

AN OVERVIEW OF POVERTY IN DELAWARE

The official poverty rate is calculated by the U.S. Census Bureau based on income thresholds and family structure and size. There are 48 different *poverty thresholds*. A family or individual making below these thresholds is counted as living in poverty.

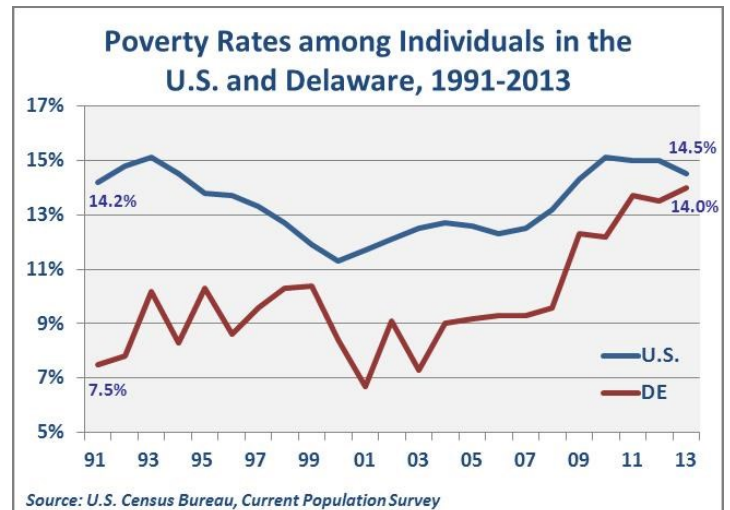
For example, in 2014 an unrelated individual under 65 years old has a poverty threshold of \$12,316. A family of three with one child under 18 years old has a threshold of \$19,055. Countable income includes: earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, and public assistance. Noncash benefits such as food assistance are not included.

Poverty guidelines are simplified versions of the poverty thresholds and often used by social service programs to determine eligibility and benefits.

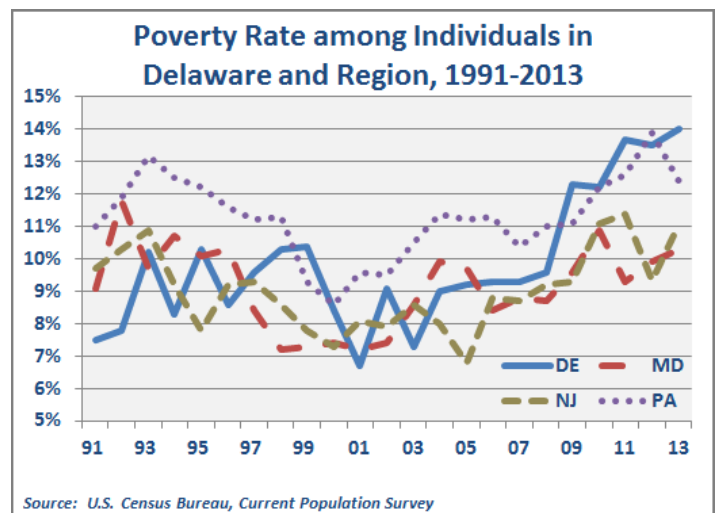
The official poverty rate for individuals in Delaware was 13.8% in 2013. Historically, Delaware's individual poverty rate has been lower than the national rate. However, as the graph at the upper right illustrates, the national and state rates began to converge in 2009, and by 2013 were only 0.5% apart.

Technical Note: In this document state level poverty data is from the U.S. Census Bureau's Current Population Survey. Sub-state poverty data is derived from the American Community Survey three- or five-year estimates. Importantly, poverty rates are estimates and are therefore best used as indications of trends.

For more information on how poverty rates are calculated go to: www.census.gov/hhes/www/poverty/about/overview/measure.html



The poverty rate for individuals in Delaware has resembled the rates found in the surrounding states of Maryland, Pennsylvania, and New Jersey. Since the beginning of the Great Recession in 2008 until 2012, the rates in Delaware and Pennsylvania shared an upward trend.



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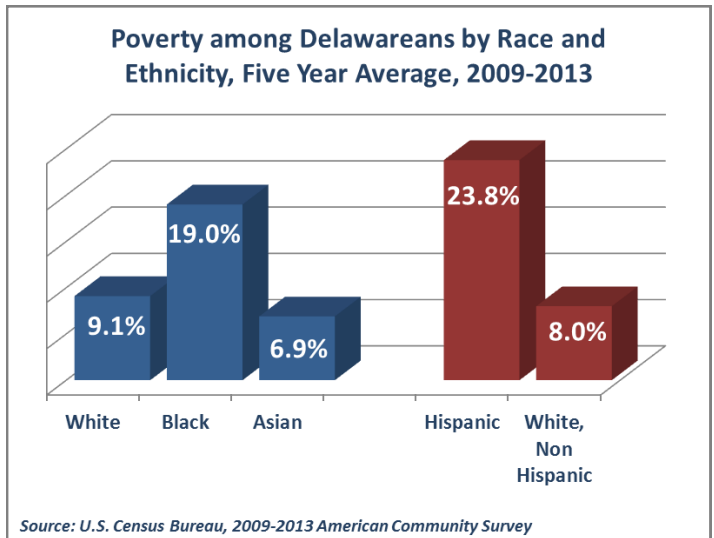
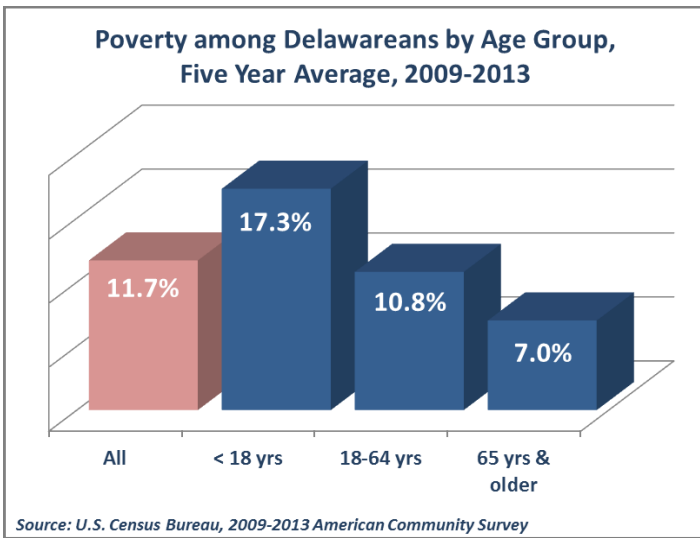
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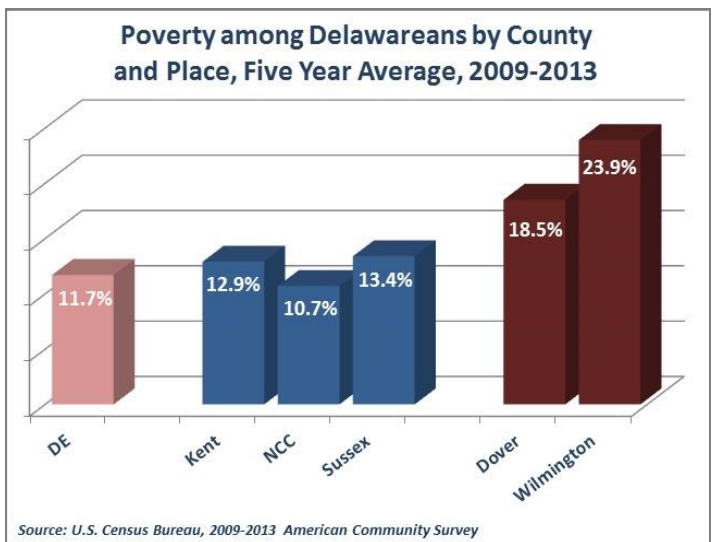
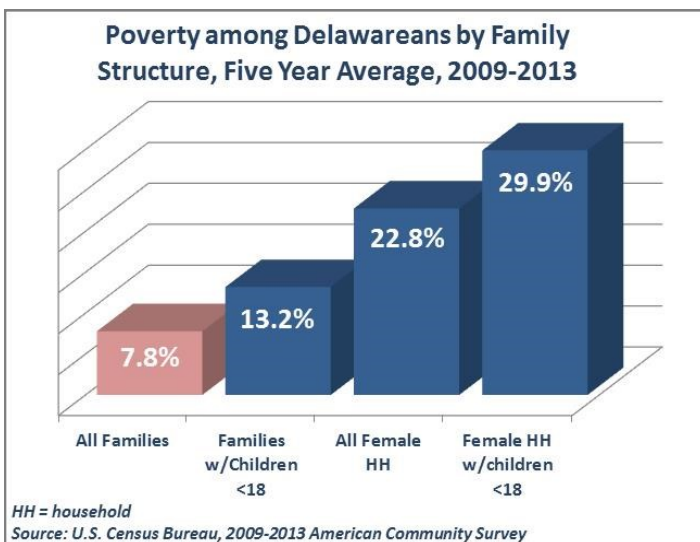
Examining the poverty rate for individuals by age groups reveals that Delaware's children (under 18 years old) are by far the poorest group, followed by people in their working years (18-64), and then seniors (65 and older). The differences in rates across the groups are substantial.

Poverty rates by race and ethnic background also show disparities. When compared to Whites, individuals who are Black are more than twice as likely to live in poverty. Hispanics are almost three times more likely to be poor compared to White, non-Hispanic Delawareans.



Households with children under age 18 have a higher rate of poverty than households without children. The highest rate of poverty, almost 30%, is found among families with children headed by a female.

Poverty rates vary by geographic regions. Rates for individuals are slightly higher in Kent and Sussex counties as compared to New Castle County. Urban areas experience higher rates, with Dover at 18.5% and Wilmington at 23.9%, which is twice the statewide poverty rate.

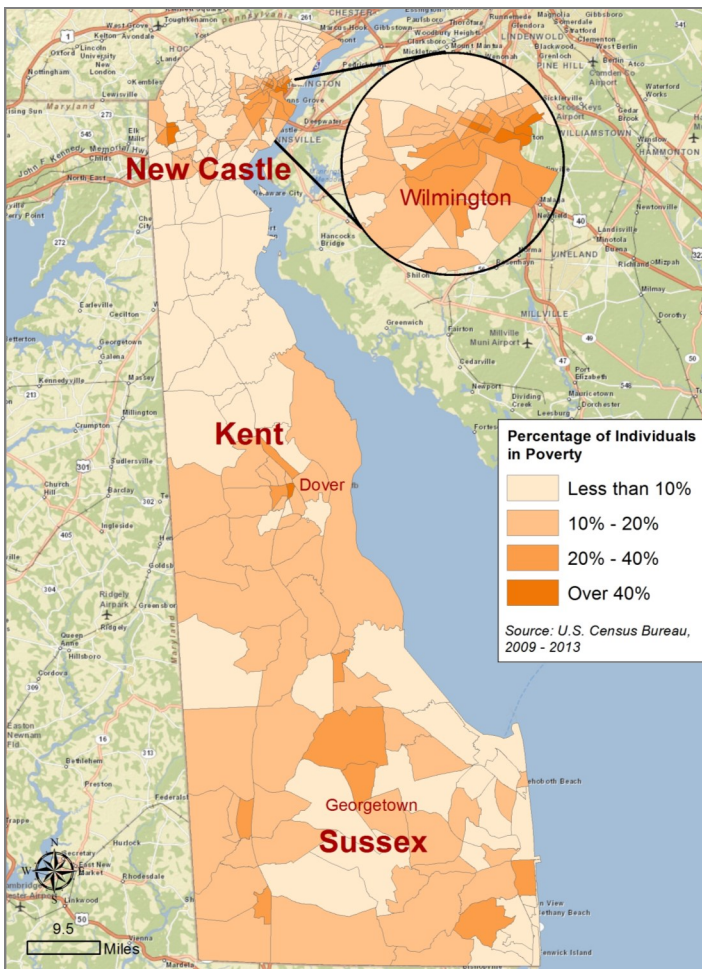


Poverty rates by family structure and race, and other economic indicators can also be found for census tracts at: factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml

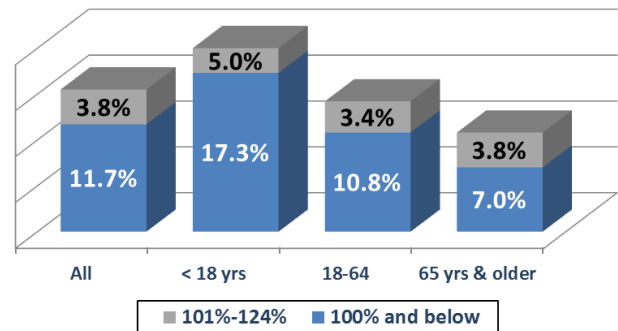
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Poverty rates for individuals are particularly high within census tracts in Wilmington and range between 40% and 69%. Pockets of high poverty are also found in urban and rural areas of Kent and Sussex Counties.



Poverty and Near-Poverty Rates among Delawareans, Five Year Average, 2009-2013



Source: U.S. Census Bureau, 2009-2013 American Community Survey

In 2011, the Supplemental Poverty Measure (SPM) was introduced. The SPM goes beyond the official poverty measure and considers other variables that impact financial well-being, including tax payments, work and health care expenses, transfers from government programs, and geographic differences. This new measure gives additional information about the economic conditions of families and individuals.

A comparison of the 2013 supplemental poverty measure and official poverty rate for Delaware individuals reveals slight differences overall. Notably, however, when health care expenses are considered, older individuals have a higher rate of poverty. The supplemental rate for children is lower than the official poverty rate, reflecting benefits provided by government programs.

Official vs. Supplemental Poverty Rates

U.S.	Official	Supplemental
All individuals	14.6	15.5
Under 18 years old	20.4	16.4
18 - 64 Years Old	13.6	15.4
65 years and older	9.5	14.6
Married Couple	6.7	9.5
Female householder	28.6	28.5
White	12.4	13.7
Black	27.3	24.7
Hispanic	23.7	26
Delaware	Official	Supplemental
All individuals	13.8	13.9

National is for 2013, State is based on average of 2011-2013.

Source: U.S. Census Bureau, 2014.

OTHER INDICATORS OF ECONOMIC WELL-BEING

Poverty rates for individuals by themselves do not tell the whole story about the economic situation of Delawareans. Individuals living in near-poverty (101% - 124% of the poverty level) also experience serious economic hardships.

For more information on the supplemental poverty measure, see: www.census.gov/hhes/povmeas/index.html

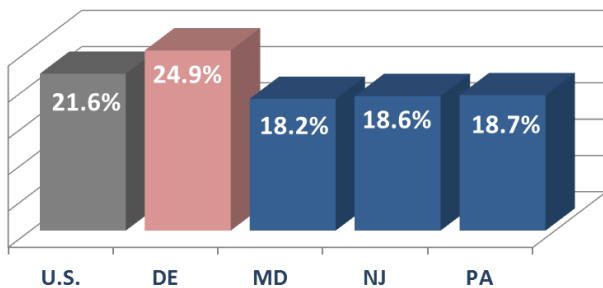
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Enrollment in Medicaid and the Children’s Health Insurance Program (CHIP) is also an indicator of the economic health of a state. The Delaware Medicaid program gives coverage to individuals 138% and below the poverty level. CHIP covers children below 200% of the poverty level not covered by Medicaid. Approximately one-fourth of Delawareans in 2014 were enrolled in the Medicaid and CHIP programs. In comparison to neighboring states and the U.S., Delaware has a higher percentage of enrollment. It is important to note, that eligibility criteria for Medicaid coverage varies from state to state.

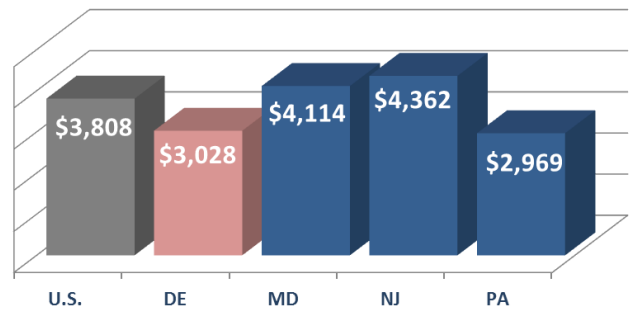
Cash public assistance to the poor and near poor includes Temporary Assistance to Needy Families (TANF) and General Assistance (GA) funds. The percentage of individuals receiving public assistance in Delaware (2.7%) was similar to Maryland (2.5%) and New Jersey (2.8%), while Pennsylvania was slightly higher (3.5%.) The average annual amount of cash assistance per household in Delaware, however, was lower than in the U.S., Maryland and New Jersey.

Medicaid/CHIP Enrollment as a % of Total Population: U.S., DE, and Region, 2014



Source: Calculations based on data from CMS's "Medicaid & CHIP: November 2014 Monthly Applications, Eligibility Determinations and Enrollment Report", and the U.S. Census Bureau's 2014 Population Estimates

Average Annual Cash Assistance: U.S., DE, and Region, Five Year Average, 2009-2013

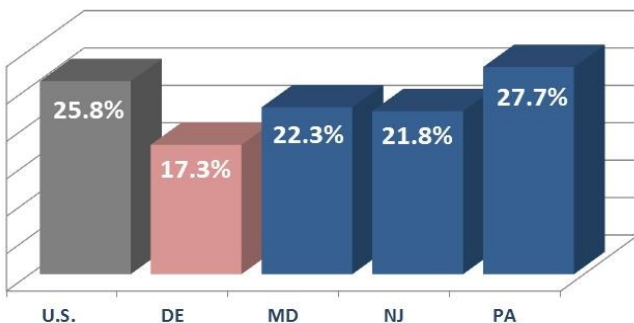


Source: U.S. Census Bureau, 2009-2013 American Community Survey

Medicaid expenditures by Delaware were \$1.66 billion in fiscal year 2014 of which the federal government contributed \$1.0 billion. Approximately 17.3% of total state expenditures went to the Medicaid program — a lower percentage of total expenditures in comparison to neighboring states and the nation.

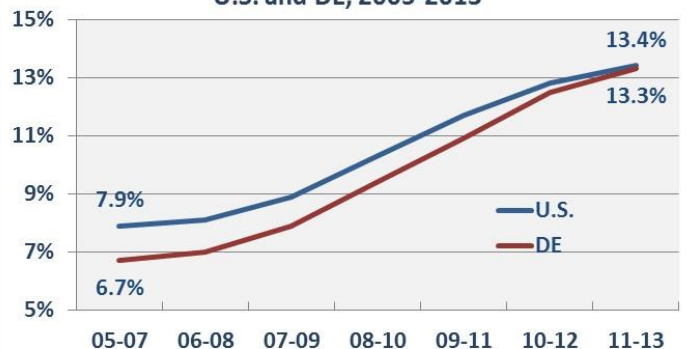
The Supplemental Nutrition Assistance Program (SNAP) provided food assistance to approximately 150,000 Delawareans in FY 2014, a slight decrease from 2013. Prior to this, SNAP participation has increased steadily in both Delaware and the U.S. in recent years.

Medicaid Expenditures as a % of Total Expenditures: U.S., DE, and Region, FY 2014



Total expenditures include both state and federal funds.
Source: National Association of State Budget Officers, State Expenditure Report, 2014

% of Population Receiving SNAP in Past Year: U.S. and DE, 2005-2013



Source: U.S. Census Bureau, American Community Survey, Three Year Estimates

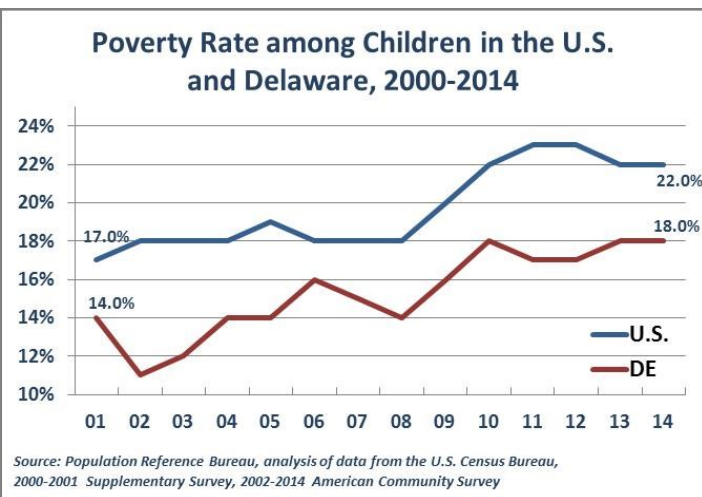
For more information on Medicaid and CHIP programs, see: www.medicaid.gov/

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CHILD POVERTY

Children experience higher individual rates of poverty than other age groups. From 2001 through 2014, the Delaware child poverty rate, while trending with the U.S. rate, was below the national average. The individual rate increased from 14.0% to 18.0% between 2001 and 2014 but remained the same in years 2013 and 2014 again mirroring the national individual poverty rate for children.

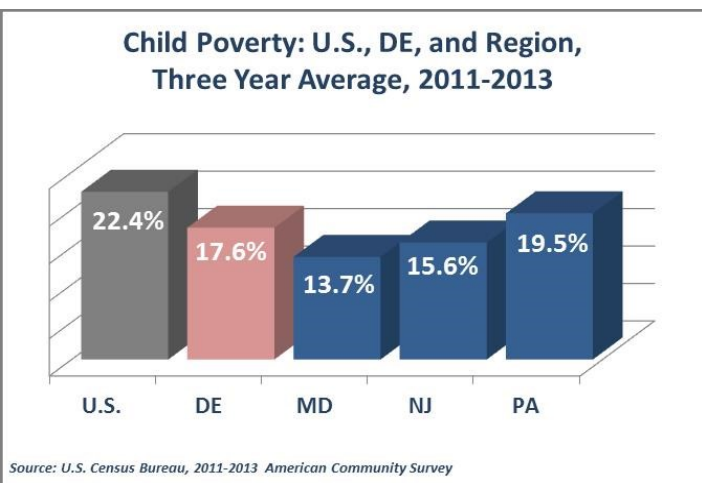


In Delaware, **younger children** (ages 5 and under), children living with one parent, and Black/African American children are at greatest risk of living in or near poverty.

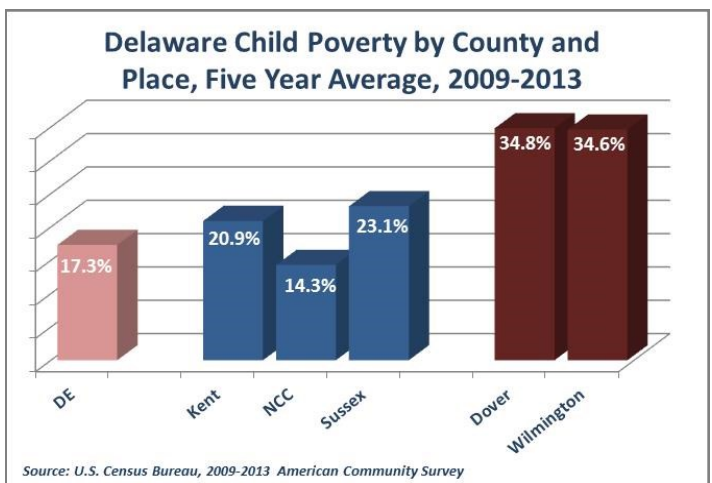
Selected Delaware Child Poverty Indicators	
Poverty Rate	
0 - 5 years	24%
6 - 17 years	19%
Black/African American	27%
Poverty Rate by Household Structure	
One parent	39%
Two parents	9%
Below 200% poverty level	
All Children	40%
Ages 0 - 8 years	42%
Black/African American	56% (2012)

Source: U.S. Census Bureau, 2012 and 2013 ACS 1-year and 3-year averages; Kids Count Data Center, Annie E. Casey Foundation

Regionally, the Delaware estimated poverty rate for individual children is higher than that of Maryland and New Jersey, but lower than that of Pennsylvania.



Geographic analysis illustrates that Kent and Sussex have a higher rate of poverty for individual children than New Castle County, while rates in Dover and Wilmington are nearly twice the state average.



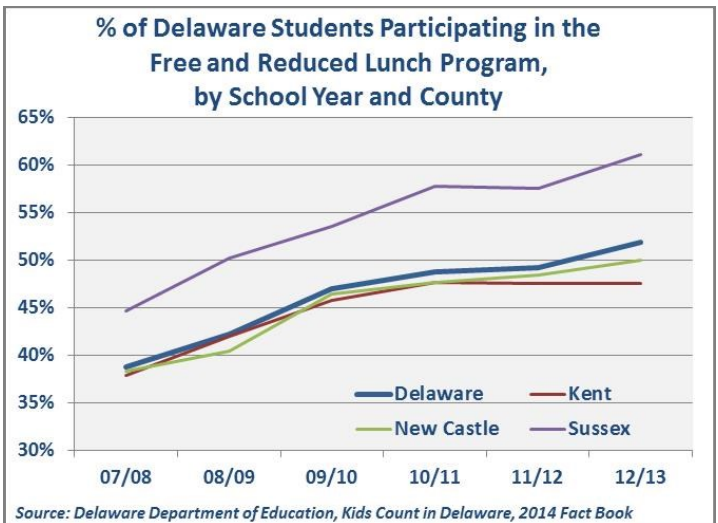
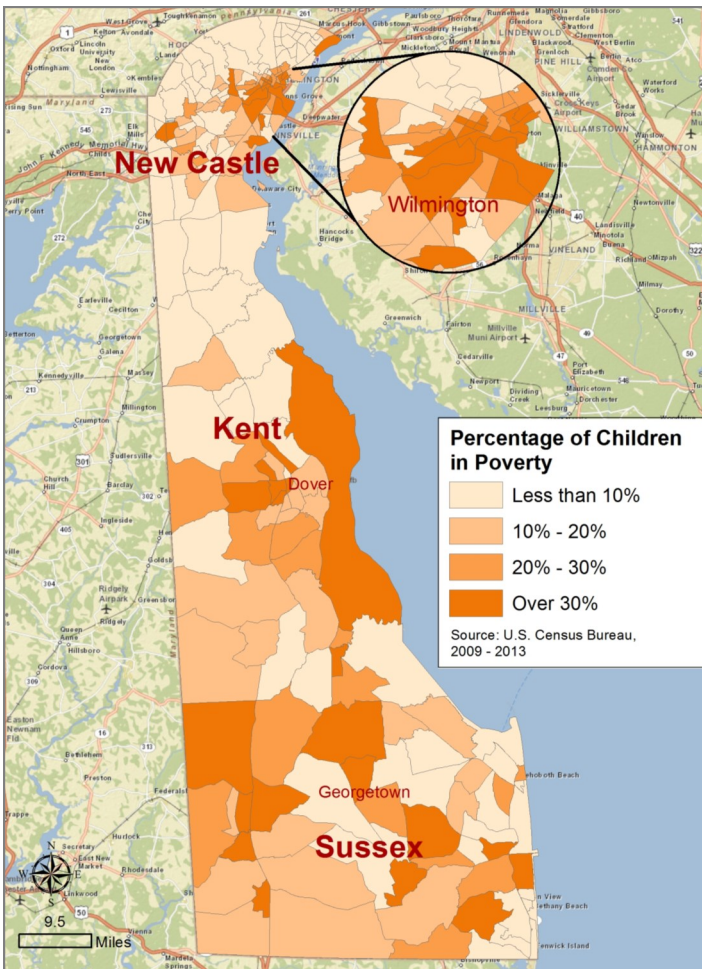
KIDS COUNT in Delaware, funded by the Annie E. Casey Foundation and the State of Delaware, provides high-quality data about the well-being of children, youth and families. For more information, visit: www.ccrs.udel.edu/kids-count

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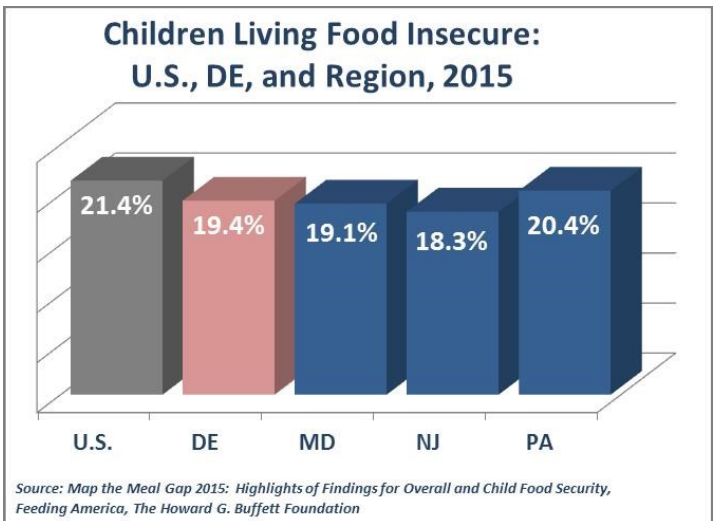
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The census tract map below further illustrates pockets of child poverty in Delaware. In Wilmington, one in three children lives in poverty, with the highest concentrations in downtown neighborhoods. The highest levels in Kent County are found in Dover and along the Kent County coast. In Sussex County, the highest rates are in the Georgetown area and inland in the more rural areas bordering Maryland.

Participation in the National School Lunch Program is another indicator of child economic status. This program provides free or reduced-price lunch to children during the school year. In the 2012-2013 academic year, 51.9% of all Delaware public school students were in the school lunch program. During the year the program served 61,595 free lunches and 6,618 reduced price lunches each day. Enrollment has risen in recent years, particularly in Sussex County.



Food insecurity is caused by the inability to obtain sufficient food due to lack of money. Almost one in five (19.4%) Delaware children suffer from food insecurity, which is slightly below the national average and similar to the rates in neighboring states.



National and state data on the well-being of children is compiled by the Annie E. Casey Foundation which supports the National Kids Count data site and provides policy analysis of children issues.

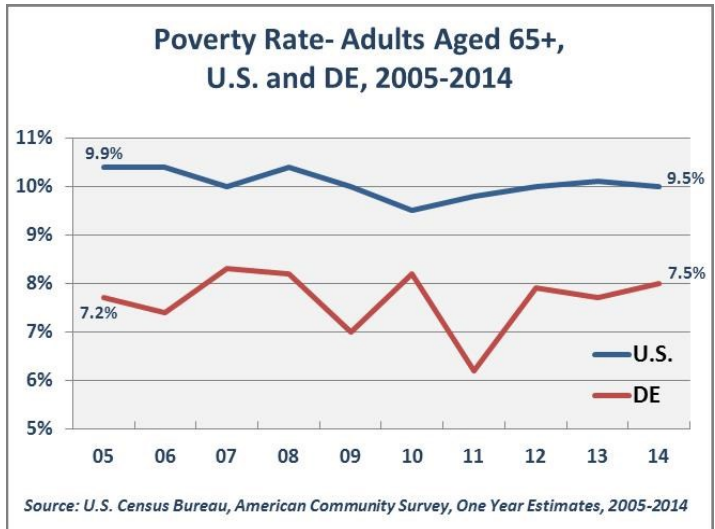
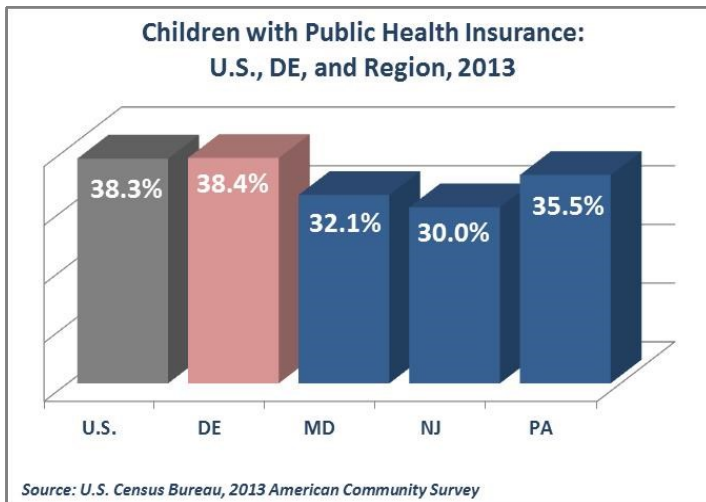
For more information, go to:
www.aecf.org/work/kids-count/

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Analyzing health insurance coverage provides additional insights regarding child poverty and access to health care. Delaware provides public health insurance to 38.4% of children throughout the state. This rate is nearly identical to the national rate, and several percentage points higher than the rates found in Maryland, Pennsylvania, and New Jersey.

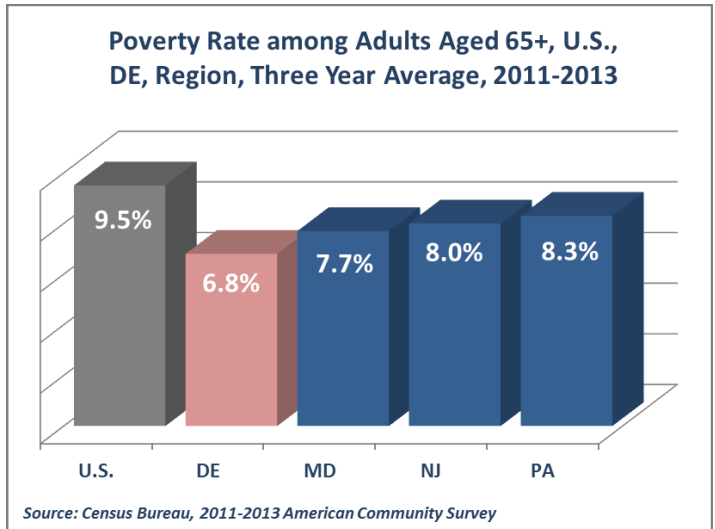
expenditures and transfers are taken into account, almost half (49%) of aging Delawareans are estimated to be living at or below 200% of the poverty level based on the supplemental poverty measure (SPM).¹



POVERTY AMONG AGING ADULTS

Viewing the poverty rate for individuals by region, Delaware's aging population experiences a lower poverty rate than neighboring states and the average for the nation. Almost 7% of elderly people in Delaware are living at or below the national poverty threshold.

Delaware has a growing aging population. According to the U.S. Census Bureau, individuals 65 and over comprise 15.9% of the state's total population. In terms of poverty, this age group faces unique risks. The following section highlights several indicators of economic well-being of aging Delawareans.



The poverty rate for individuals of aging Delawareans has consistently been lower than the national rate, and below the rate for all Delawareans. However, as noted before, the official poverty measure does not account for health care expenditures. When these and other

¹AARP, "Why Social Security and Medicare are Vital to Older Americans in Delaware", 2012
Resources for aging Delawareans can be found at: Delaware Aging and Disability Resource Center (ADRC) dhss.delaware.gov/dhss/dsaapd/adrc.html and the Clearinghouse on Abuse and Neglect of the Elderly (CANE) www.cane.udel.edu/

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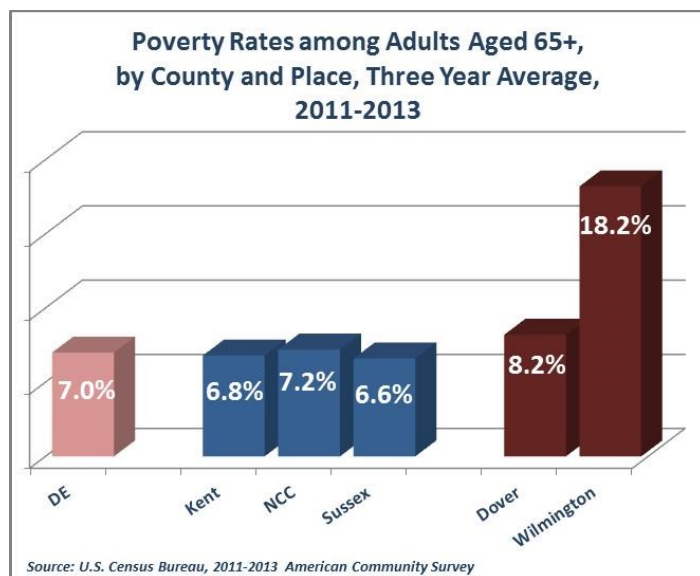
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Social Security and Medicare are important support systems which keep many older individuals out of poverty. It is estimated that the poverty rate of Delaware's elderly population would rise to from 6.8% to 39% if Social Security was not in place. The estimated expenditures on older Delawareans on Medicare was \$1.3 billion in 2012.

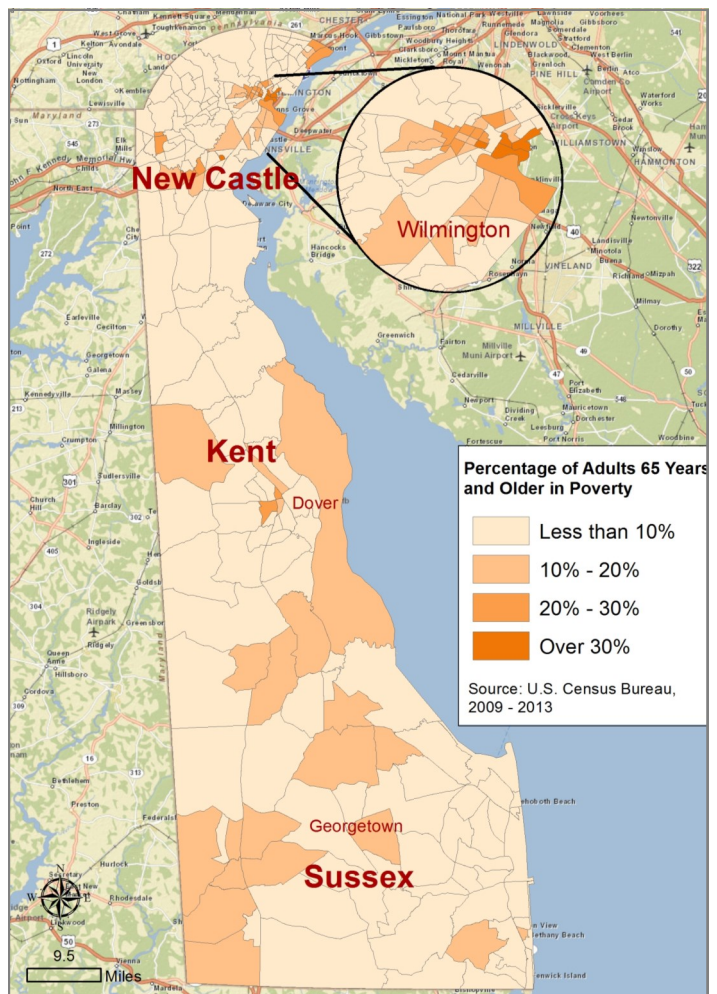
Selected Indicators for Social Security and Medicare in Delaware	
Older individuals receiving Social Security, 2012	92%
Average annual benefit, 2012	\$16,000
Average annual benefit, 2012, Percent of income	47%
Poverty rate without social security	39%
Average annual out-of-pocket health care expenditures by Medicare recipients, 2012	\$4,610
Percent of income spent on out-of-pocket health care expenditures by Medicare recipients, 2012	13%
Enrolled in Medicare, 2011	97%

Source: AARP, "Why Social Security and Medicare are Vital to Older Americans in Delaware", 2012

Poverty by place for older Delawareans reveals very little difference when comparing county rates. When focusing on urban areas, however, Wilmington has a poverty rate twice as high as that of Dover and the state overall. Nearly one in five older residents in Wilmington is living in poverty.



Further geographical analysis by census tract shows pockets of higher poverty for older Delawareans in the urban areas of Wilmington and Dover, on the coast of Kent County and in rural areas in Sussex County along the Maryland-Delaware border. Low levels of poverty are shown along the coast of Sussex reflecting the increased number of older people choosing to retire near the beach.



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