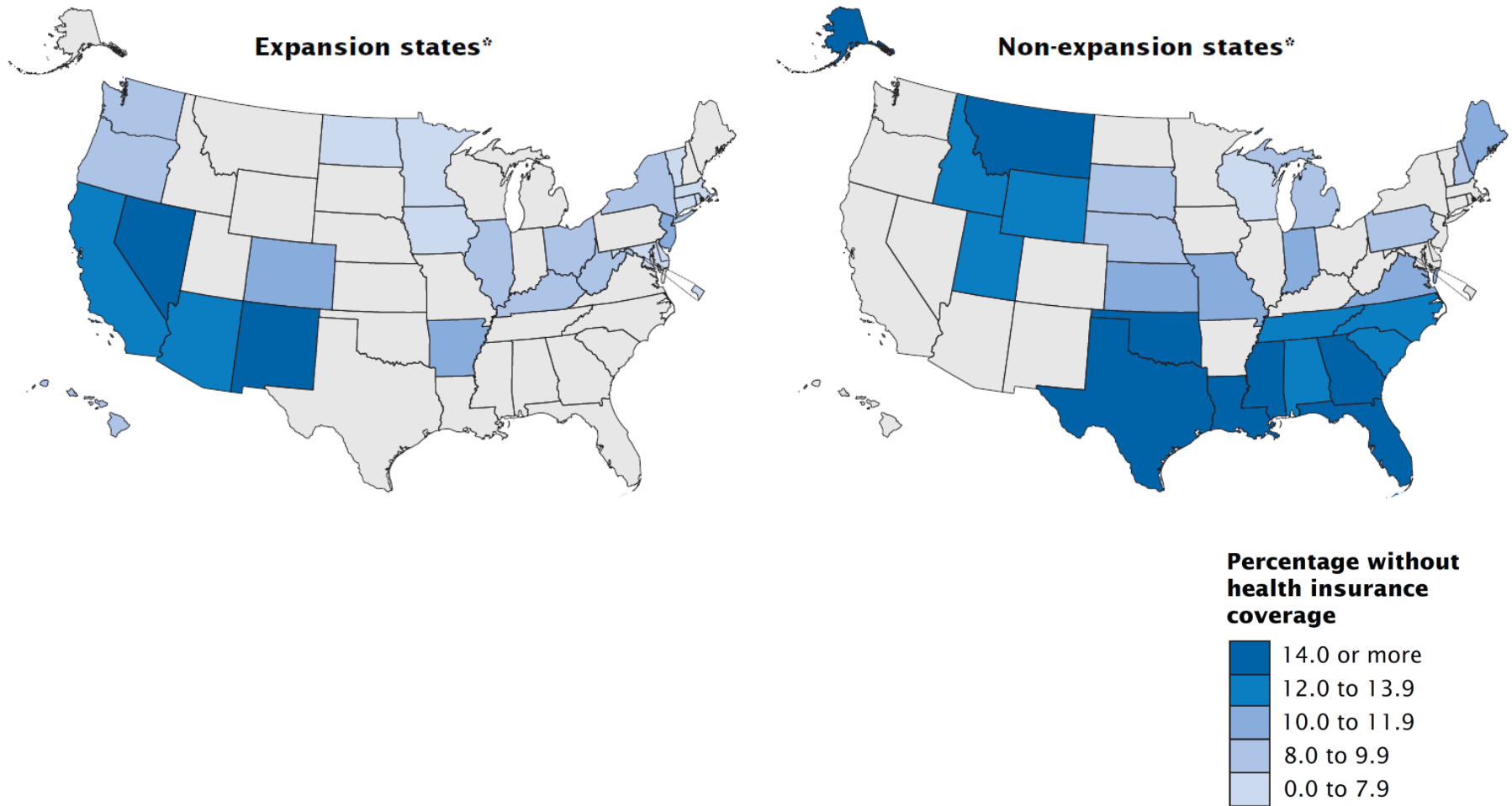
Uninsured Rate by State: 2014



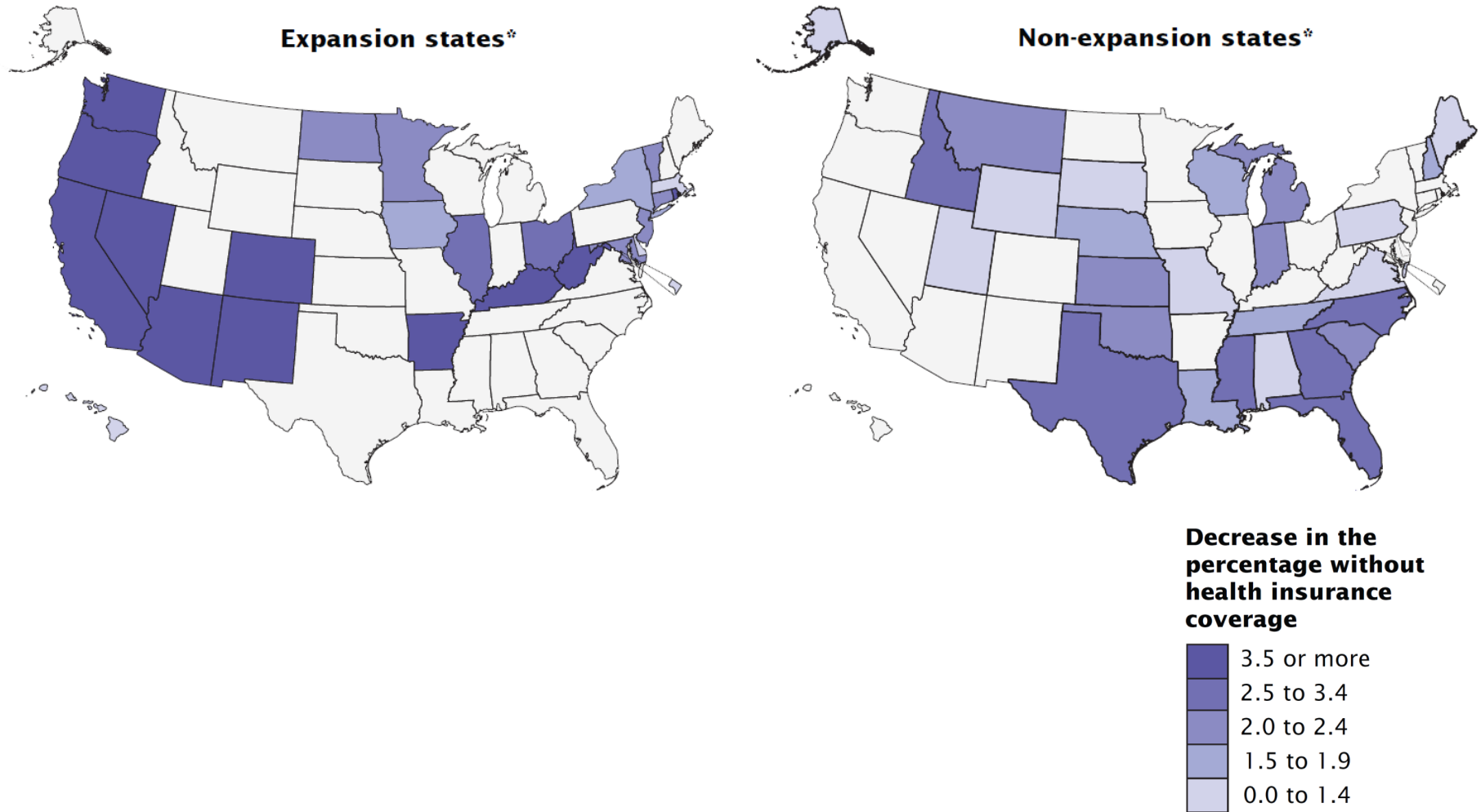
Decrease in Uninsured Rate by State: 2013 to 2014



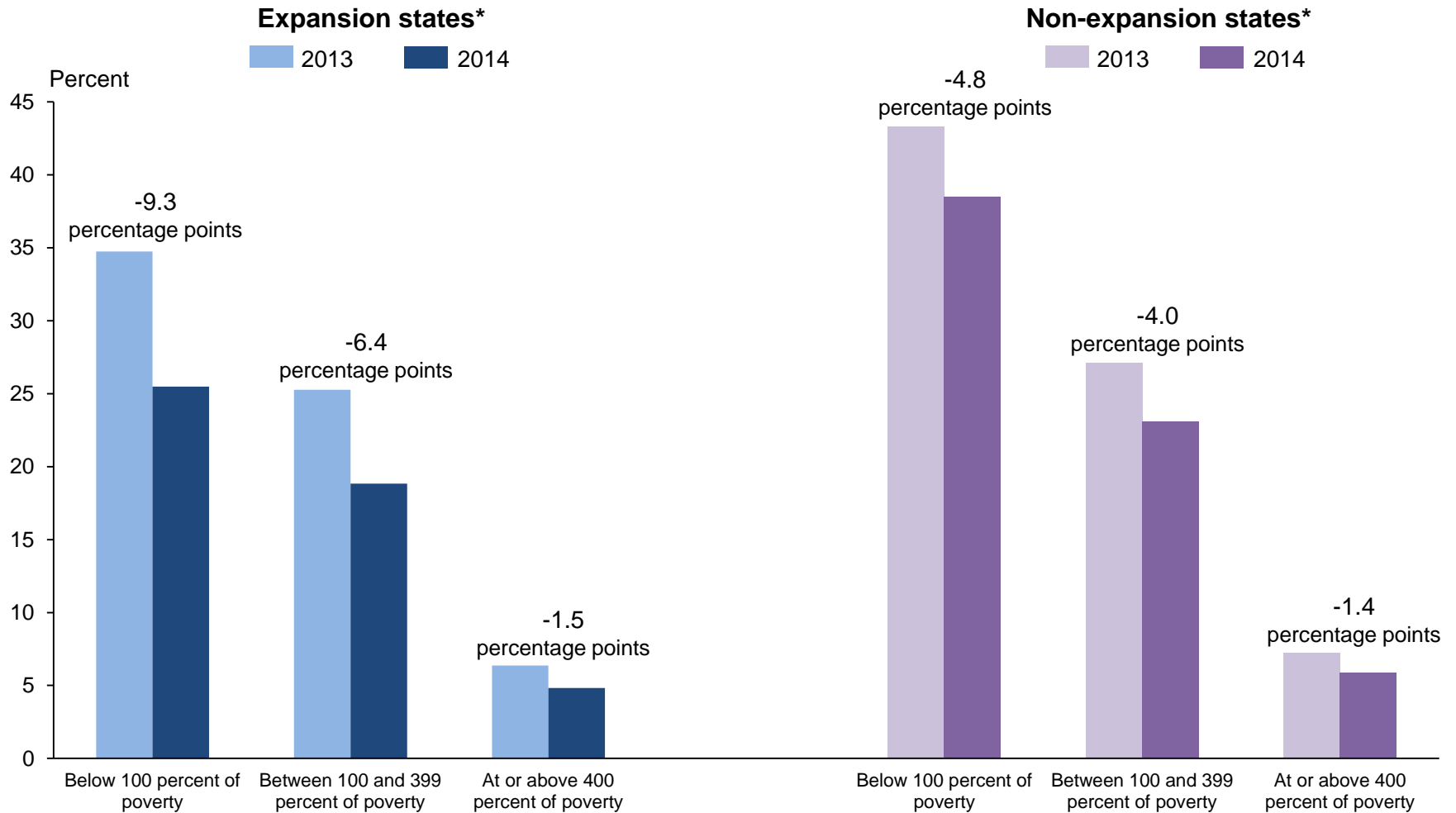
Uninsured Rate by State and Medicaid Expansion Status: 2014



Decrease in Uninsured Rate by State and Medicaid Expansion Status: 2013 to 2014



Uninsured Rate by Poverty Status and Medicaid Expansion of State for Adults Aged 19 to 64 Years: 2013 and 2014



2014 Highlights

- Median household money income for the nation was \$53,700.
- The official poverty rate for the nation was 14.8 percent. There were 46.7 million people in poverty.
- The Supplemental Poverty Measure (SPM) rate was 15.3 percent.
- The percentage of people without health insurance coverage for the entire calendar year was 10.4 percent, or 33.0 million people. This was a decrease of 2.9 percentage points from the previous year.

Questions?

Dial-in number: 800-857-4620

Participant passcode: 9912525

Upcoming Releases

American Community Survey (ACS)

September 17	ACS One-Year Estimates (2014)
December 10	ACS Five-Year Estimates (2010-2014)

Other Releases

December 15	Small Area Income and Poverty Estimates: 2014
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Press Kit Link

http://www.census.gov/newsroom/press-kits/2015/income_poverty.html

Random Samplings Blogs Link

<http://blogs.census.gov/>