Accounting for In-kind Benefits in Poverty Measurement and Consumption: A View from the United States

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Bureau of Labor Statistics (BLS)

International Seminar on Measuring Shared Prosperity and Inclusion: Challenges and Innovative Approaches
co-organized by UN Statistics Division and the National Bureau of Statistics of China
2-4 November 2022

Session 2a. Innovations in Meeting the Challenges of Measuring Poverty and Inequality
Beijing time: November 2, 11:15 a.m.-12:15 p.m.
New York time: November 1, 11:15 p.m.-12:15 a.m.

Slides updated: November 3, 2022
U.S. Statistical System

- Decentralized
- Agencies responsible for poverty measurement
  - Census Bureau, U.S. Department of Commerce
Acknowledgements

- Thanks to all co-authors/researchers
  - Bureau of Labor Statistics (BLS)
    - Grayson Armstrong, Caleb Cho, Scott Curtin, Brett Matsumoto, Juan Munoz, and Jake Schild
  - U.S. Census Bureau (Census Bureau)
    - Kalee Burns, John Creamer, Liana Fox, and Trudi Renwick (retired)

- All errors are my own
Measuring Poverty in the United States (U.S.)

- **Official Poverty Measure (Census Bureau)**
  - Compare before tax money income as measure to meet “all needs”

- **Supplemental Poverty Measure (Census Bureau and BLS)**
  - Thresholds quasi-relative based on set bundle \((FCSU_{ti} + in\text{-kind})\) for consumer units with children with equivalence scale; reproduced each year with new data
  - Compare to resources after tax & transfers (cash and in-kind) minus necessary expenses; this is a measure to meet “needs as defined in thresholds”

- **Consumption-based – relatively new research at the BLS**
  - Threshold as relative or absolute
  - Compare consumption as a well-being measure, NOT a measure to meet “needs”
## Data Sets for Measurement

### Current Population Survey Annual Social and Economic Supplement (CPS ASEC)
- For official poverty measurement and SPM
- Conducted in March of each year (since 1942) with previous calendar year as reference period
- Focus: monthly labor force, work experience, income, noncash benefits, and migration
- Family, household, and member
- Representative for each state and select geographic areas within
- Approximately 98,000 households

### Consumer Expenditure Survey
Interview only
- For SPM thresholds and consumption measure
- Conducted monthly (since 1980* with the continuing data collection) with previous 3 months as reference period; referred to a “quarterly”
- Designed such that each consumer unit interviewed every 3 months over 4 calendar quarters
- Focus: quarterly expenditures; annual income for previous 12 months collected in first and last interviews; current assets and liabilities last interview
- Consumer unit expenditures; member demographics and income (not expenditures)
- Representative for geographic “divisions” and select other areas
- Approximately 7,000 consumer units per quarter

*Household Budget Survey data have been collected by BLS since the late 1890's
Focus Today

- What is currently implemented
- Will **not** present research focused on methods being considered to improve estimates of income, taxes, and in-kind benefits or transfers
  - Direct replacement (administrative data)
  - Microsimulation
  - Model-based imputation
Official and Supplemental Poverty Measures
Poverty Measurement Recommendations: Accounting for In-Kind Transfers/Benefits

- Observations from the Interagency Technical Working Group on Developing a Supplemental Poverty Measure (March 2010)
- Interagency Technical Working Group on Supplemental Poverty Measure Revised Methodology (September 30, 2020)

**NOTE:** NAS and SPM focus on government provided in-kind transfers; those included in thresholds restricted to those included in resources
National Academy of Sciences Panel on Poverty and Family Assistance


The official measure does not account for:
- Changes in composition of families and households
- Higher standards and levels of living since 1963
- Provision of noncash benefits (food benefits, housing subsidies, energy assistance)
- Necessary expenses (taxes, work-related, health care)
- Geographic differences in prices

Recommended Changes to Improve the Measure of Poverty in the U.S.:
- Thresholds: Bureau of Labor Statistics (BLS)
- Resources and poverty statistics: Census Bureau
Official and Supplemental Poverty Thresholds

How do we measure needs?

The poverty threshold, or poverty line, is the minimum level of resources that are adequate to meet basic needs.

The official measure is three times the cost of a minimum food diet from 1963 (in today's prices).

The SPM uses information about what people spend today for basic needs—food, clothing, shelter, utilities, and telecommunications.
Official and SPM Thresholds for Units with Two Adults and Two Children

Supplemental Poverty Measure Thresholds, 2021

Official poverty measure

<table>
<thead>
<tr>
<th>Official poverty measure</th>
<th>Owners with a mortgage</th>
<th>Owners without a mortgage</th>
<th>Renters</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,479</td>
<td>$31,107</td>
<td>$26,279</td>
<td>$31,453</td>
</tr>
</tbody>
</table>

How the Census Bureau Measures Poverty: Official Poverty

**INCLUDES:**
- Wages and earnings
- Social Security
- Unemployment
- Retirement
- Interest & dividends
- Public Assistance

**DOES NOT INCLUDE:**
- Taxes Paid
- Tax Credits
- Stimulus payments
- Expanded child tax credit
- Noncash assistance (SNAP, Medicaid, etc.)

Threshold adjusted for family composition
Unlike the official measure, the SPM accounts for noncash government benefits and living expenses in determining who is in poverty.

The SPM calculates the number of people affected by tax credits and government benefits. It also shows the effect of necessary expenses that families face such as paying taxes, work-related costs, and medical expenses.
Latest Report

• The official poverty rate in 2021 was 11.6 percent, with 37.9 million people in poverty.

• The SPM rate in 2021 was 7.8 percent, a decrease of 1.4 percentage points from 2020.

• The SPM rate for children was 5.2 percent in 2021, a decrease of 4.5 percentage points from 2020.

• Refundable tax credits, including the Child Tax Credit in 2021, kept 9.6 million people out of poverty.

Official and SPM poverty statistics - https://www.census.gov/topics/income-poverty/poverty.html

Poverty Rates Using Official* and the SPM: 2009 to 2021

Notes: People as of March of the following year. Official* includes unrelated individuals under the age of 15. The Supplemental Poverty Measure (SPM) estimates for 2019 and beyond reflect the implementation of revised SPM methodology. The data for 2017 and beyond reflect the implementation of an updated processing system. The data for 2013 and beyond reflect the implementation of the redesigned income questions.

<table>
<thead>
<tr>
<th>Benefit Type</th>
<th>Number of People in Poverty After Including Each Element: 2021 (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Security</td>
<td>-26.3</td>
</tr>
<tr>
<td>Refundable tax credits</td>
<td>-9.6</td>
</tr>
<tr>
<td>Economic Impact/ stimulus</td>
<td>-8.9</td>
</tr>
<tr>
<td>Refundable Child Tax Credit</td>
<td>-5.3</td>
</tr>
<tr>
<td>SNAP and school lunch</td>
<td></td>
</tr>
<tr>
<td>SNAP</td>
<td></td>
</tr>
<tr>
<td>SSI</td>
<td></td>
</tr>
<tr>
<td>Housing subsidies</td>
<td>-2.4</td>
</tr>
<tr>
<td>Unemployment insurance</td>
<td>-2.3</td>
</tr>
<tr>
<td>Other noncash benefits</td>
<td>-0.8</td>
</tr>
<tr>
<td>Other cash benefits</td>
<td></td>
</tr>
<tr>
<td>Child support paid</td>
<td></td>
</tr>
<tr>
<td>Federal income tax</td>
<td></td>
</tr>
<tr>
<td>FICA</td>
<td></td>
</tr>
<tr>
<td>Work expenses</td>
<td></td>
</tr>
<tr>
<td>Medical expenses</td>
<td></td>
</tr>
</tbody>
</table>

2.4 million more people in poverty if housing subsidies were not included in resources, holding all else constant and assuming no behavioral changes.

4.7 million fewer people in poverty if medical expenses were included in resources, holding all else constant and assuming no behavioral changes.

Challenge for SPM Thresholds: In-kind Benefits
2010-2019 SPM Thresholds Did Not include Government In-kind Benefits

Thresholds

FCSU Expenditures (including SNAP)

Resources

Cash income

With SNAP In-Kind Benefits

Other Food Subsidies

Housing & Energy Subsidies

Not Consistent
2019 (revised), 2020, and Forward SPM Thresholds
Include Government In-kind Benefits

Thresholds
- Housing & Energy Subsidies
- Other Food Subsidies
- FCSU Expenditures (including SNAP)

Resources
- Housing & Energy Subsidies
- Other Food Subsidies
- With SNAP In-Kind Benefits
- Cash income

Consistent
## Thresholds: Model-based Imputations to Account for In-kind Benefits

<table>
<thead>
<tr>
<th></th>
<th>Collected in CE Interview</th>
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<tr>
<td></td>
<td>Participation</td>
<td>Value</td>
</tr>
<tr>
<td>Rental assistance</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>LIHEAP (energy)</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>NSLP (school meals)</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>WIC (women, infant, young children food)</td>
<td>NO</td>
<td>NO</td>
</tr>
</tbody>
</table>

\[ FCSU_{i,a} = (F_{i,q} + G_{i,q} + S_{i,q} + U_{i,q} + T_{i,q} I_{i,q}) \times 4 + WIC_{i,a} + NSLP_{i,a} + LIHEAP_{i,a} + (R_{S_{i,q}}) \times 4 \]
## Thresholds: Model-based Imputations to Account for In-kind Benefits

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<tr>
<td>Amount modeled using imputed using CE data</td>
<td></td>
</tr>
<tr>
<td>LIHEAP (energy)</td>
<td>NO</td>
</tr>
<tr>
<td>Receipt modeled using CPS-ASEC with CE</td>
<td></td>
</tr>
<tr>
<td>Amount imputed/assigned using HHS administrative data at state level</td>
<td></td>
</tr>
<tr>
<td>NSLP (school meals)</td>
<td>NO</td>
</tr>
<tr>
<td>Receipt modeled using CPS-ASEC with CE</td>
<td></td>
</tr>
<tr>
<td>Amount imputed/assigned using USDA administrative data for the “lower 48”, Alaska, and Hawaii</td>
<td></td>
</tr>
<tr>
<td>WIC (women, infant, young children food)</td>
<td>NO</td>
</tr>
<tr>
<td>Receipt imputed using CPS-ASEC with CE</td>
<td></td>
</tr>
<tr>
<td>Amount imputed/assigned using USDA administrative data at state level</td>
<td></td>
</tr>
</tbody>
</table>

\[
FCSU_{i,a} = (F_{i,q} + C_{i,q} + S_{i,q} + U_{i,q} + T_{i,q} I_{i,q}) \times 4 + WIC_{i,a} + NSLP_{i,a} + LIHEAP_{i,a} + (RS_{i,q}) \times 4
\]

<table>
<thead>
<tr>
<th>Increase in 2019 Thresholds with Addition of In-kind Transfers (no other change)</th>
<th>Owner w/Mortgage</th>
<th>Owner w/Mortgage</th>
<th>Renter</th>
</tr>
</thead>
<tbody>
<tr>
<td>$120</td>
<td>$247</td>
<td>$263</td>
<td></td>
</tr>
</tbody>
</table>
Additional Issues for SPM Thresholds: ITWG-SPM and CNSTAT Panel on SPM

- **Sample**
  - Expand estimation sample to include all consumer units
  - Reduce number of years of CE data needed to 3
  - Restrict estimation sample to CUs with 12 months of data (*need longitudinal weights*)

- **Redefine “needs”**
  - Drop multiplier and specify “other”
  - Expand commodity bundle beyond FCSUti
    - Childcare (*e.g.*, related to work, all)
    - Health care (*e.g.*, insurance, all)
    - Others (*e.g.*, personal care, non-work transportation)
  - Account for differences due to owner/renter status
    - Another method to derive based on “OOP spending + in-kind benefits”
    - Move to a consumption-based concept of “needs” using rental equivalence for owners
    - If move to consumption-based thresholds
      - Relevance for users
      - Consistency with resources
Value of Owner-occupied Shelter in SPM Thresholds

- Current method: out-of-pocket (OOP) owner shelter expenditures
  - Mortgage interest (no home equity loans)
  - Mortgage principal payment (no home equity loans, no lump sum payments)
  - Maintenance and repairs (M&R)
  - Homeowners insurance
  - Property taxes

- Alternative: reported rental equivalence
  - If someone were to rent this (including part of the property currently being used for business, farming, or rented/home today) how much do you think it would rent for monthly, unfurnished and without utilities?

  ➢ Need comparable measure for resources: net implicit rental income
Consumption for Poverty and Inequality Measurement
**BLS Initiative (2021) Focuses on Consumption as a Well-being Outcome as A Function of Resources and Processes**

Reflection of what *is achieved, not what could be achieved*

### Available Resources

- Income, in-kind transfers
- Asset (financial)
- Asset (non-financial)
- Debt (access and use)
- Time

### Processes

- Skills (e.g., education, financial management, efficiency in converting inputs to outcomes)
- Degree of resource allocation (power)
- Circumstances (e.g., CU composition, disability)
- Preferences, subjective assessments of well-being

### Outcomes (e.g.,)

1. Consumption
2. Health status
3. Material deprivation
4. Life satisfaction
5. Happiness

For other outcomes: [https://www.oecdbetterlifeindex.org/](https://www.oecdbetterlifeindex.org/)
Follow OECD 2013 Framework for Underlying Concepts

- **Consumption expenditure** - value of consumption goods and services used or paid for by a household to directly meet its needs
  - Purchase of select goods and services in the market
  - In-kind transfers from employers (e.g., health insurance)
  - Household’s own production of goods and services consumed
    - Owner-occupied housing
    - Owned vehicles
    - Durables
    - Other (e.g., child/elder care, meals)
  - In-kind transfers from other households, businesses, non-profits

- **Actual final consumption** - sum of
  - Consumption expenditure
  - Social in-kind transfers (e.g., government provided health insurance)

2020 ITWG Recommendation: Consumption

- Expenditures for own consumption
- In-kind benefits: public and private
- Flow of services
- Health insurance:
  - Private
  - In-kind
  - With and without
Structure of U.S. Health Care System – Need for Imputations

Health Care Provision

Public

Private

Group (i.e., employer)

Non-group

Medicare

Medicaid

Other

Private (subsidized – ACA)

Private (not subsidized)
Data Sources

**Goods and Services**
- CE Interview only
- Out-of-pocket spending for most goods and services
- Rental equivalence for owned shelter
- Rent paid (market rent or less)
- Stock of cars, trucks, and other vehicles

**In-kind Federal Government Benefits**
- CPS-ASEC: reported receipt of government provided in-kind benefits
  - School meals (NSLP)
  - Women, infants, and children (WIC)
  - LIHEAP (receipt and values)
- USDA: food assistance programs
- U.S. Center for Medicare and Medicaid Services (CMS) & National Health Expenditure (NHE), e.g., Medicare (mostly older), Medicaid (mostly lower income)

**In-kind Employer Benefits**
- Medical Expenditure Panel Survey (MEPS-IC) from the U.S. Agency for Healthcare Research and Quality: Employer-provided health insurance

*Based on research as of January 2022; currently conducting research to update shelter and health insurance consumption*
Moving from Consumption Spending to Consumption Average Consumer Unit Shares: 2019

With OOP Health or Health Insurance Consumption

NOTE: January 2022; based on 3-parameter equivalence scale; measures do not include Education; based on quarterly values, CU (FINLWT) weighted; unweighted sample size=21270 (10 observations with 0 or negative values dropped)

Utilities  Renter shelter  Food  Transportation  Owner shelter  Health

Consumption Spending
- 10.3%
- 12.0%
- 16.4%
- 13.0%
- 10.8%
- 20.7%

Consumption
- 6.4%
- 9.5%
- 13.6%
- 14.4%
- 17.7%
- 27.1%
Moving from Expenditures to Consumption
Densities of Quarterly Values per Equivalent Adult: 2019

<table>
<thead>
<tr>
<th></th>
<th>Spending</th>
<th>Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>$7,383</td>
<td>$10,233</td>
</tr>
<tr>
<td>Median</td>
<td>$5,833</td>
<td>$9,222</td>
</tr>
</tbody>
</table>

Gini: 0.35 vs 0.25
Thiel: 0.23 vs 0.11

NOTE: Quarterly equivalized values based on 3-parameter scale; consumption spending includes out-of-pocket spending on health insurance, Goods and services while consumption only includes health insurance; measures do not include Education; based on adult equivalized values, population weighted (FINLWT21*Csize); unweighted sample size=21270 (10 observations with 0 or negative values dropped)
Shares of Aggregate Health Insurance Imputations within Deciles of Consumption with Health Insurance: 2019

**NOTE:** Includes only health insurance out-of-pocket spending or imputed health insurance; other out-of-pocket spending on health not included. Also, education is not included in the consumption measure; shares based on health insurance consumption CE weighted (FINLWT21); deciles are based on ranking of quarterly equivalized values.
Distribution of CUs by Age of Reference Person within Deciles of Consumption with and without Health Insurance: 2019

With Health Insurance Deciles

<table>
<thead>
<tr>
<th>Decile</th>
<th>Age Reference Person &lt; 65</th>
<th>Age Reference Person &gt; 65</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>45.4%</td>
<td>54.6%</td>
</tr>
<tr>
<td>9</td>
<td>39.9%</td>
<td>60.1%</td>
</tr>
<tr>
<td>8</td>
<td>35.1%</td>
<td>64.9%</td>
</tr>
<tr>
<td>7</td>
<td>31.9%</td>
<td>68.1%</td>
</tr>
<tr>
<td>6</td>
<td>25.1%</td>
<td>74.9%</td>
</tr>
<tr>
<td>5</td>
<td>19.2%</td>
<td>80.8%</td>
</tr>
<tr>
<td>4</td>
<td>15.9%</td>
<td>84.1%</td>
</tr>
<tr>
<td>3</td>
<td>13.8%</td>
<td>86.2%</td>
</tr>
<tr>
<td>2</td>
<td>11.2%</td>
<td>88.8%</td>
</tr>
<tr>
<td>1</td>
<td>6.1%</td>
<td>93.9%</td>
</tr>
</tbody>
</table>

Without Health Insurance Deciles

<table>
<thead>
<tr>
<th>Decile</th>
<th>Age Reference Person &lt; 65</th>
<th>Age Reference Person &gt; 65</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>31.2%</td>
<td>68.8%</td>
</tr>
<tr>
<td>9</td>
<td>28.2%</td>
<td>71.2%</td>
</tr>
<tr>
<td>8</td>
<td>25.8%</td>
<td>71.8%</td>
</tr>
<tr>
<td>7</td>
<td>26.3%</td>
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</tr>
<tr>
<td>6</td>
<td>25.3%</td>
<td>73.7%</td>
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<tr>
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<td>25.1%</td>
<td>74.9%</td>
</tr>
<tr>
<td>3</td>
<td>22.0%</td>
<td>78.0%</td>
</tr>
<tr>
<td>2</td>
<td>25.3%</td>
<td>74.7%</td>
</tr>
<tr>
<td>1</td>
<td>21.0%</td>
<td>79.0%</td>
</tr>
</tbody>
</table>
Consumption Poverty Measurement

- Relative thresholds as 60% median adult equivalized
  - Consumption spending
  - Consumption with health insurance
- To equivalize use a 3-parameter equivalence scale (same as SPM)
- Population poverty rates based on quarterly thresholds and values (not annualized)
- For exposition show annualized thresholds for consumer units with 2 adults and 2 children
NOTE: Measures do not include Education; based on quarterly equivalized values, FINLWT21*CUsize population weighted; unweighted sample size=21270 (10 observations with 0 or negative values dropped)
Summary and Conclusions

- In-kind transfer benefits are important
  - Poverty
  - Inequality
- Challenge when data not collected in household surveys
- Impact of imputations
- Final thoughts
  - Thresholds should be meaningful
  - Thresholds based on what, for whom, and how updated
  - What to compare to the thresholds: resources or consumption?

Income ≠ Consumption
Expenditures ≠ Consumption
Contact Information

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Chief Researcher, Office of Prices and Living Conditions, Division of Price and Index Number Research

garnerthesia@bls.gov
U.S. Poverty Measurement: People, Events, the BLS and Census Bureau

1963/64: Council of Economic Advisors

1963: Orshansky with SSA examined USDA Food Consumption Survey data: 1/3 = (food exp)/(after tax income)

1969 revision to use CPI to update thresholds

Office of Economic Opportunity adopts Mollie Orshansky’s poverty thresholds as a working definition of poverty for statistical planning, May 1965.

1969 House Appropriations Committee: BLS $500,000 with NAS develop methods to revise official poverty measure

Between Nov 1979-October 1980, decision: use CPI-U to update thresholds

The Census Bureau holds a conference in Williamsburg, Virginia, on the measurement of noncash benefits, December 1985.


Between Nov 1979-October 1980, decision: use CPI-U to update thresholds

BLS transferred funds to Census; Feb. 1992 Census contracted with NAS

National Academy of Sciences convenes a panel of experts to conduct a study of statistical issues in the measurement and understanding of poverty, June 1992.

BLS: support of NAS

An Interagency Technical Working Group on Developing a Supplemental Poverty Measure is formed by Commerce Under Secretary Rebecca Blank and Office of Management and Budget Chief Statistician Katherine Wallman and charged with developing a set of initial starting points to permit the U.S. Census Bureau, in cooperation with the Bureau of Labor Statistics, to produce a Supplemental Poverty Measure, December 2009

BLS Produced Poverty Thresholds


http://www.census.gov/how/infographics/poverty_measure-history.html
<table>
<thead>
<tr>
<th><strong>POVERTY MEASURE CONCEPTS: OFFICIAL AND SUPPLEMENTAL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Measurement Units</strong></td>
</tr>
<tr>
<td>Families (individuals related by birth, marriage, or adoption) or unrelated individuals</td>
</tr>
<tr>
<td><strong>Resource Measure</strong></td>
</tr>
<tr>
<td><strong>Poverty Threshold</strong></td>
</tr>
<tr>
<td><strong>Threshold Adjustments</strong></td>
</tr>
<tr>
<td><strong>Updating Thresholds</strong></td>
</tr>
</tbody>
</table>
Accounting for In-kind Benefits in SPM Thresholds

• Questions in the CE Interview regarding government in-kind rental assistance
  1. Public housing: *Is this house in a public housing project, that is, is it owned by a local housing authority or other local public agency?*
  2. Subsidized/voucher housing: *Are your housing costs lower because the Federal, State, or local government is paying part of the cost?*
  3. Rent control: *Is this unit under rent control?*

• Impute market rents for the above rental units based on rents for renters without in-kind benefits
  1. Selection/hedonic regression model (PROC GLIM in SAS)
  2. Ln rent is a function of rental unit characteristics, geographic area, whether utilities included in rent

• Demographic-based imputations for government in-kind NSLP, LIHEAP, and WIC benefits
  1. Merge CPS-ASEC and CE Interview for same reference period (and same collection unit characteristics)
  2. Impute benefit receipt using probit model (PROC MI in SAS) with CPS ASEC as donor and CE as recipient
  3. Assign dollar values of LIHEAP, NSLP, and WIC to CE sample based on imputed receipt
SPM Now Accounts for In-Kind Benefits in Thresholds and Resources

• Thresholds: prior to 2010-2019
  • FCSU expenditures

• Thresholds: for 2019 revised, 2020, and forward
  • FCSUtqi expenditures
  • Same in-kind transfers as in resources
Impact of Introducing Each Change to a Two Adult-Two Child Threshold Relative to the 2019 Published Thresholds: Owners with Mortgages

2019 Threshold with Change (revised)-2019 Published

- Any number of children, -$1,290
- 1 Year Lag, -$366
- Telephone not in utilities, -$124

Other changes:
- 83% of the median, $33
- FCSUt CPI-U, $53
- Restriction for owners and renter SU expenses, $59
- In-kind benefits, $120
- Internet, $531

NOTE: shaded area represents statistically significant difference in thresholds
Impact of Introducing Each Change to a Two Adult-Two Child Threshold Relative to the 2019 Published Thresholds: Owners without Mortgages

2019 Threshold with Change (revised) - 2019 Published

- Any number of children, -$619
- 1 Year Lag, -$388
- Telephone not in utilities, -$262

- FCSUti CPI-U, $63
- Restriction for owners and renter SU expenses, $189
- 83% of the median, $211
- In-kind benefits, $247
- Internet, $349

NOTE: shaded area represents statistically significant difference in thresholds
Impact of Introducing Each Change to a Two Adult-Two Child Threshold Relative to the 2019 Published Thresholds: Renters

2019 Threshold with Change (revised)-2019 Published

Any number of children, -$846
1 Year Lag, -$249
Restriction for owners and renter SU expenses, $65
FCSUtI CPI-U, $121
Telephone not in utilities, $181
In-kind benefits, $263
83% of the median, $545
Internet, $723

NOTE: shaded area represents statistically significant difference in thresholds
## Consumption Expenditures versus Consumption

*(based OECD Framework 2013)*

<table>
<thead>
<tr>
<th>1. Direct monetary purchases in the market by consumers with exceptions for (a)-(c)</th>
<th>Consumption Expenditures&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Consumption&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Purchase price of vehicles and durables</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>b. Health</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>c. Education</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

2. Free or subsidized goods and services from an employer | No | Yes |

3. Goods and services received from bartering | No | Yes |

4. Goods produced from own consumption (e.g., from garden) | No | Yes |

5. Own account production (production within household)
   a. Service flows from owner-occupied housing | No | Yes |
   b. Service flows from stock of vehicles owned | No | Yes |
   c. Service flows from other consumer durable goods owned | No | Yes |
   d. Unpaid domestic services (e.g., childcare) | No | Yes |

6. In-kind transfers (e.g., gifts received) from other households, businesses, non-profits | No | Yes |

7. Social (government) in-kind transfers of goods and services received (STiK) | No | Yes |

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1 Includes goods and services given to people living outside the consumer units.

2 Excludes goods and services given to people living outside the consumer units.
Shares of Aggregate Imputations within Deciles of Consumption with Health Insurance: 2019

NOTE: Includes only health insurance out-of-pocket spending or imputed health insurance; other out-of-pocket spending on health not included. Also, education is not included in the consumption measure; shares based on health insurance consumption CE weighted (FINLWT21); deciles are based on ranking of quarterly equivalized values.