

Income, Poverty, and Health Insurance Coverage: 2012

September 2013

Webinar Access Information

Toll free number: 888-282-0354

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URL:

<https://censusevent.webex.com/censusevent/onstage/g.php?d=745150413&t=a>

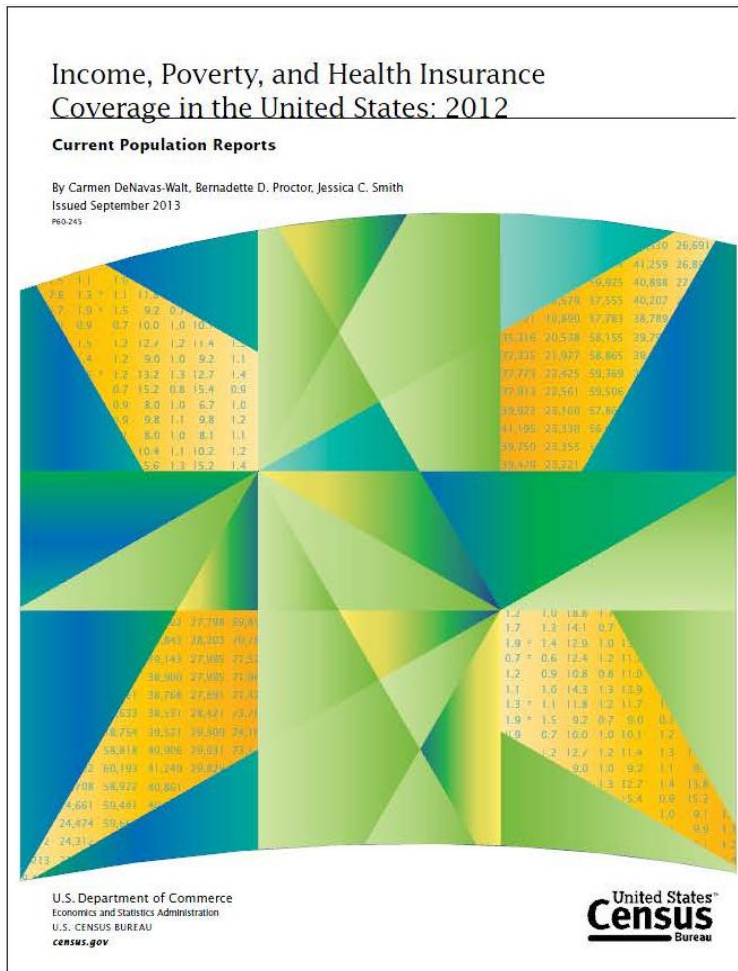
URL (closed captioning):

<http://livewrite.nccsite.com/view/ucb917>

Presenters

Host	Michael C. Cook Chief, Public Affairs and Media Events Branch Public Information Office
Presenter	David S. Johnson, Ph.D. Chief, Social, Economic, and Housing Statistics Division

Resources for Today's Webinar



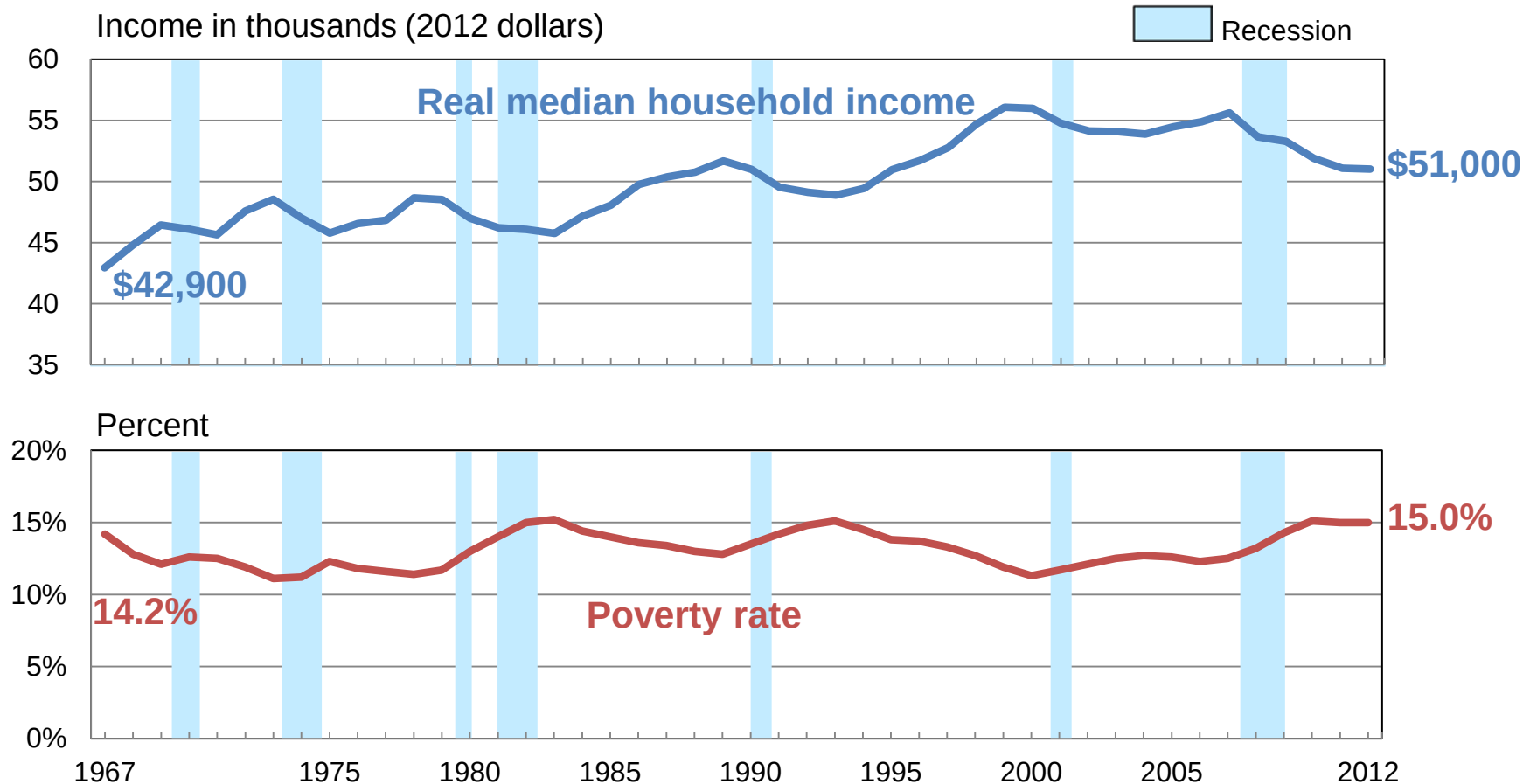
Go to www.census.gov and click on the slider at the top to obtain –

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

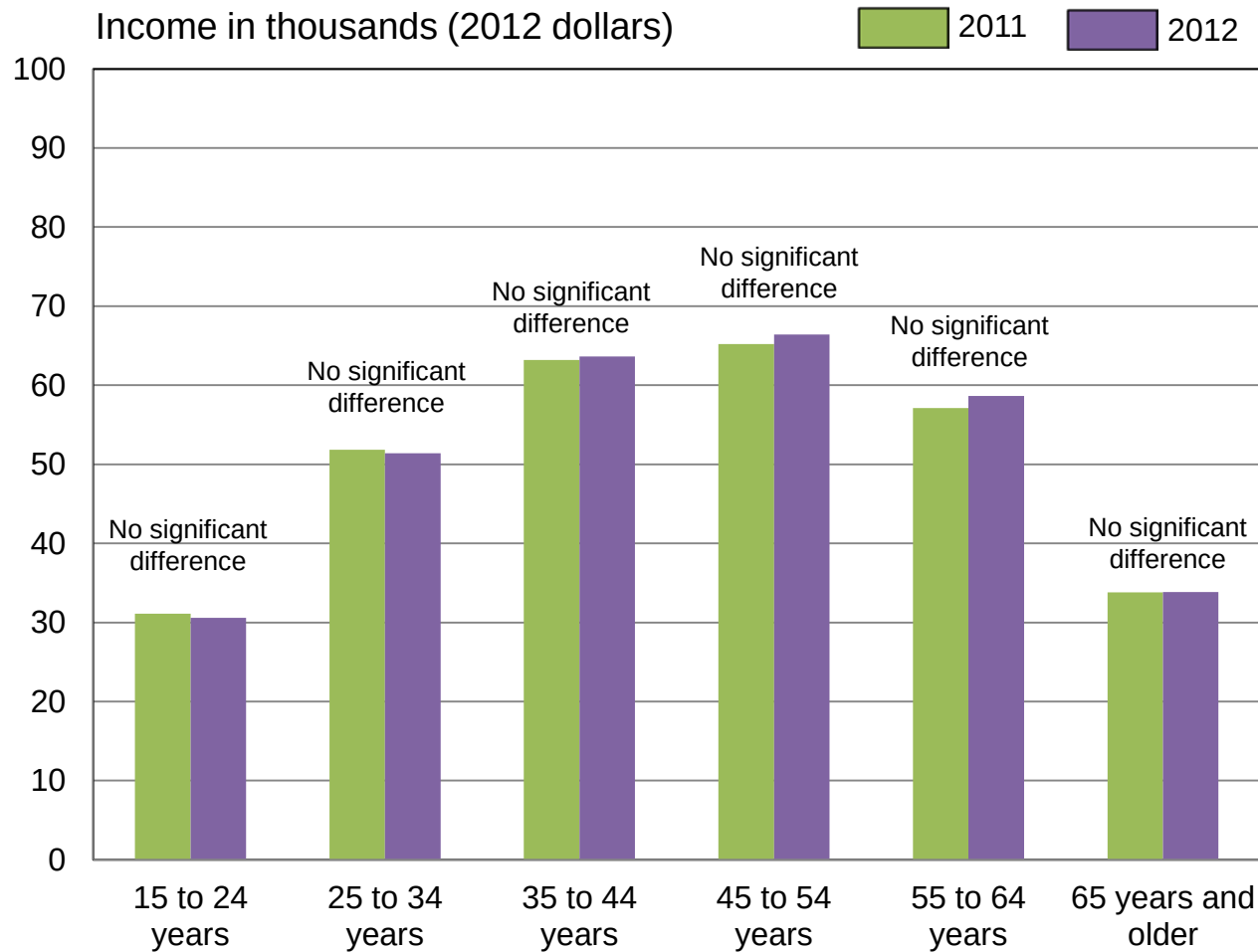
Highlights

- Median household money income for the nation was \$51,000 in 2012, not statistically different from 2011, in real terms.
- The 2012 official poverty rate for the nation was 15.0 percent and there were 46.5 million people in poverty, not statistically different from last year.
- The percentage of people without health insurance coverage decreased in 2012 to 15.4 percent from 15.7 percent in 2011. The number of uninsured was not statistically different from 2011, at 48.0 million.

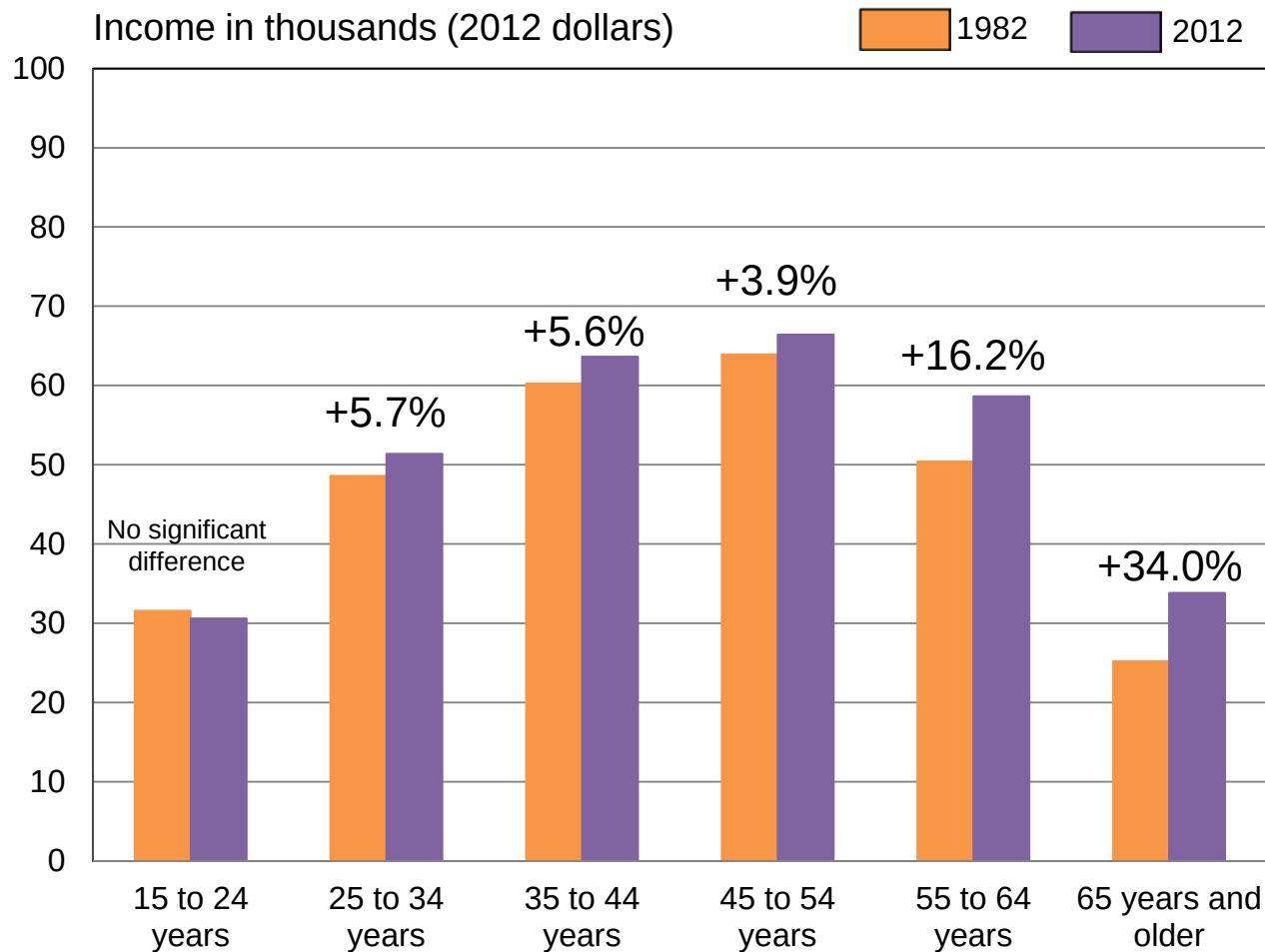
Real Median Household Income and Poverty Rate: 1967 to 2012



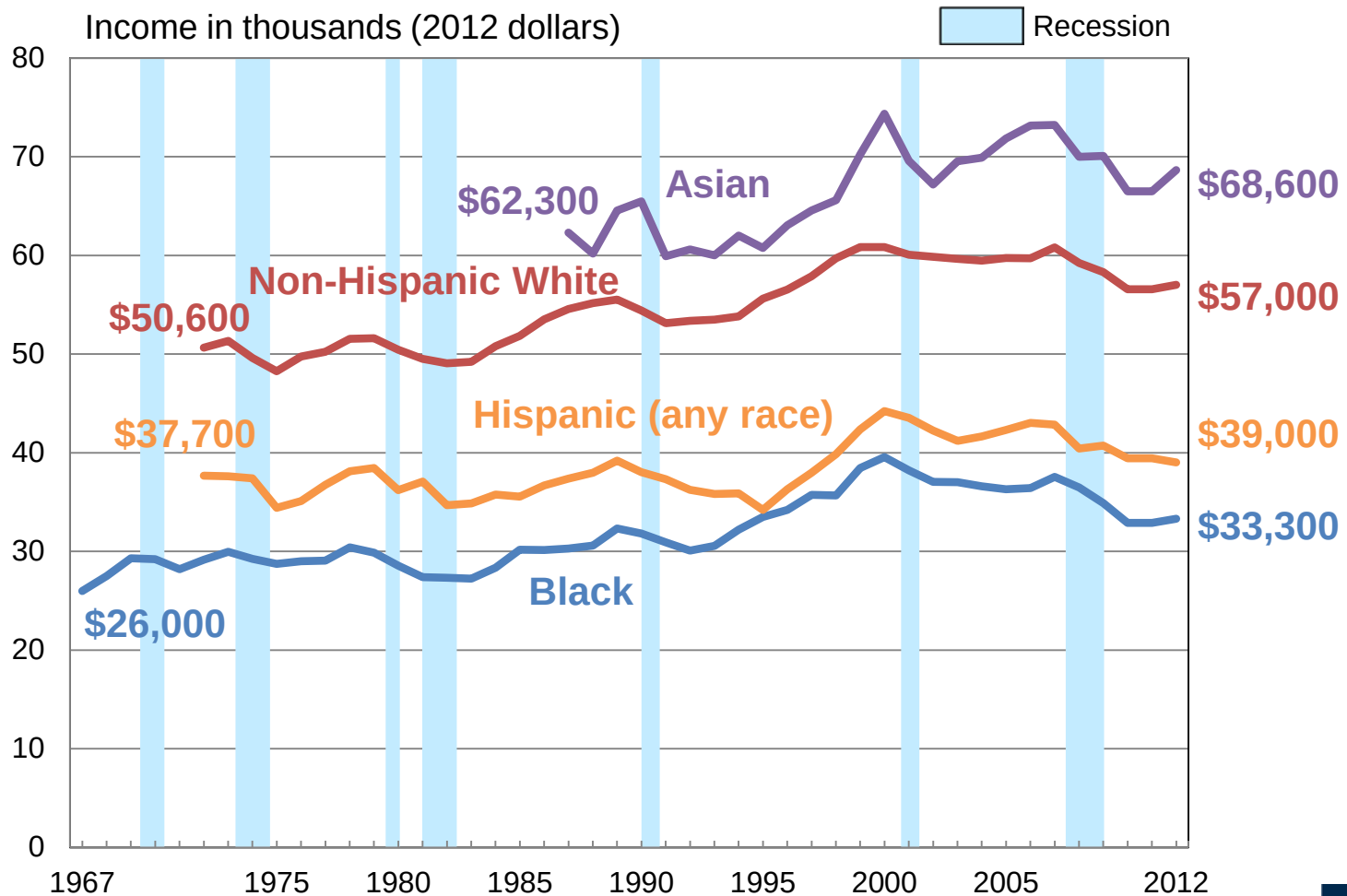
Real Median Household Income by Age of Householder: 2011 and 2012



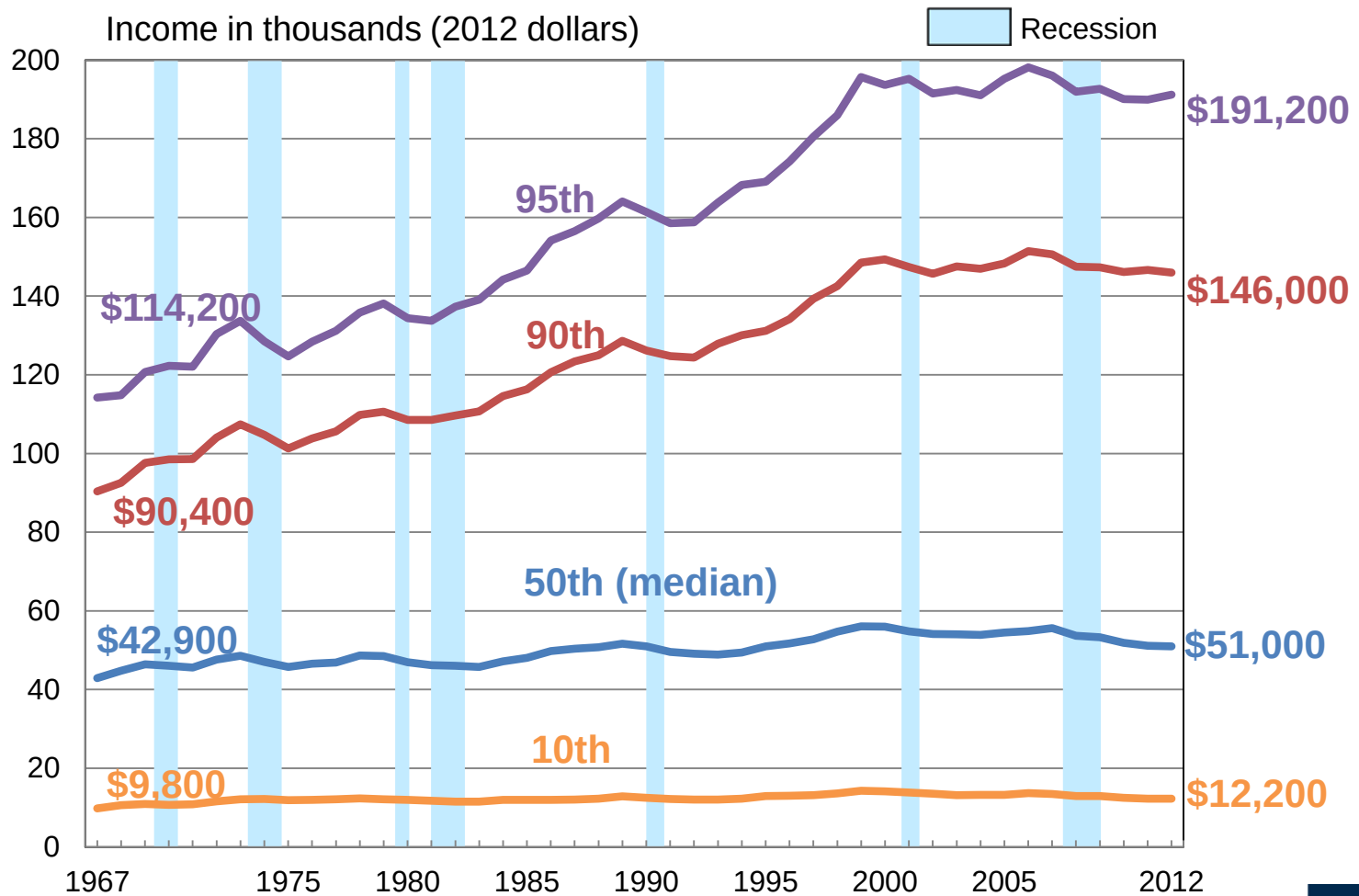
Real Median Household Income by Age of Householder: 1982 and 2012

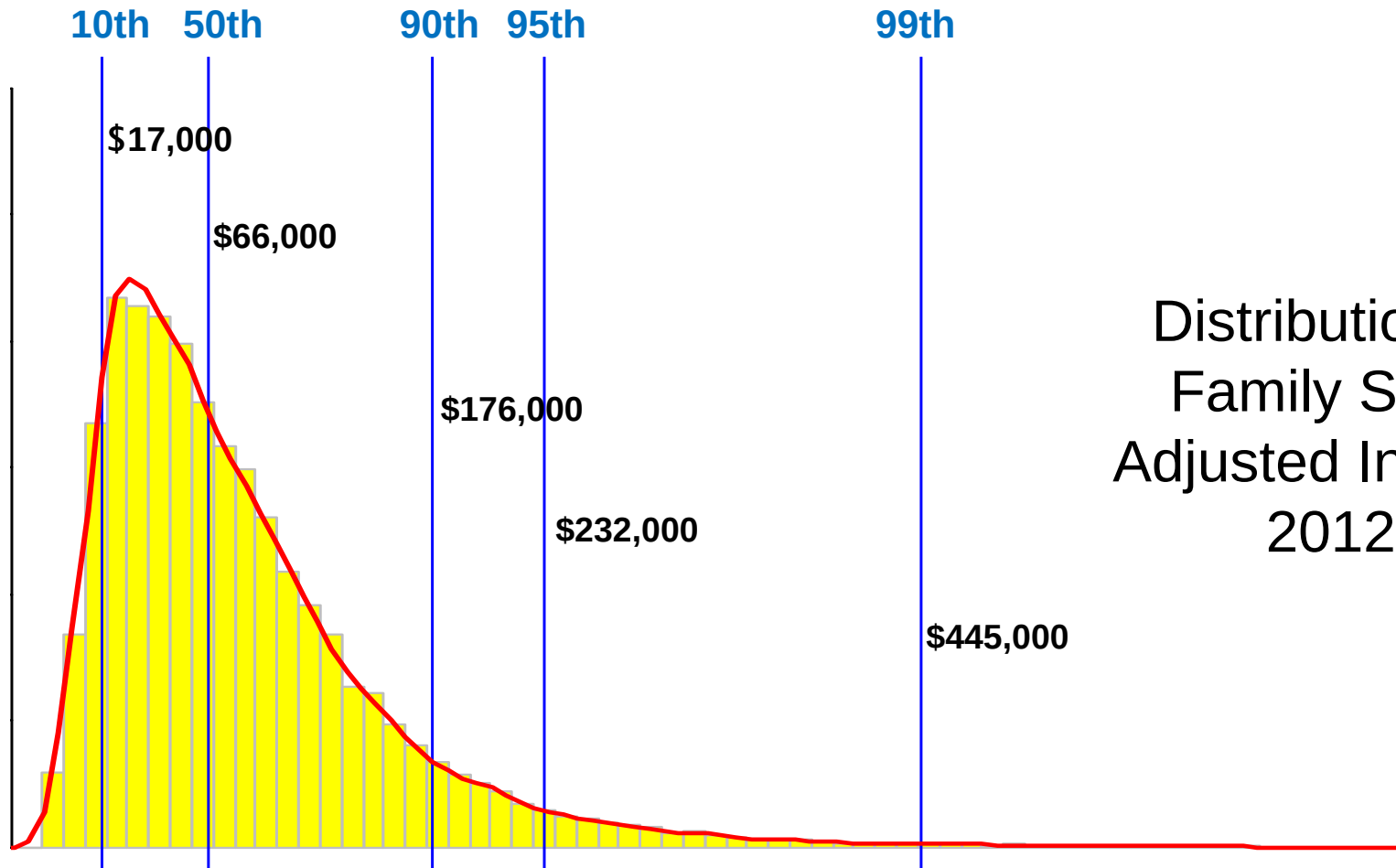


Real Median Household Income by Race and Hispanic Origin of Householder: 1967 to 2012



Real Household Income at Selected Percentiles: 1967 to 2012





Distribution of Family Size-Adjusted Income 2012

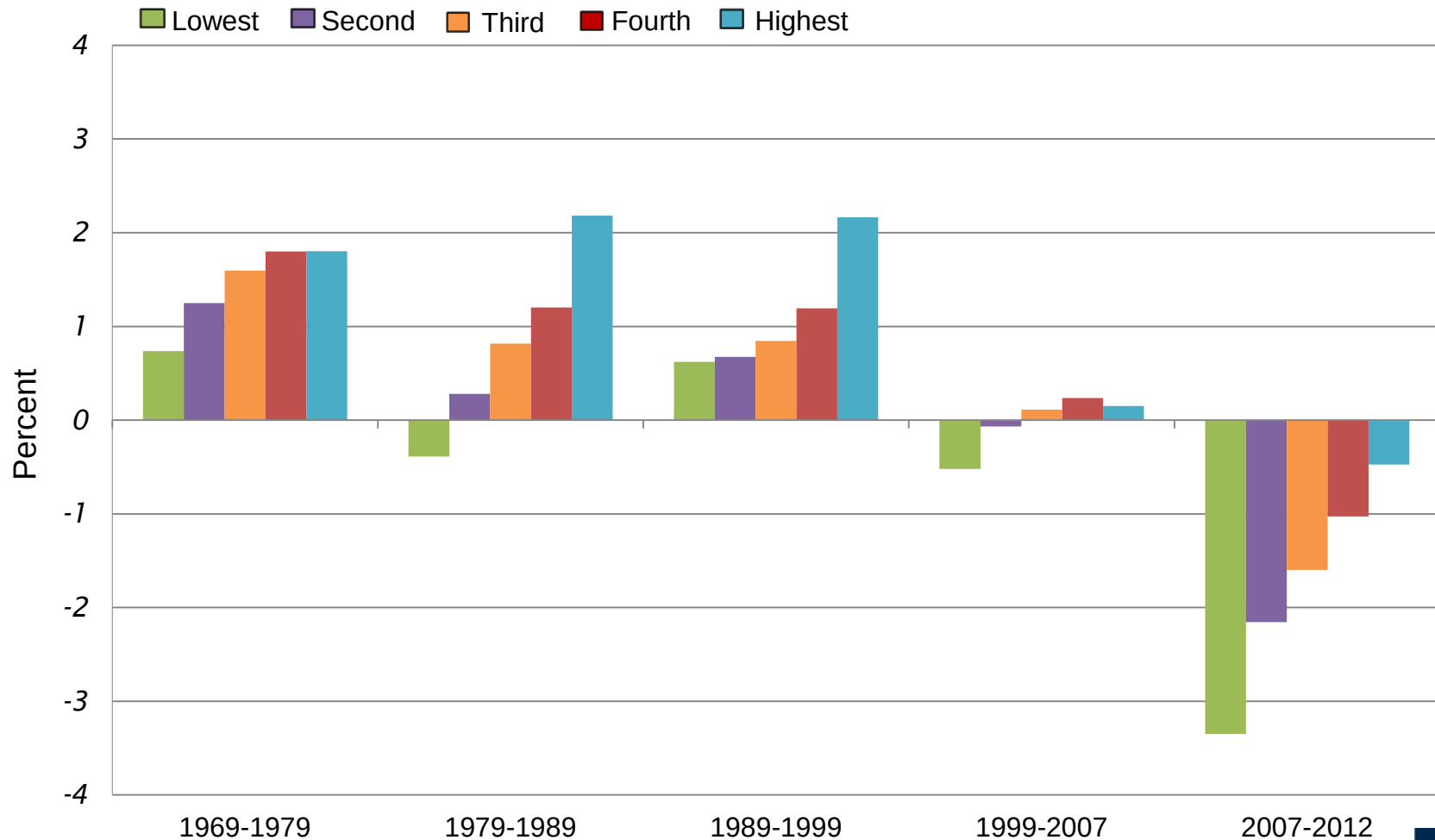
Note: To adjust your income by family size relative to a 4-person family, use the following factors:

Single person, multiply income by 2.2

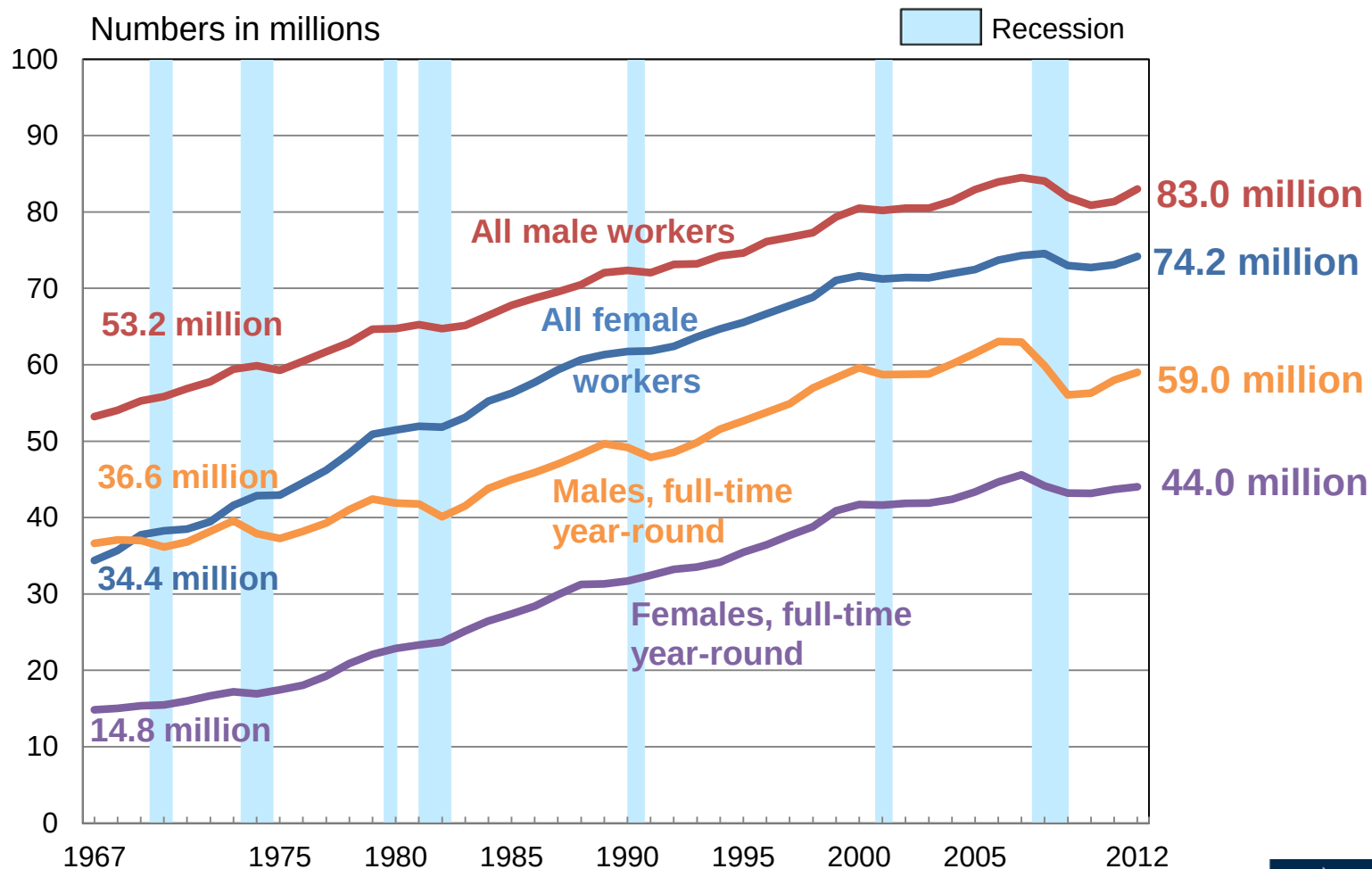
Married-couple, multiply income by 1.5

Married-couple with one child, multiply income by 1.4

Average Annual Change in Family Size-Adjusted Mean Income by Quintile

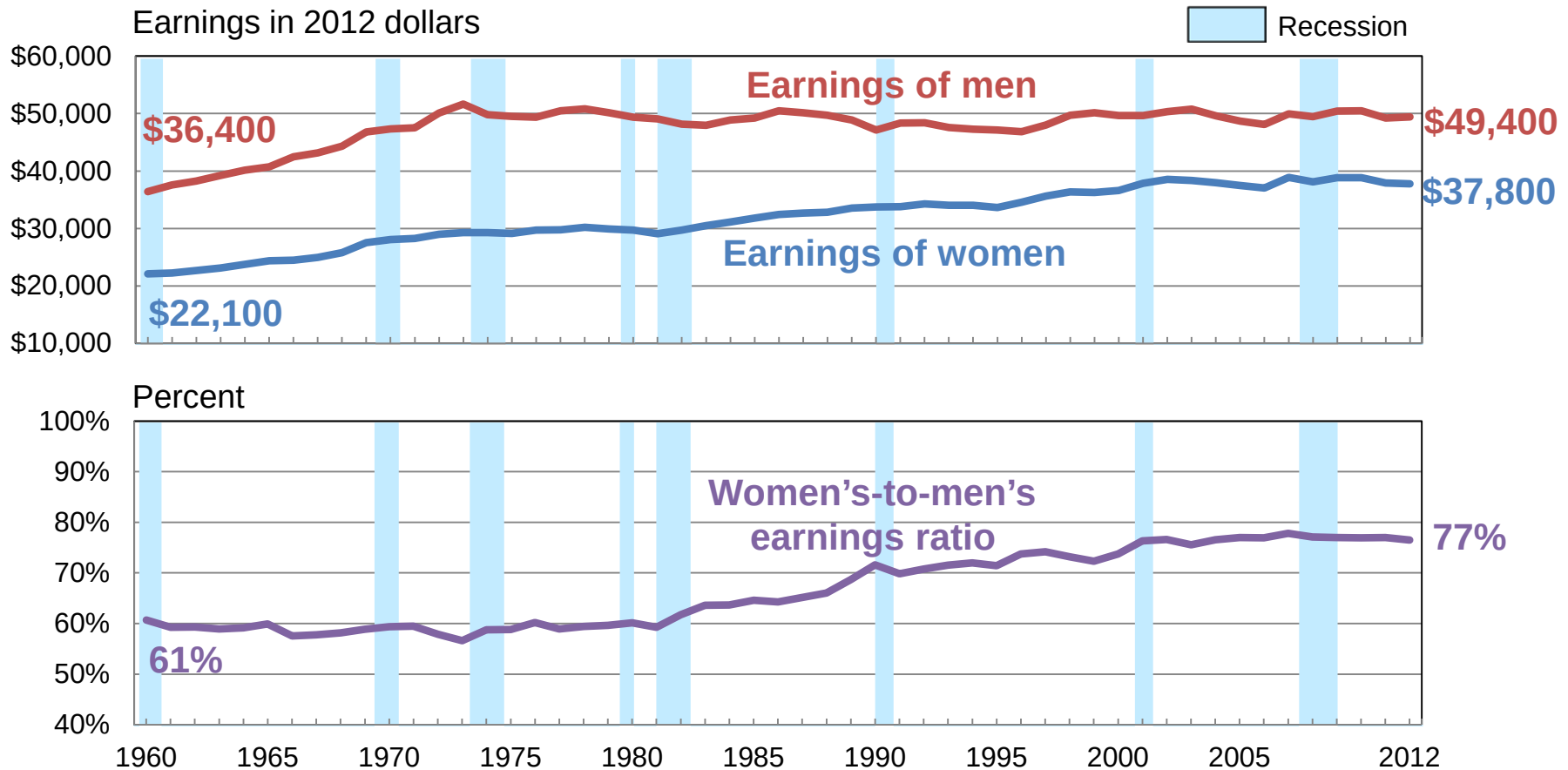


Total and Full-Time, Year-Round Workers With Earnings by Sex: 1967 to 2012

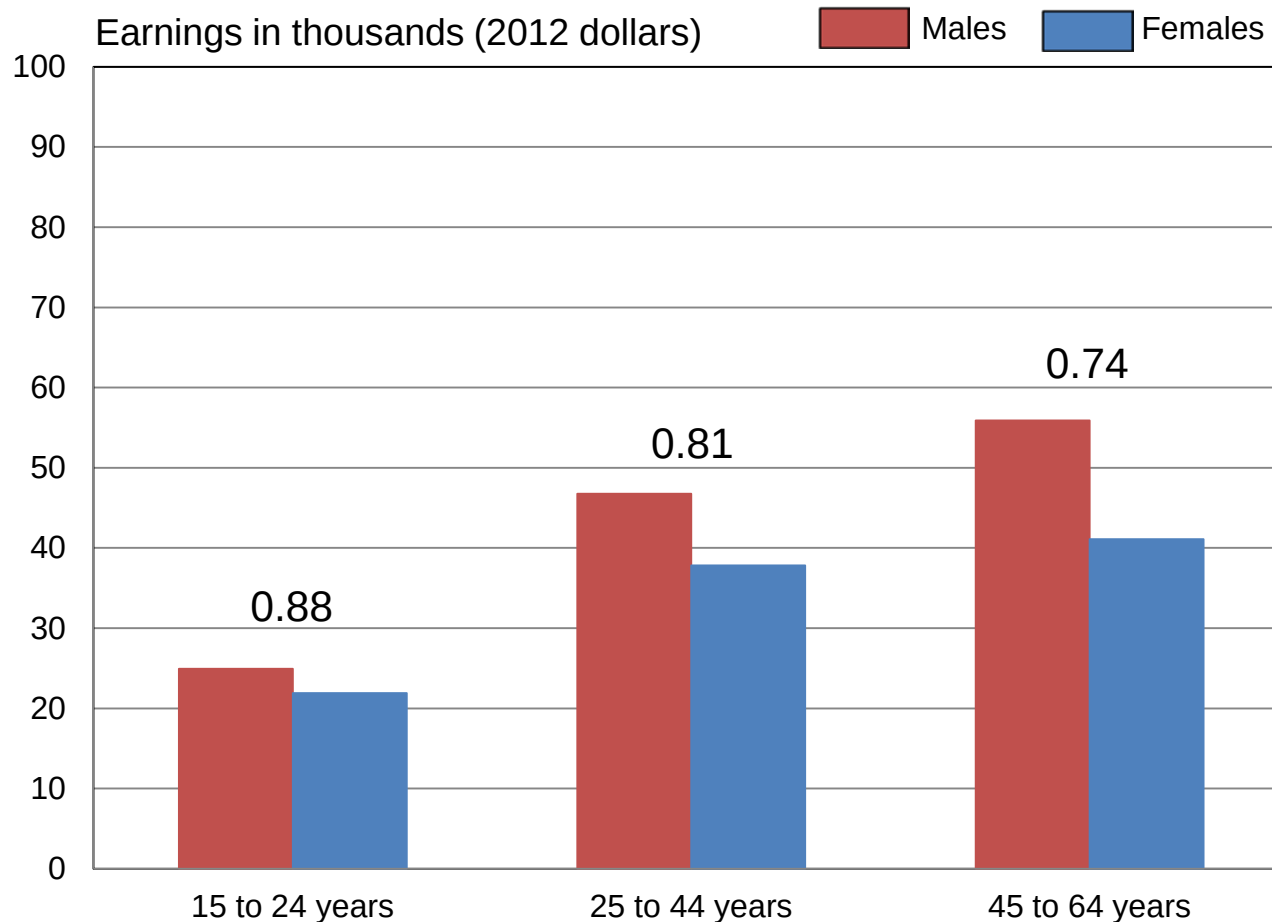


Real Median Earnings and Women's-to-Men's Earnings Ratio: 1960 to 2012

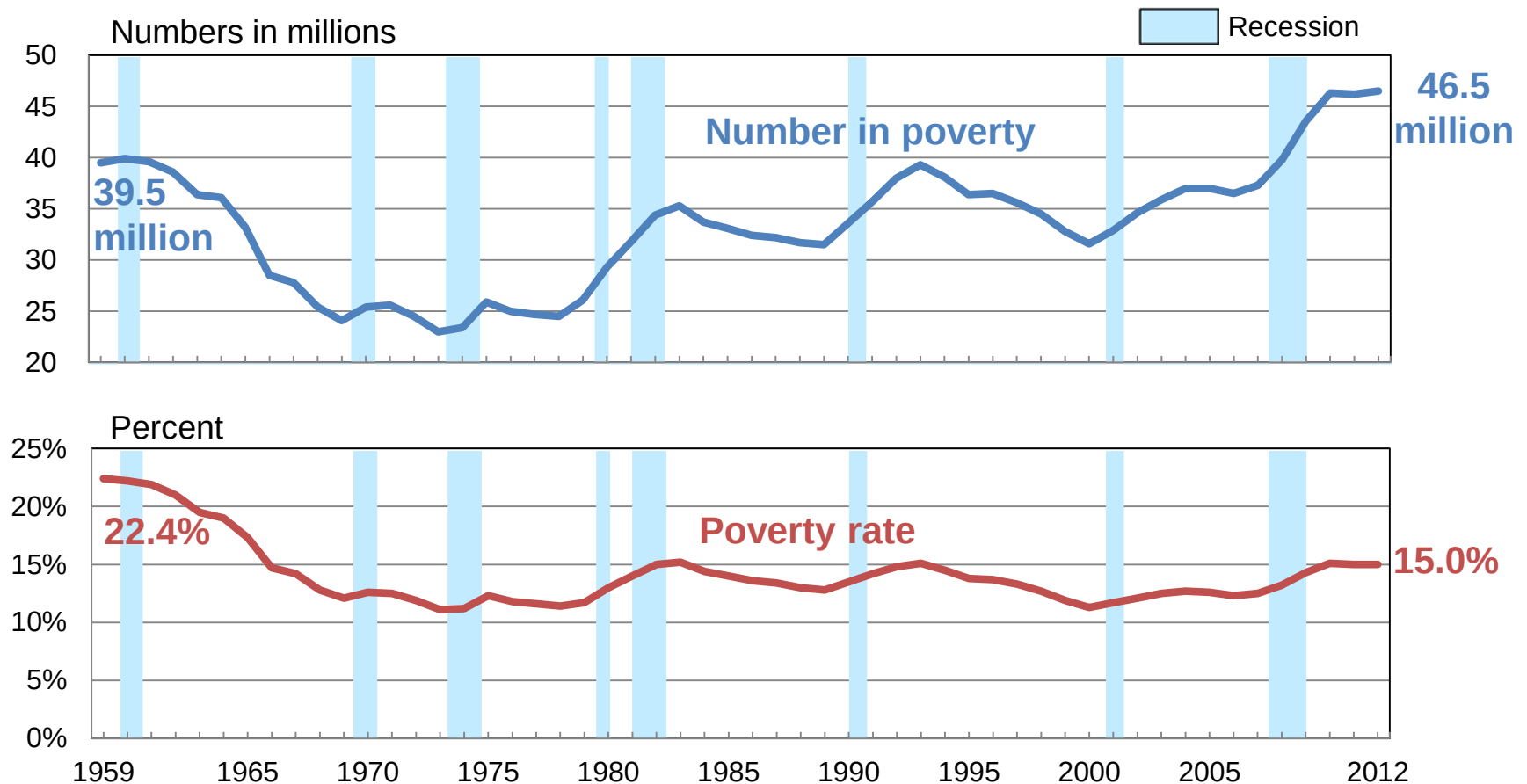
(Full-time, year-round workers)



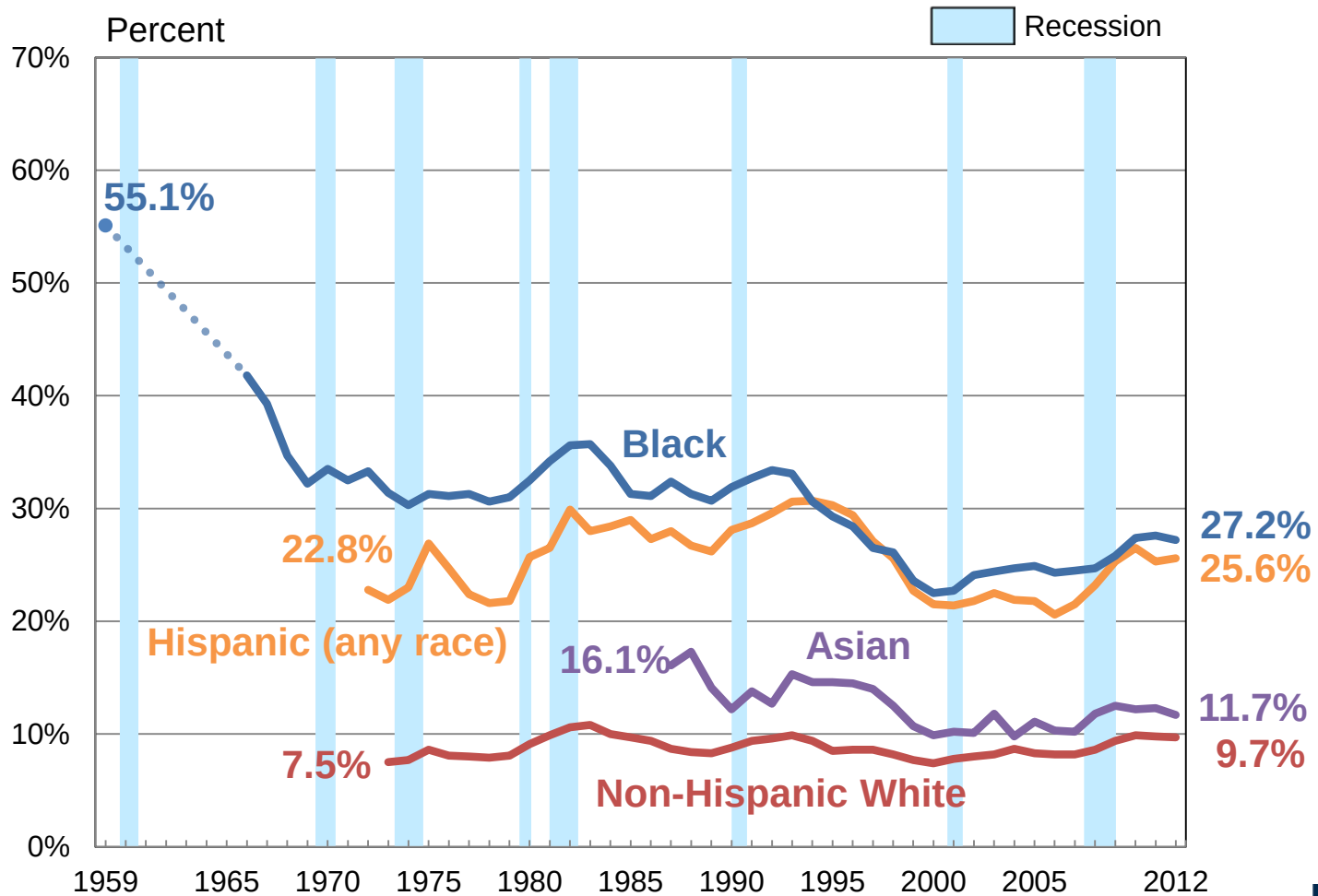
Real Median Earnings of Full-Time, Year-Round Workers by Age: 2012



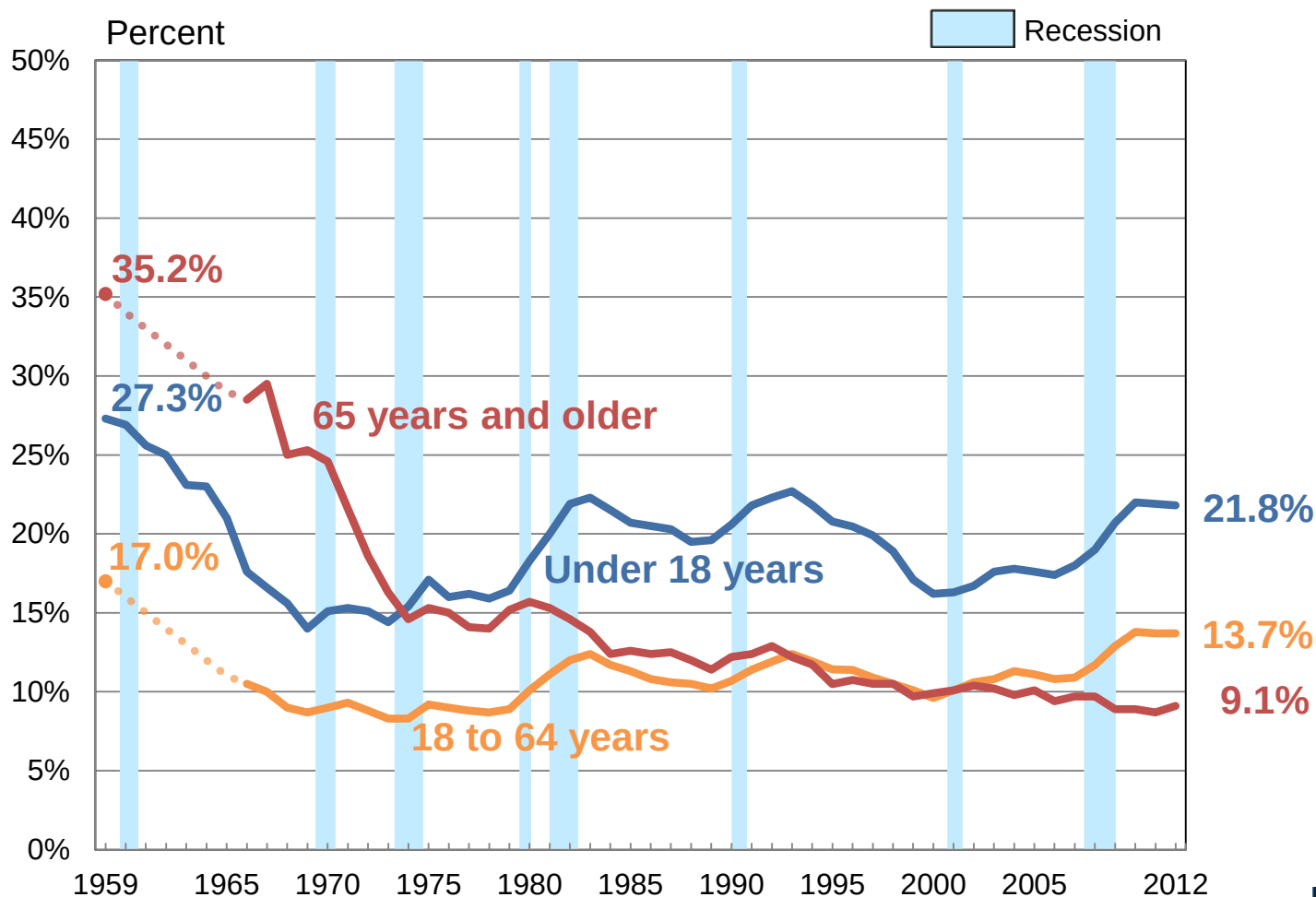
Poverty Rate and Number in Poverty: 1959 to 2012



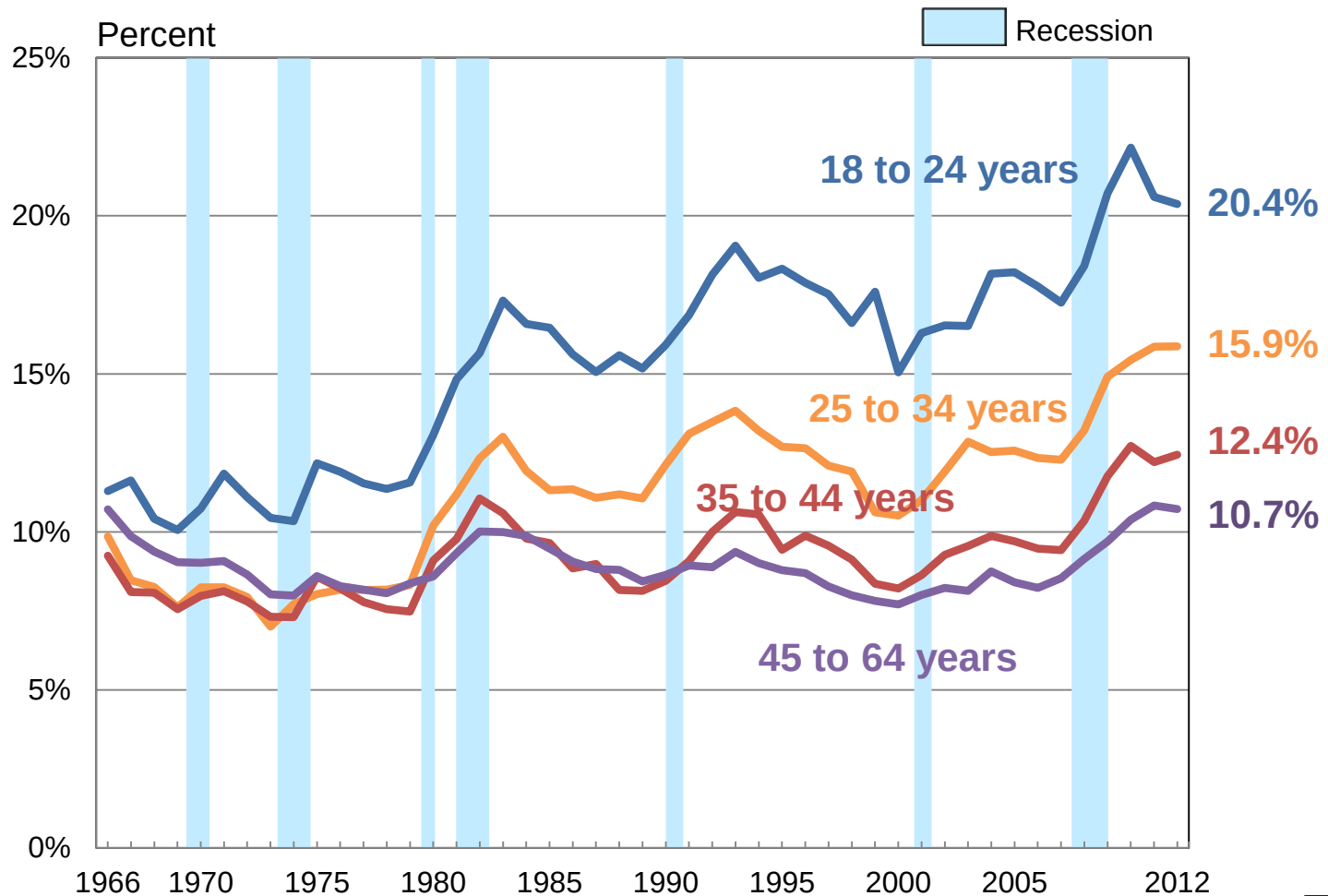
Poverty Rates by Race and Hispanic Origin: 1959 to 2012



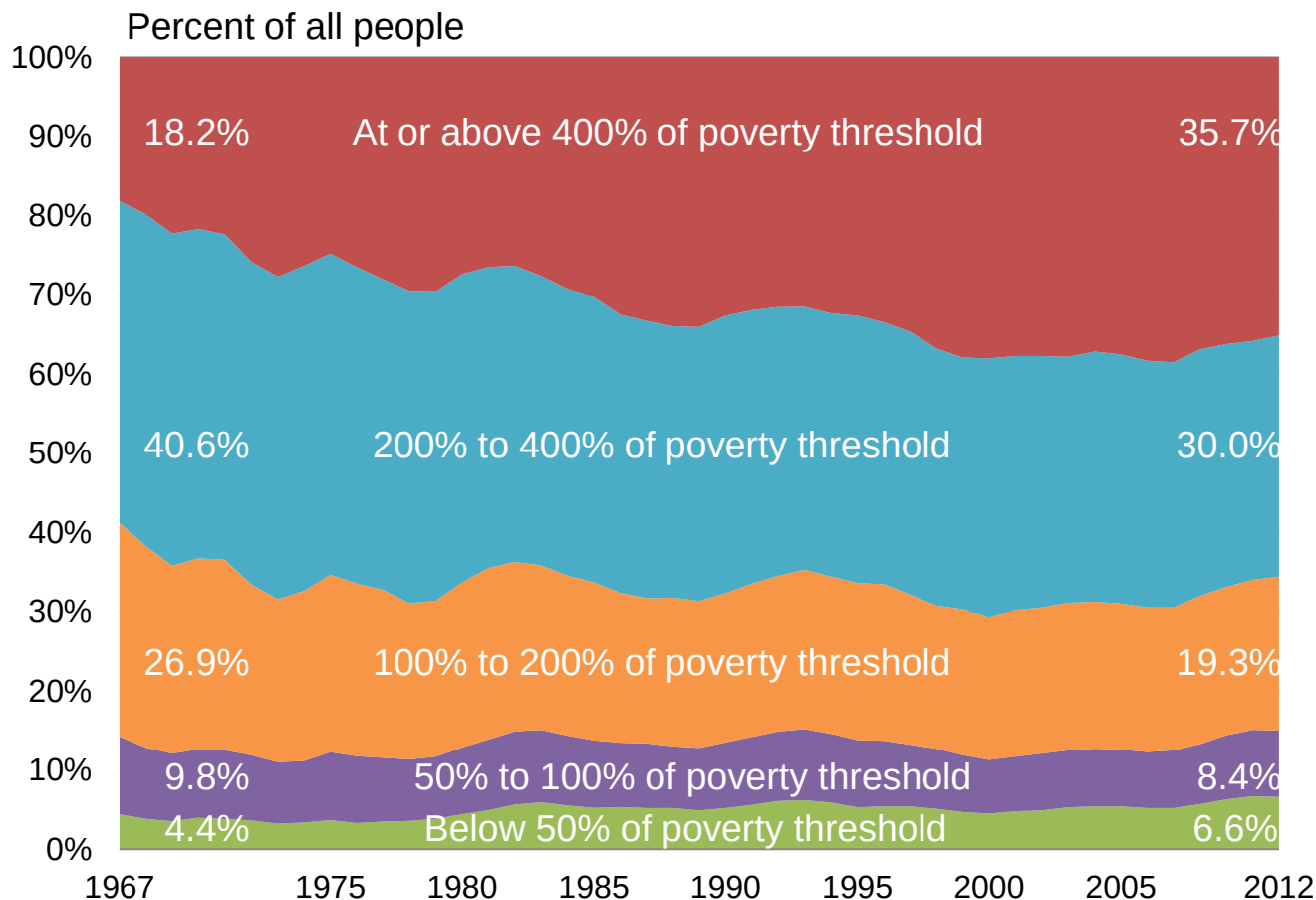
Poverty Rates by Age: 1959 to 2012



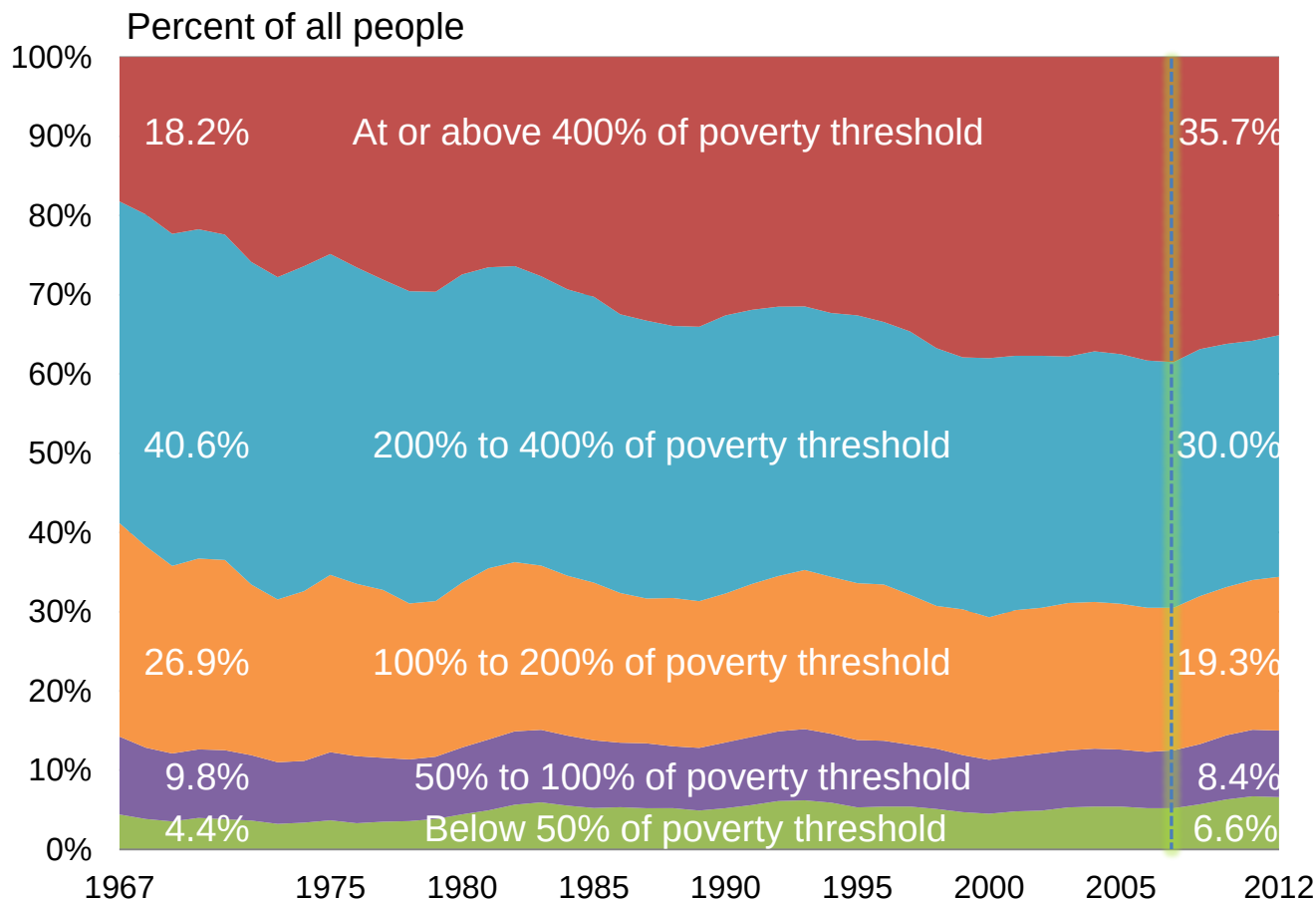
Poverty Rates for Working Age Adults: 1966 to 2012



People With Income Below Specified Ratio of Their Poverty Thresholds: 1967 to 2012



People With Income Below Specified Ratio of Their Poverty Thresholds: 1967 to 2012



Supplemental Poverty Measure (SPM)

Observations from the Interagency Technical Working Group - March 2, 2010

- Will not replace the official poverty measure
- Will not be used for resource allocation or program eligibility
- Census Bureau and BLS responsible for improving and updating the measure
- Continued research and improvement
- Based on NAS panel 1995 recommendations

The Research SUPPLEMENTAL POVERTY MEASURE: 2011

Current Population Reports

By Kathleen Short
P60-244
November 2012

INTRODUCTION

Last year the U.S. Census Bureau, with support from the Bureau of Labor Statistics (BLS), released the first report describing research on the Supplemental Poverty Measure (SPM).¹ The SPM extends the information provided by the official poverty measure by including many of the government programs designed to assist low-income families and individuals that are not included in the current official poverty measure. The current official poverty measure was developed in the early 1960s, and only a few minor changes have been implemented since it was first adopted in 1969 (Orshansky, 1963, 1965a, 1965b; Fisher, 1992). The official measure consists of a set of thresholds for families of different sizes and compositions that are compared to before-tax cash income to determine a family's poverty status. At the time they were developed, the official poverty thresholds represented the cost of a minimum diet multiplied by three to allow for expenditures on other goods and services.

¹ Short (2011), www.census.gov/hhes/povmeas/Short_ResearchSPM2011.pdf or also see Short (2012), www.census.gov/hhes/povmeas/Short_ResearchSPM2011.pdf, accessed September 2012.

Concerns about the adequacy of the official measure have increased during the past decades (Ruggles, 1990), culminating 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, titled *Measuring Poverty: A New Approach*, in the spring of 1995 (Klevo and Michael, 1995). Based on its assessment of the weaknesses of the current poverty measure, this NAS panel of experts recommended having a measure that better reflects contemporary social and economic realities and government policy. In their report, the NAS panel identified several major weaknesses of the current poverty measure.

- The current income measure does not reflect the effects of key government policies that alter the resources available to families and, hence, their poverty status. Examples include payroll taxes, which reduce disposable income, and in-kind public benefit programs, such as the Supplemental

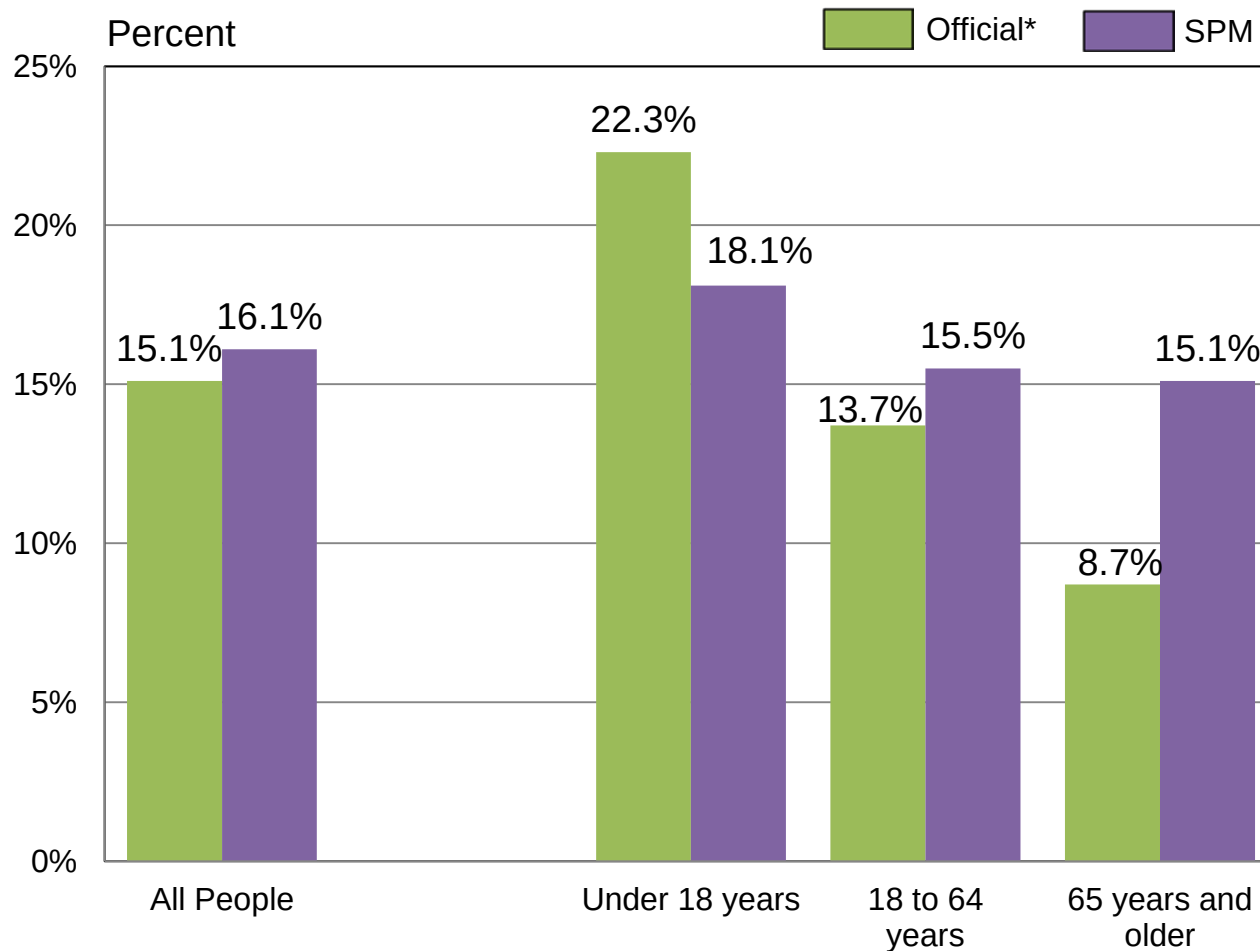
Nutrition Assistance Program (SNAP), that free up resources to spend on nonfood items.

- The current measure does not take into account expenses that are necessary to hold a job and to earn income—expenses that reduce disposable income. These expenses include transportation costs for getting to work and the costs of child care for working families which have increased as the labor force participation of mothers has increased.
- The current measure does not take into account variation in medical costs. These expenses vary across population groups that reflect differences in health status and insurance coverage and does not account for rising health care costs as a share of family budgets.
- The current poverty thresholds use family size adjustments that are anomalous and do not take into account important changes in family situations. Some changes include payments made for child support and increasing cohabitation among unmarried couples.

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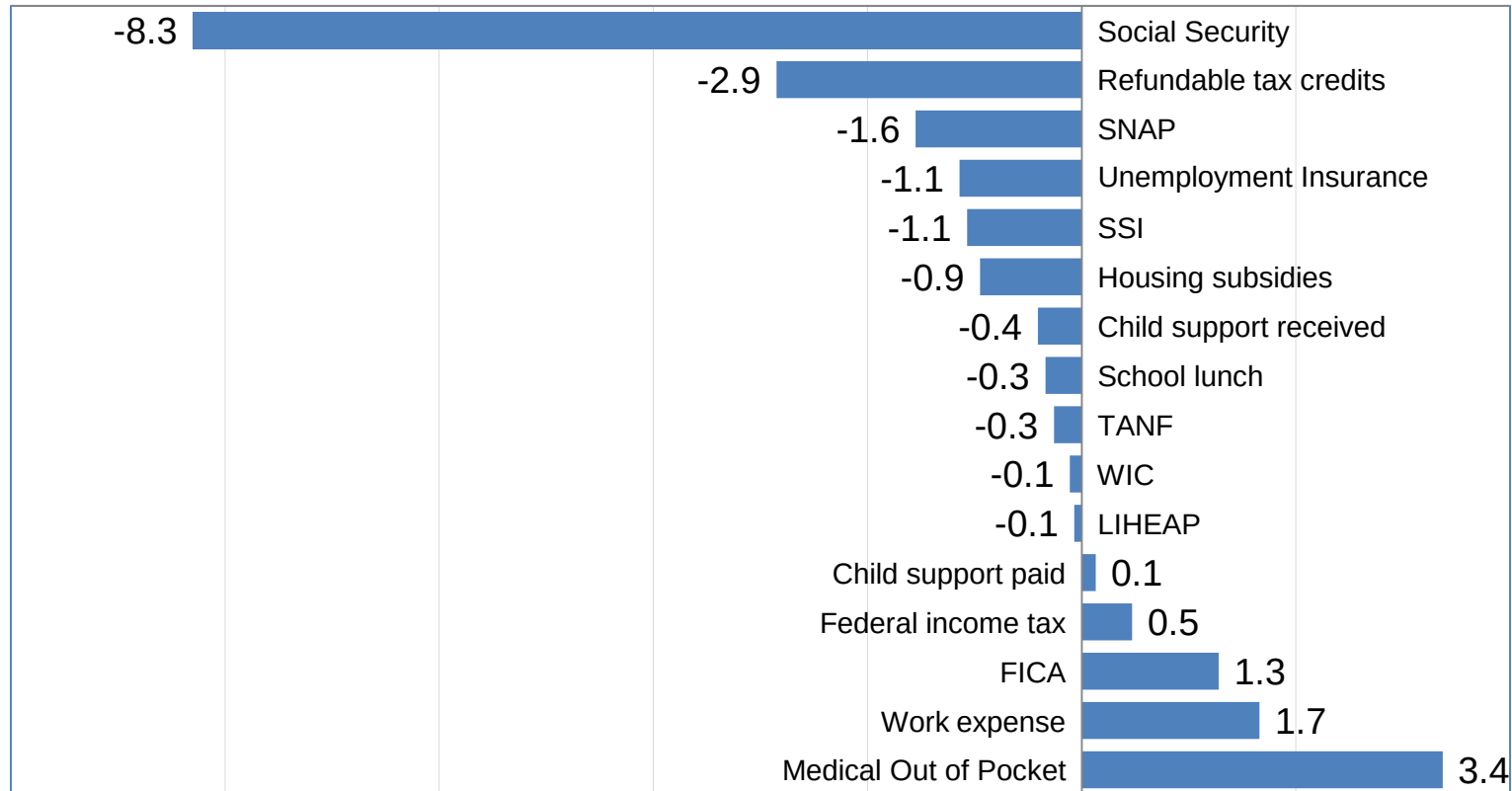
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Comparison of SPM and Official Poverty Estimates: 2011



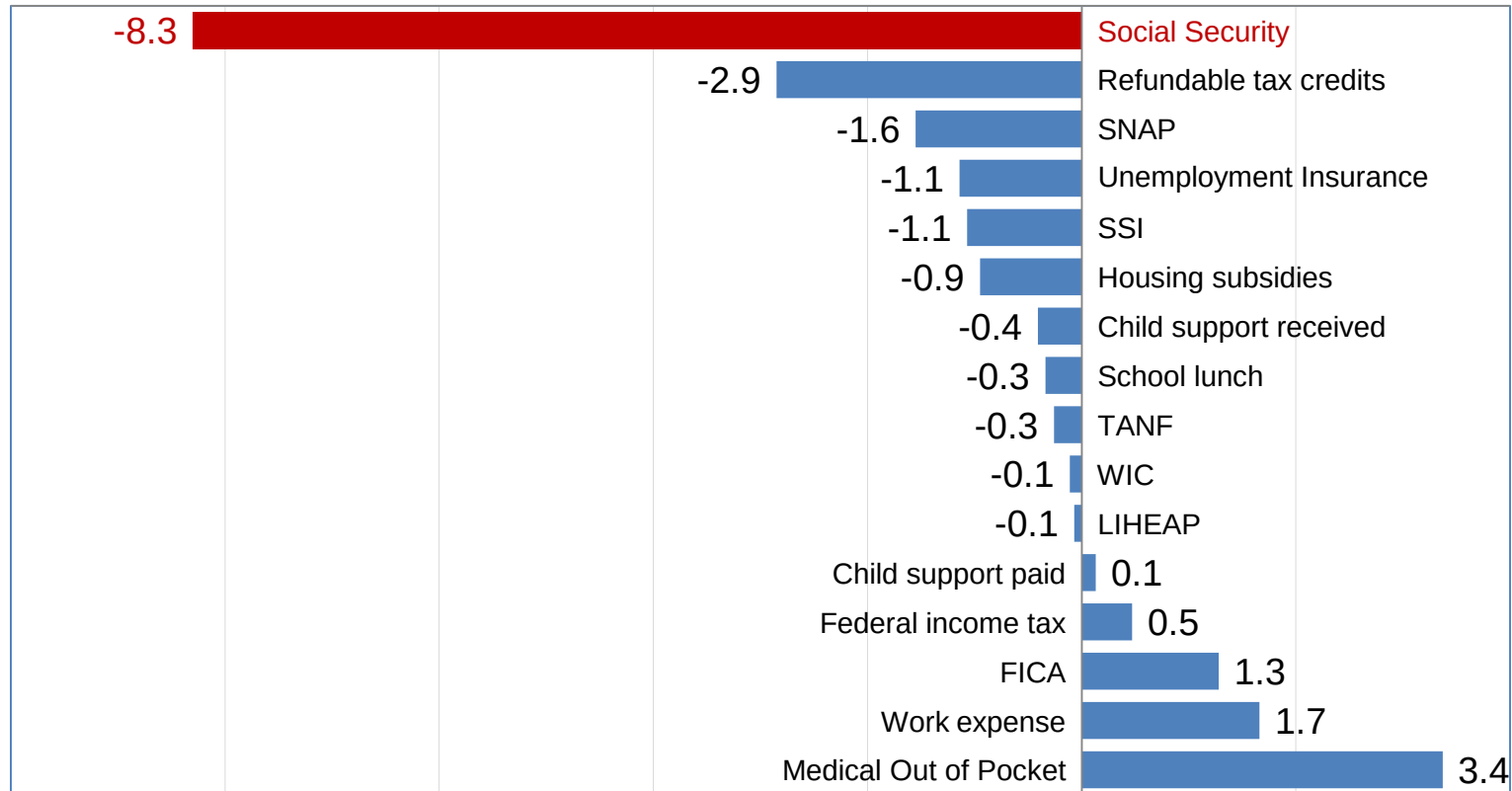
Difference in SPM Rate After Including Each Element: 2011

Percentage point change in SPM rate after including each element



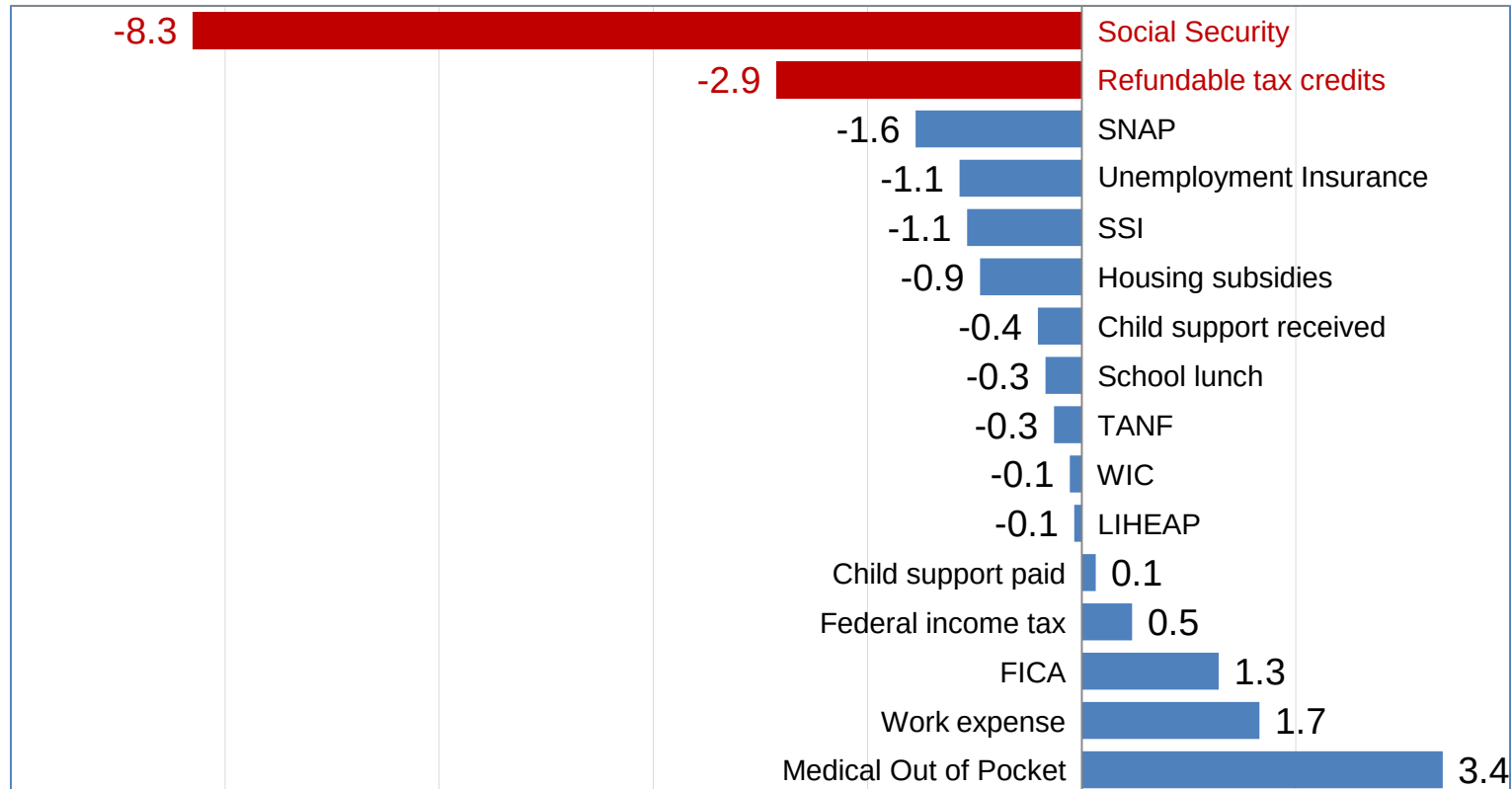
Difference in SPM Rate After Including Each Element: 2011

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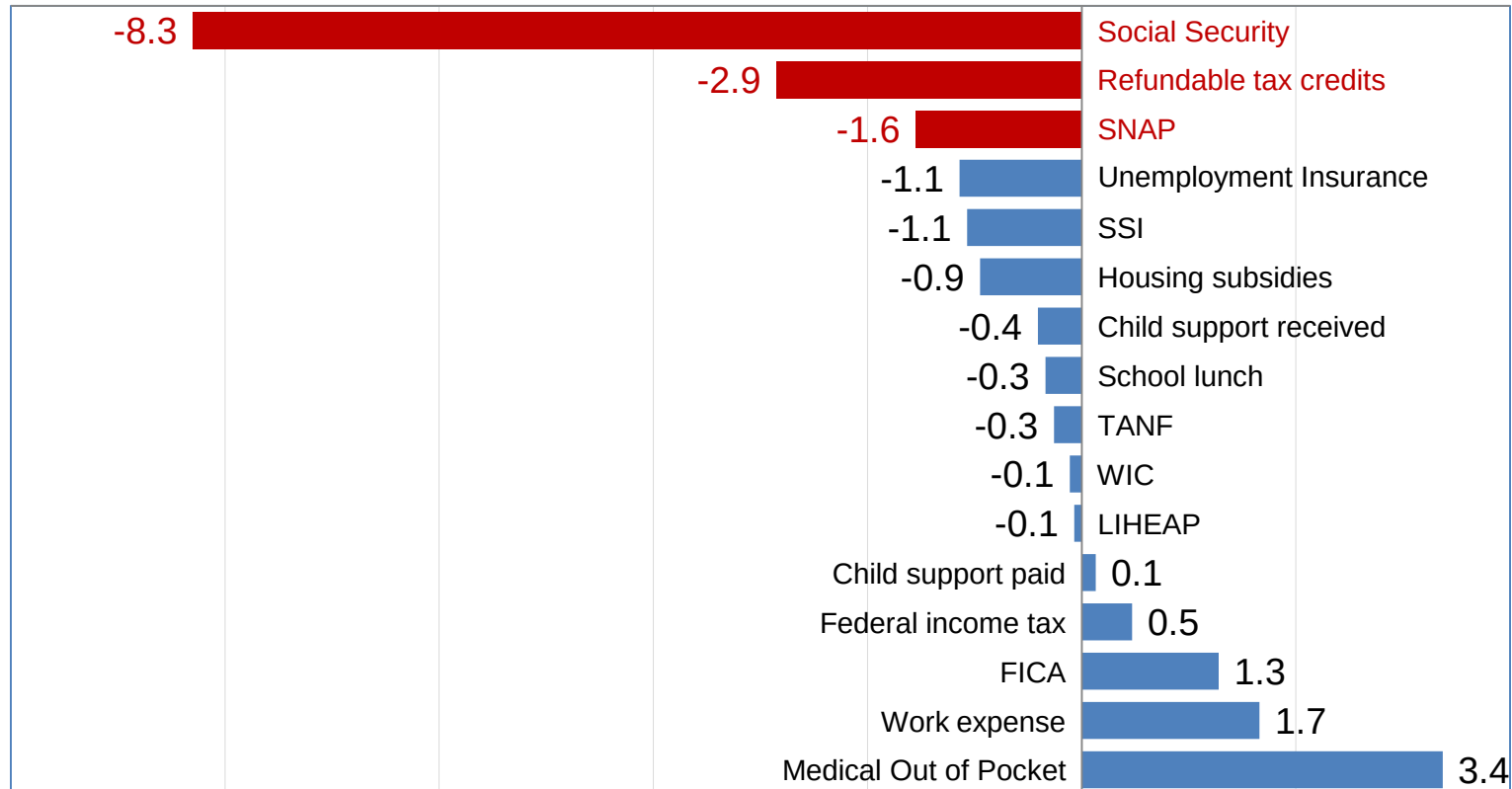
Difference in SPM Rate After Including Each Element: 2011

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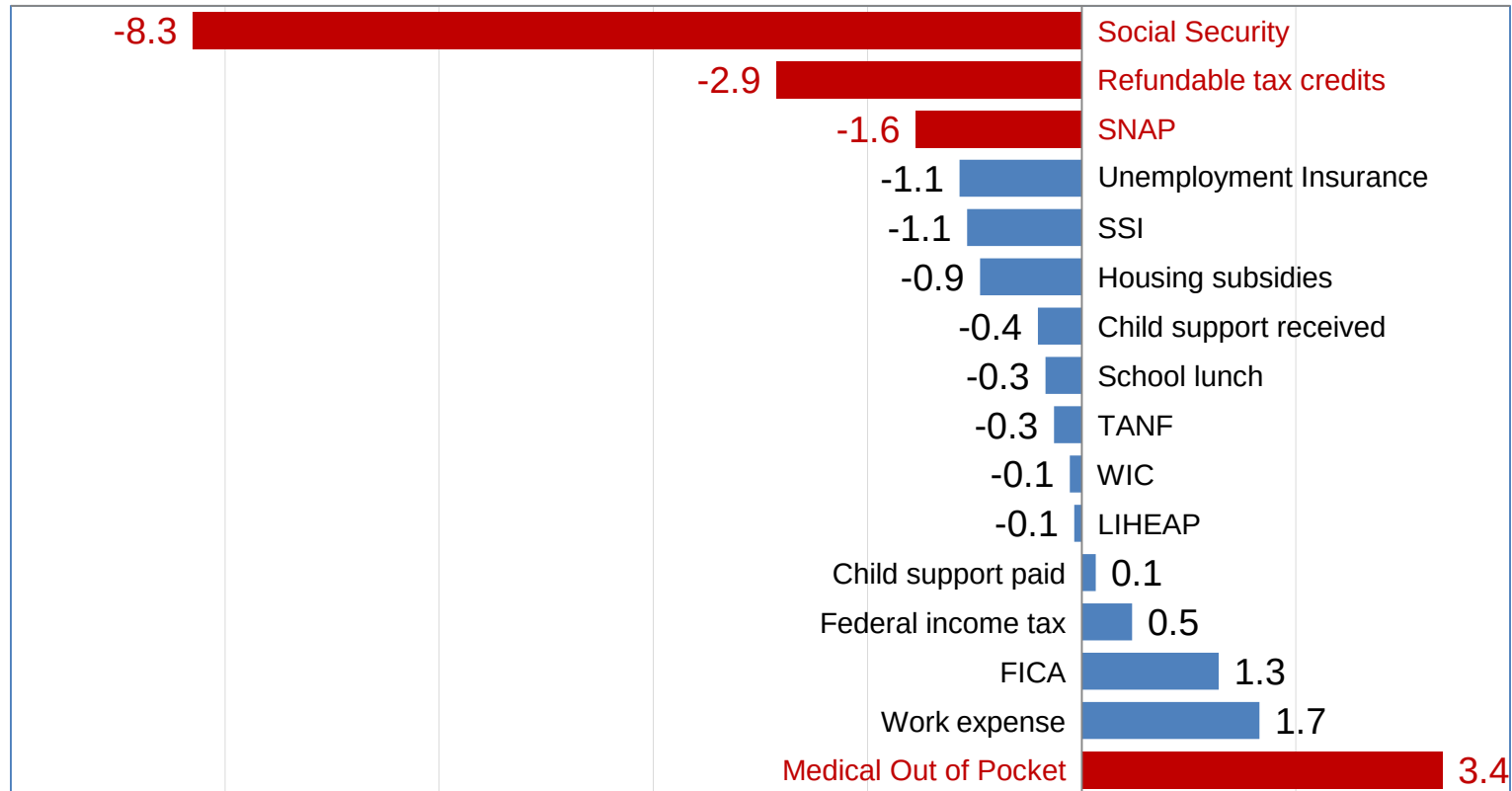
Difference in SPM Rate After Including Each Element: 2011

Percentage point change in SPM rate after including each element

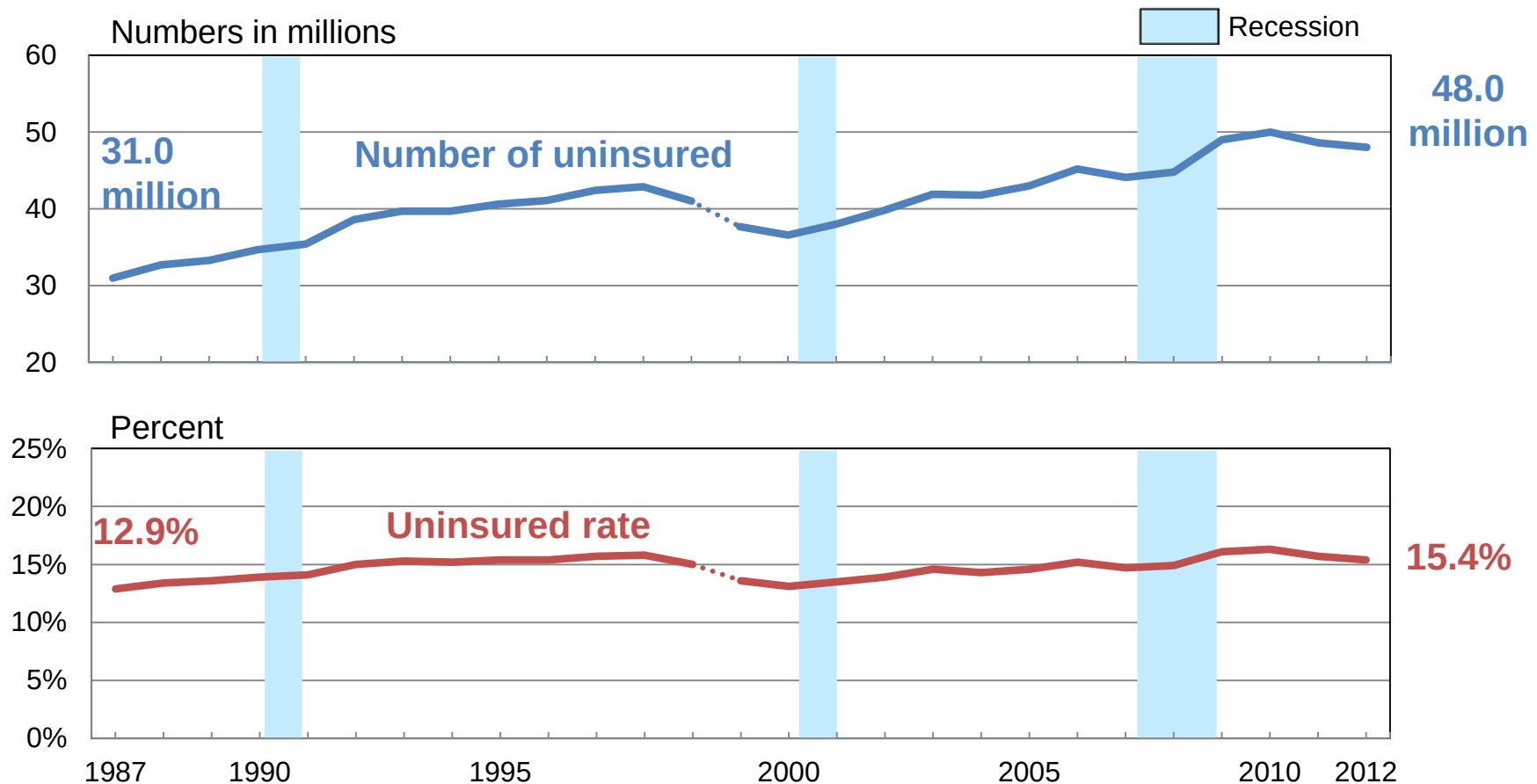


Difference in SPM Rate After Including Each Element: 2011

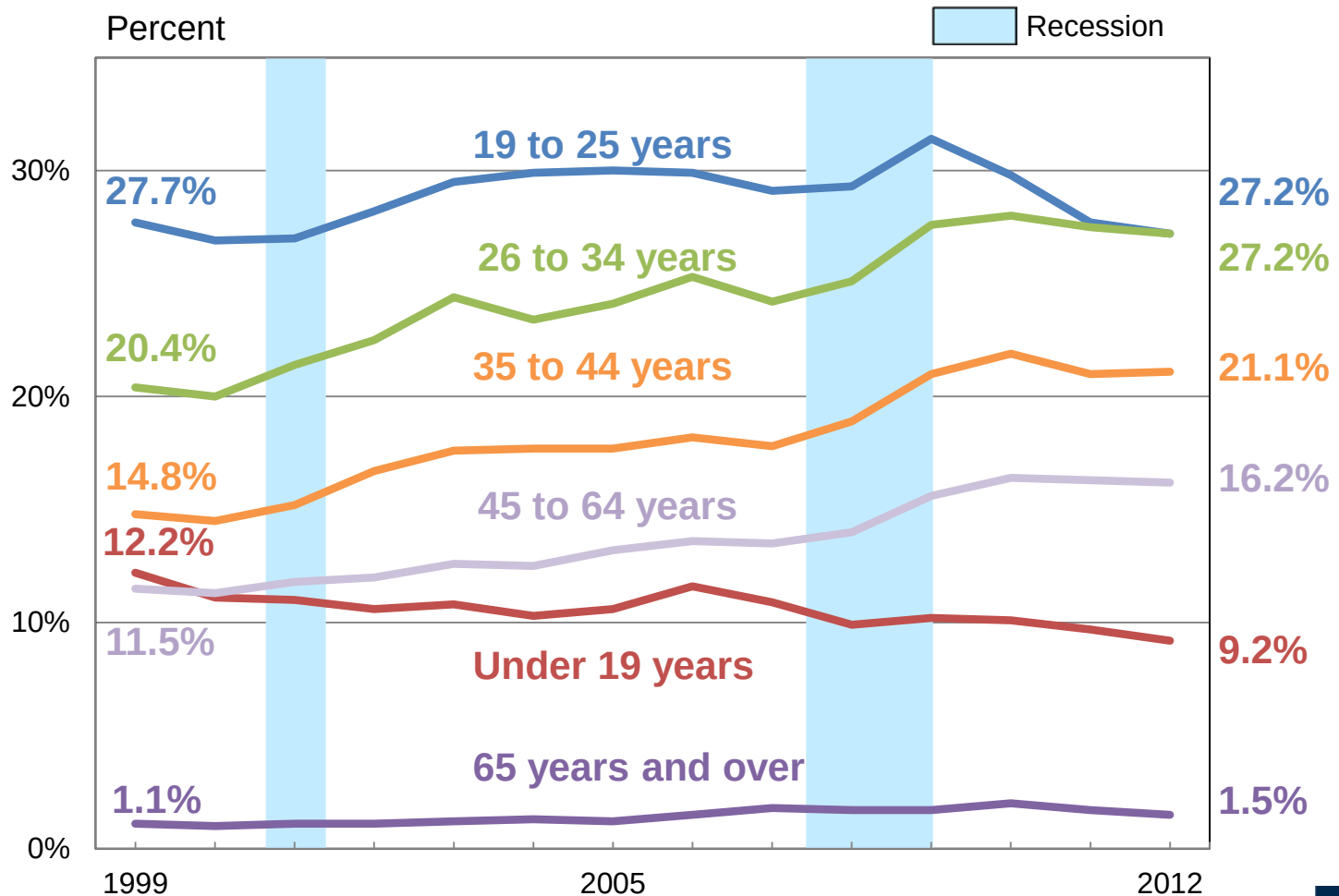
Percentage point change in SPM rate after including each element



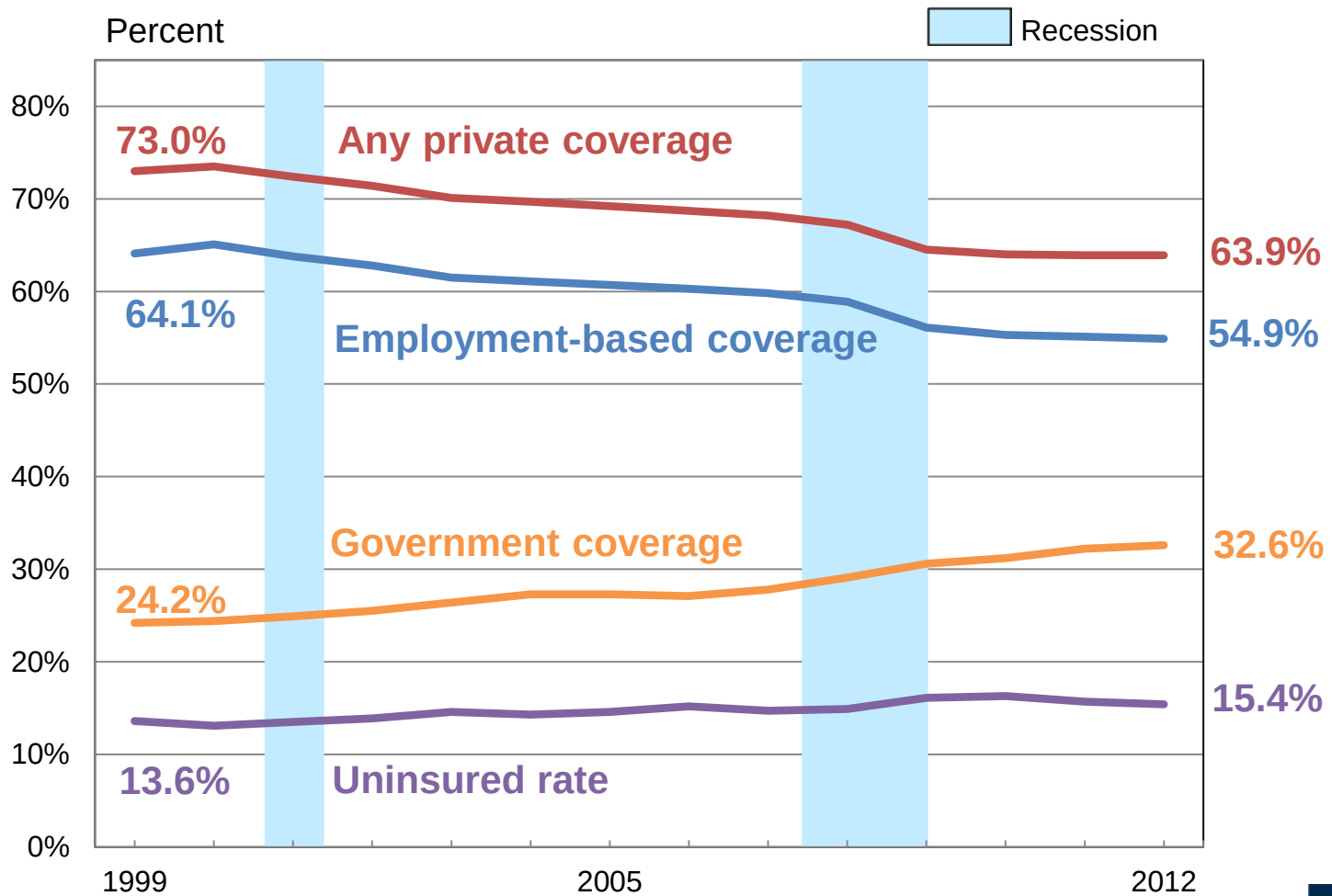
Uninsured Rate and Number of Uninsured: 1987 to 2012



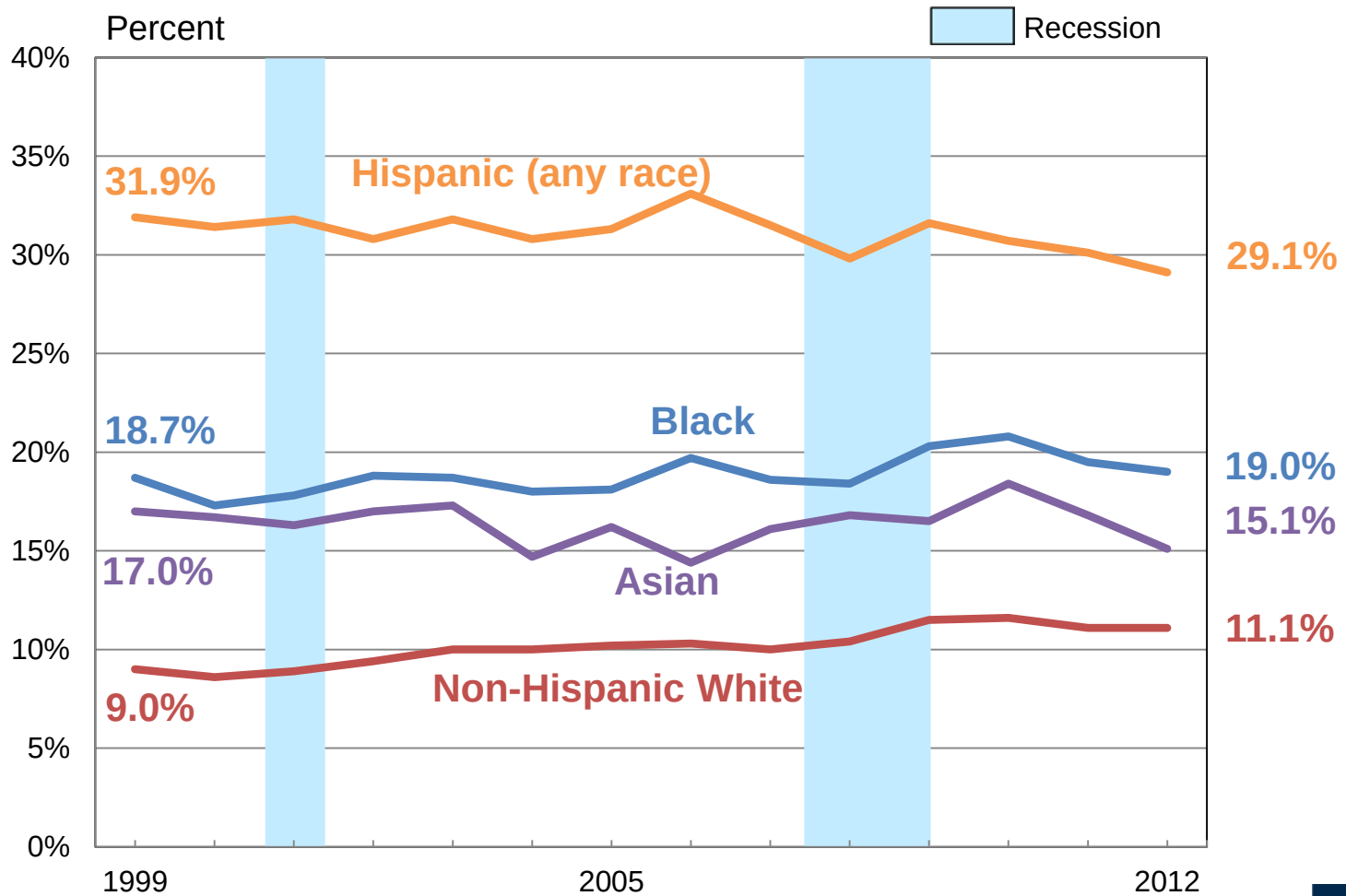
Uninsured Rates by Age: 1999 to 2012



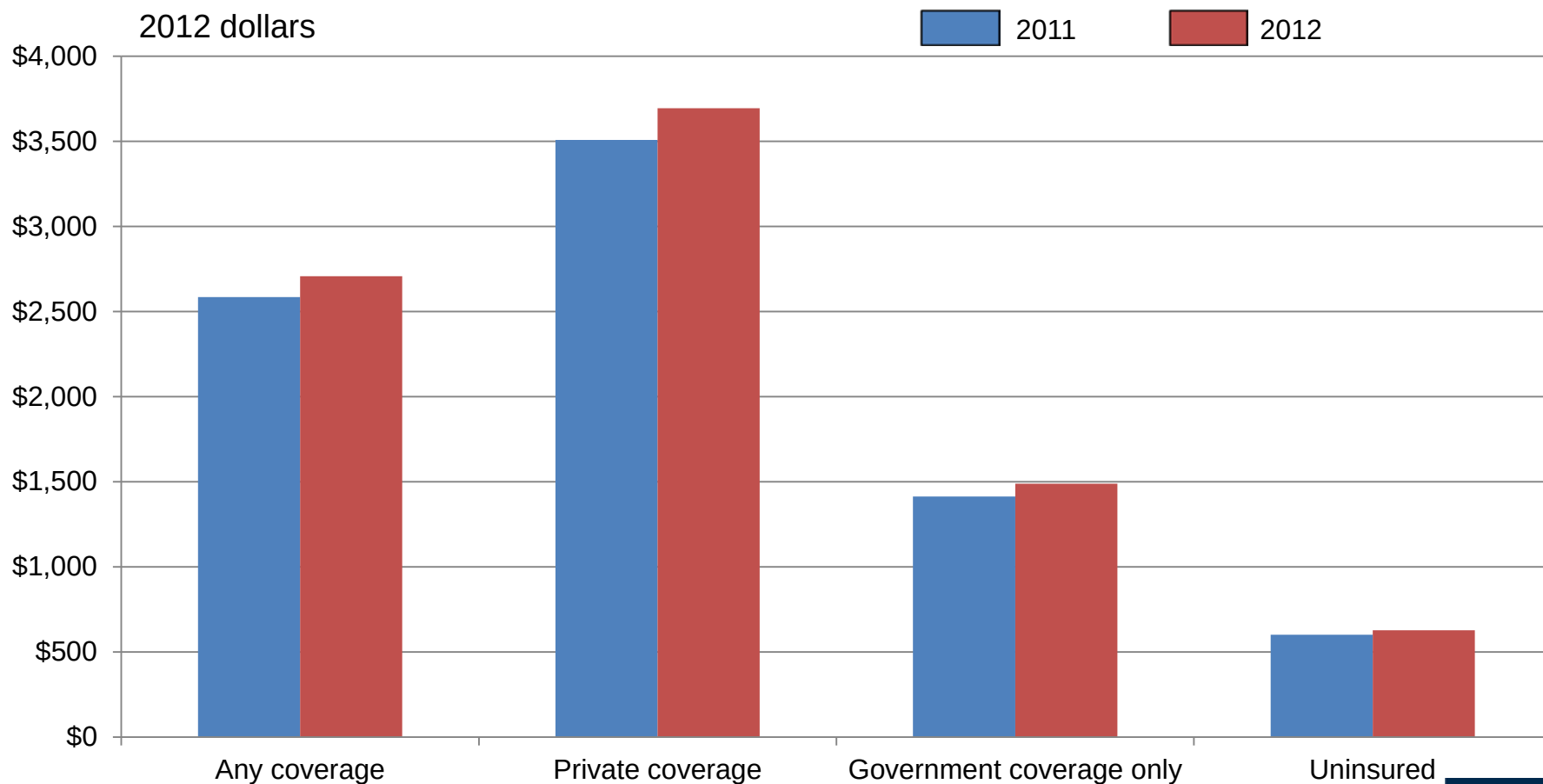
People by Type of Health Insurance Coverage: 1999 to 2012



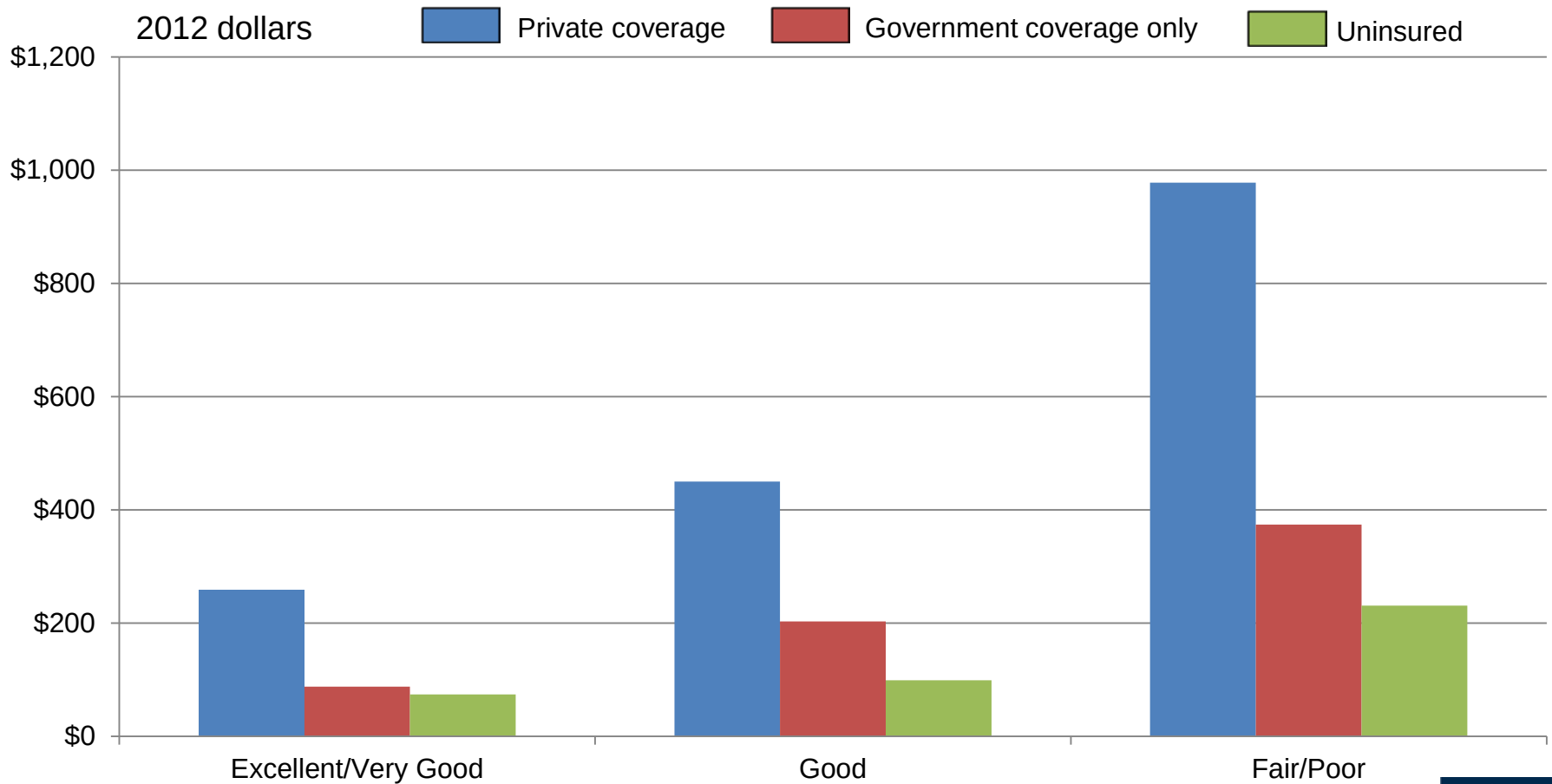
Uninsured Rates by Race and Hispanic Origin: 1999 to 2012



Total Family Median Medical Out-of-Pocket Spending: 2011 and 2012



Median Medical Out-of-Pocket Non-Premium Spending by Health Status: 2012



Questions?

Upcoming Releases

American Community Survey (ACS)

September 19	ACS One-Year Estimates
October 24	ACS Three-Year Estimates (2010-2012)
December 5	ACS Five-Year Estimates (2008-2012)

Other Releases

October	Supplemental Poverty Measure: 2012
November	Small Area Income and Poverty Estimates: 2012

Media

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