



## Quick Guide to Using Different Poverty Measures for California

Question to Be Answered	Which Poverty Measure Should Be Used?
How many Californians struggle with economic insecurity?	<p><i>Supplemental Poverty Measure or California Poverty Measure</i></p> <p>These measures are similar to each other and provide a more accurate picture of economic insecurity than the official poverty measure because they account for differences in cost of living and a more complete range of resources used to meet basic needs.</p>
How does poverty compare across age groups, family types, or race/ethnic groups in California?	<p><i>Supplemental Poverty Measure or California Poverty Measure</i></p> <p>These measures are similar to each other and provide a more accurate picture of poverty than the official poverty measure. Both can be used to examine poverty among demographic groups. For smaller demographic groups, the California measure may be more useful because it is based on a larger sample which allows for more reliable estimates for smaller groups. The supplemental measure must be used if comparing to the same demographic groups in other states or the US overall.</p>
How does poverty in California compare to other states or to the US overall?	<p><i>Supplemental Poverty Measure</i></p> <p>This measure provides a more accurate picture of poverty than the official poverty measure, and the data are available for all states and for the US overall (while the California measure data are not).</p>
What is the poverty rate in a particular region or county in California? How does poverty compare across regions or counties within California?	<p><i>California Poverty Measure</i></p> <p>This measure provides a more accurate picture of poverty than the official poverty measure, and the data are available at the sub-state level (while the supplemental poverty data are not). Note that for very small geographic areas, like small cities or census tracts, the only poverty data available are official poverty data. If using these, keep in mind that the official measure is widely considered to be an inaccurate measure of poverty, particularly in areas with a relatively high cost of living or where many people rely on public supports to help them meet basic needs.</p>



Question to Be Answered	Which Poverty Measure Should Be Used?
How much do public supports (like CalFresh, EITC, Social Security) reduce poverty in California?	<p><i>Supplemental Poverty Measure or California Poverty Measure</i></p> <p>These measures are similar to each other and both account for a broad range of public supports that are not accounted for in the official poverty measure. The California measure may be preferable for examining the impact of public supports because the data are adjusted to correct for underreporting of the use of CalFresh and CalWORKs in Census data. The supplemental measure must be used if comparing to the impact of public supports in other states or in the US overall.</p>
How do housing costs or the cost of living contribute to poverty in California?	<p><i>Supplemental Poverty Measure or California Poverty Measure</i></p> <p>These measures both account for the local cost of housing, while the official measure does not. The California measure more precisely accounts for housing costs for long-term homeowners, so it is preferable for examining poverty among California homeowners.</p>
How much do medical out-of-pocket costs or child care costs contribute to poverty in California?	<p><i>Supplemental Poverty Measure</i></p> <p>Both the supplemental and California measures account for medical and child care costs, but these costs are directly reported in the data used for the supplemental measure while they are imputed (estimated) in the data used for the California measure, so the supplemental measure is preferable for this analysis.</p>
What is the trend in the poverty rate in California over the past few years?	<p><i>Supplemental Poverty Measure or California Poverty Measure</i></p> <p>These measures provide a more accurate picture of poverty than the official poverty measure. The supplemental measure data are available back to 2009, and the California measure data are available back to 2011. The supplemental measure must be used if comparing California trends trends in poverty in other states or in the US overall.</p>



Question to Be Answered	Which Poverty Measure Should Be Used?
<p>What is the long-term trend in the poverty rate in California?</p>	<p><i>Anchored Supplemental Poverty Measure</i></p> <p>The anchored measure (see Box 4 above) is a version of the supplemental measure that was created to allow for analysis of long-term poverty trends, with data available back to 1967. It is particularly useful for examining long-term trends in the impact of public supports on poverty. Official poverty measure data are also available back to the 1960s, but the official measure is widely considered to be an inadequate measure of poverty.</p>
<p>How much income or resources does an individual or family need to be considered out of poverty?</p> <p>What is a poverty-level total amount for expenses for food, clothing, shelter, utilities, plus a little extra for other necessities (the poverty threshold) for an individual or family?</p>	<p><i>Supplemental Poverty Measure or California Poverty Measure thresholds</i></p> <p>Both the supplemental and California Poverty Measure thresholds are based on up-to-date family expenditures for food, clothing, shelter, and utilities plus a little extra for other necessities, adjusted for the local cost of housing. These thresholds reflect the costs of these basic needs and the level of resources needed to achieve minimal economic security more accurately than the official poverty thresholds, particularly in areas where housing costs are high. Annual supplemental poverty thresholds are available for each large metro area in California (these are groups of counties, or in some cases single counties), for all small metro areas in California combined, and for all non-metro areas (more rural areas) within California combined. Annual California Poverty Measure thresholds are available for each county in California (with some smaller counties combined with adjacent counties).</p>
<p>How much cash income can an individual or family have and still qualify for public supports like CalFresh and Medi-Cal?</p>	<p><i>Official poverty guidelines</i></p> <p>Many public supports use the official poverty guidelines (which are based on the official poverty measure) to determine eligibility.</p>
<p>How many people in California are potentially eligible to access public supports like CalFresh and Medi-Cal?</p>	<p><i>Official poverty measure</i></p> <p>Because many public supports use the official poverty guidelines to determine eligibility, the official poverty measure should be used to examine the number or share of people who may be eligible for these supports.</p>