The Distributional Implications of Geographic Adjustment of Poverty Thresholds

by

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Introduction

This paper examines the implications of geographic adjustment of poverty thresholds and poverty

statistics on the distribution of federal funds. Some examples of programs that are distributed based at

least in part on estimates of the prevalence of poverty are Title I education funding, which uses

estimates of the number of school-age children in families whose income is below the poverty line as

one component of its allocation formula, and the State Children's Health Insurance Program (SCHIP)

funding, which uses estimates of the number of children aged 0-18 in families with incomes under 200

percent of poverty. Other programs include Community Development Block Grants and funding

provided to states under the Individuals with Disabilities Education Act. Basing program funding on

estimates of poverty rates leads to the question of how the allocation of federal program dollars would

change if geographic differences in housing costs were taken into account in the poverty measure. While

differences in state level poverty rates using different measures are themselves of interest, it is also

important to see how funds allocations might vary. Since other factors are included in funding formulas,

the relative shares of poor people can differ while the allocated funds could be similar.

This paper uses the current official poverty measure and an alternative poverty measure to examine

these issues, pooling three recent years (1999-2001) of data from the Current Population Survey

(CPS) to reduce the variance. The state shares of the national total for the subject groups of interest

under the official measure, and the alternative geographically adjusted measure, are calculated. The

official and alternative estimates of the number of children aged 0-18 in families under 200 percent of

poverty are then used in an illustrative example in the formula used to allocate funds for the SCHIP

program. This exercise helps readers to understand the implications of taking account of housing costs

in poverty measures that are in turn used to allocate federal dollars.

However, the results reported here should be interpreted with caution. Changing only one element of a

funding formula (in this case a data input) without regard to other elements may be misleading, because

inputs interact with other features such as hold harmless rules, thresholds, and minimum allocations to

produce ultimate allocations. Therefore, this exercise should be interpreted as illustrative in nature as

the adjusted measures of need discussed in this paper represent only one component of a complex

allocation formula and process. Thus, the results discussed below should be interpreted with this

important limitation in mind.

Background

The current official poverty measure makes no adjustments for cost-of-living differences among

geographic areas. In May 1995, the National Academy of Sciences (NAS) Panel on Poverty and

Family Assistance released a report recommending that the official poverty measure be revised. Their

report listed a series of recommendations that included calculating poverty thresholds using Consumer

Expenditure Survey data, subtracting necessary expenses such as taxes and work-related expenses

from income, and adding noncash benefits to income.[1] The recommendation of interest in this paper is

an adjustment for geographic differences in the poverty thresholds. This panel of experts stated that

variations in housing costs can be significant across areas of the country and housing expenditures are a

large component of the poverty budget. As a first and partial step to account for cost-of-living

differences among geographic areas, the NAS Panel recommended that the housing component of

poverty thresholds be adjusted for geographic differences in costs.

The panel developed a set of indexes that were used to adjust poverty thresholds for metropolitan areas

that fall within several population size groups and for non-metropolitan areas in each of the nine Census

Bureau divisions of the country. The divisions include from three to nine contiguous states. The NAS

indexes used 1990 census data on rents for two-bedroom apartments that had plumbing facilities,

kitchen facilities, and electricity and into which the occupant had moved within the last five years. Within

each division the panel grouped metropolitan areas into five population-size categories, with non-

metropolitan areas being included in the smallest category. Then indexes were computed using the cost

of housing at the 45th percentile of the value of the distribution for each area. This resulted in a set of

indexes for 41 geographic areas (some categories had no members). Table 1 shows indexes calculated

by the NAS Panel for each of the nine census divisions.

The panel stated that they believed, while these indexes contained inaccuracies, use of them to set

thresholds would be a marked improvement over the current measure, which makes no adjustment for

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[1] Citro and Michael, 1995.

geographic differences in costs of basic needs. The NAS procedure takes account of geographic

differences in housing costs, but not differences in other costs, and, as the report suggests, assigns index

values that are in error for people in some areas. Because of limitations of the available data, the panel

recommended additional research to determine a method for updating measures of housing costs more

frequently than every ten years using decennial census data.

Housing costs vary widely, even within relatively small areas. To capture housing cost differences

accurately, therefore, requires data on housing costs at a fine level of detail. The NAS Panel started the

calculation of indexes with information from the 1990 decennial census on housing costs for the entire

U.S. by county. However, since the calculation of poverty statistics often employs data with little

geographic detail, especially in the public use file which limits geographic detail to protect confidentiality,

the numbers were reduced to the 41 areas described above.

The Census Bureau's first report on alternative poverty measures (Short et al. 1999) presented poverty

estimates implementing the panel's procedure for adjusting thresholds for geographic differences in the

costs of housing using the current official thresholds as well as all other recommendations of the panel.

Poverty measures were calculated with and without a geographic adjustment applied to the thresholds.

In subsequent work, state level poverty rates were calculated and examined to determine the effect that

adjusting the thresholds for differences in housing costs had on state level poverty estimates (Short,

2001b).

While the NAS Panel report acknowledged the importance of adjusting poverty thresholds for

geographic differences in the cost of living, it also acknowledged limitations of the approach. This was

particularly apparent when examining poverty rates by state. The NAS indexes were grouped by

geographic location rather than by housing costs per se. So for example, all metropolitan areas in the

New England division were given the same index value, even though there is considerable variation in

housing costs within this area. Examining poverty rates using a variety of indexes for 1997, Short

(2001b) found that, using the NAS indexes, the poverty rate for Maine was changed from 10.1 percent

to 12.5 percent, while applying 5 other indexes, the rate was lower, from 9.5 percent to 9.9 percent.

The result suggested that the indexes for a given division may not adequately reflect differences in cost

of housing for each state within that division.

The NAS Panel stated that these indexes, while an improvement over the current official thresholds that

take no account of these differences, could be improved with better data and valuation methods. About

the time that the NAS released their report on poverty measurement, a report from the General

Accounting Office was released focusing specifically on adjusting poverty thresholds for geographic

cost-of living differences (GAO, 1995). This report enlisted the opinion of experts in the field to rate the

feasibility of a long list of methods known to be used to make these adjustments. Of the listed methods,

none was rated by a majority of the experts as showing great promise. Only three of the methods they

examined were rated as having at least moderate promise. One of these used housing data to adjust for

housing costs.

In the second Census Bureau report on alternative poverty measures (Short, 2001a), geographic indexes based on housing data, specifically Fair Market Rents (FMRs), were presented. FMRs are prepared by the Department of Housing and Urban Development annually to administer Section 8 housing programs (for details see the technical appendix in Short, 2001a). They are available for all metropolitan statistical areas and non-metropolitan counties for the entire U.S. Geographic indexes based on FMRs were used to construct an index by which a portion of the poverty threshold was adjusted to account for differences in shelter costs.

The primary difference between the indexes used by the NAS Panel and those used in the second Census Bureau report was that indexes were calculated for smaller areas in the latter. Two indexes were calculated for each state corresponding to metropolitan and non-metropolitan residence. This method allowed for greater variation of housing prices within and among states and appears to yield more reasonable estimates of poverty at the state level when compared to a variety of other calculated indexes (see Short 2001b).

In the latest Census Bureau report on poverty, six alternative poverty measures were published that were based on NAS Panel recommendations.[2] Three of these measures are adjusted for geographic difference in housing costs. They are very similar but differ in the way that medical costs are treated. Since no medical out-of-pocket valuation is yet favored over another, this study calculates the average

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[2] See Proctor and Dalaker (2003). For those familiar with the poverty report, these measures are referred to as MSI-GA, MIT-GA and CMB-GA. These measures include numerous differences from the official measure besides the geographic adjustments. For a complete description of the measures, see Short, 2001a.

of poverty rates based on the three measures across three years. This is then compared to a three-year average of rates based on the official measure, which is not geographically adjusted.

In should be noted that the NAS Panel differentiated the use of poverty measures for statistical purposes and for administrative purposes, such as setting eligibility and benefit standards for government assistance programs. They suggested that there is no necessary relationship between a statistical measure of need and the extent to which programs can or should be devised to alleviate need. Obviously, additional distributional effects would result if a geographic adjustment was included in the administrative measure (poverty guidelines) that sometimes determine eligibility of individuals and families to entitlements.[3]

Results of geographic adjustment

Not surprisingly, the use of geographic adjustment in the calculation of poverty thresholds results in substantive differences in poverty rates for states and in the geographic distribution of the poor.[4] While differences in state poverty rates between the official measure (that uses no geographic adjustment) and the average alternative measure shown in this report (that uses geographic adjustment) is made

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[3] The authors thank Richard Bavier of OMB for pointing out this important issue. Poverty guidelines are based on poverty thresholds and already include some geographic variation – they are 25 to 15 percent higher, respectively, in Alaska and Hawaii.

[4] This paper compares the official poverty measure to an alternative poverty measure that includes geographic adjustment (as well as other differences). Analysis of tables comparing shares of the poverty population between the official measure, an alternative measure that includes geographic adjustment, and an alternative measure that does not include geographic adjustment, shows that geographic adjustment is by far the major contributor to state-level differences in poverty share estimates.

somewhat complicated by the fact that the overall poverty rate differs between the two measures (the

alternative national rate is 0.9 percentage points higher than the official rate for 1999-2001), the

differences are still striking (see table 2). As would be expected, poverty rates in states with relatively

low housing costs decline substantially (for example, the poverty rate in Alabama drops from 14.8

percent to10.2 percent and the poverty rate in Mississippi drops from 16.8 percent to 12.8 percent).

Similarly, the poverty rates in states with relatively high housing costs rise considerably under the

alternative measure (for example, the poverty rate in California rises from 13.1 percent to 18.4 percent

and the poverty rate in New York rises from 14.1 percent to 18.0 percent).

As also shown in Table 3, these differences in overall poverty rates translate into differences in the

geographic distribution of the U.S. poor population. Using the same four states discussed above as

examples, the proportion of the total U.S. poor population living in Alabama drops from 2.0 percent to

1.3 percent, and the Mississippi share of the total poor drops from 1.4 percent to 1.0 percent. The

increases in the poverty shares for high housing costs states (that also tend to be states with large

populations) are also substantial. California's share of the total U.S. poor increases from 13.7 percent

to 17.9 percent, and New York's share rises from 8.2 percent to   9.7 percent (see Figure 1). Using a

difference of 0.2 percentage points or more as a cutoff, 19 states had lower poverty rates and 9 states

had higher rates when the alternative measures were used. The remaining 23 states, including the

District of Columbia, are not substantially different under the two measures.

Table 4 shows the effect of geographic adjustment on the poverty rates of related school-age children

(5-17 years old) in poverty. This is an important subgroup of the population to examine when gauging

the effect of geographic adjustment on poverty estimates because this population is used in the formula

to distribute Title I funds to states and localities. This program, which is administered by the Department

of Education, allocates approximately $12 billion annually. Shifts in the distribution of the country's

poor population will affect the distribution of these funds.

As in the case of comparisons of the poverty rates of all people by state, comparisons of related

school-age children in poverty have to take the difference between the national rates into account. For

school-age children, the national poverty rate was 15.1 percent under the official definition of poverty

and 13.1 percent under the alternative definition used here that takes geographic adjustment into

account. Looking at the same four states as above, there is a similar pattern of higher poverty rates in

high-cost states and lower rates in low-cost states. The school-age child poverty rate dropped from

22.3 percent to 13.1 percent in Mississippi and from 19.1 percent to 9.3 percent in Alabama. In

California, the poverty rate rose from 17.4 percent to 20.7 percent and in New York the comparable

rate rose from 19.6 percent to 20.4 percent. These changes are also reflected in differences in the

geographic distribution of related school-age children in poverty (see Table 5 and Figure 2). Figure 2

uses the same 0.2 percentage point cutoff as Figure 1 to distinguish differences under the two measures.

Again, substantially more states (21) show lower poverty rates under the alternative measures than

higher (5 states have higher rates). Almost half show little or no differences.

Other specialized tabulations that use poverty thresholds, such as estimates of the number of uninsured children with family incomes under 200 percent of poverty, are similarly affected by the use of poverty thresholds that vary across the country (see Tables 6 and 7 and Figure 3). This particular statistic is important to our understanding of the effect of geographic adjustment on poverty because it is used in the formula to allocate federal funds to states under the SCHIP. This program, which is administered by the Centers for Medicare and Medicaid Services (CMS), an agency of the Department of Health and Human Services (HHS), allocates $3 billion to $4 billion annually to states.

An Illustration of the Role Geographic Adjustment Plays in Federal Funding Formulas

Previous sections of this study gave some background on the issue of geographic adjustment and examined the effect of this adjustment on state poverty rates and the geographic distribution of the poor. This section of the study takes that analysis one step farther by using a specific funding formula--the one used in the SCHIP program--to examine the importance of geographic adjustment on the allocation of funding across states. As noted above, this is a formula used to allocate $3 billion to $4 billion annually to states. This formula is convenient for examining the effect of geographic adjustment on funding since the formula uses direct CPS estimates of low-income children and low-income uninsured children. It is the only federal funding formula to our knowledge to do so.[5] It is therefore a program that might be particularly affected by a change in the poverty measure. Since most of the poverty research at the Census Bureau has been focused on using the CPS to examine the effect of alternative poverty

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[5] For example, the Title I Program uses model-based estimates modified further by independent estimates of foster children, as well as institutionalized, neglected, and delinquent children. The Title I Program also has extensive "hold-harmless" provisions, which limit the effect of year-to-year change.

definitions on poverty rates and the composition of the poverty population, it is relatively easy to

produce alternative poverty estimates from this survey that can be directly placed into the formula.

Czajka and Jabine (2003) discuss the use of CPS data in an allocation formula and the inherent

problem of using an estimate of the number of uninsured in a formula that would suggest that an increase

in SCHIP enrollment would lead to lower federal funding. Further compounding this issue is that the

alternative measure examined here contains an adjustment for insurance coverage, effectively increasing

the poverty threshold for families without insurance.[6] This is another issue to keep in mind when

considering the results of this exercise.

The formula uses three components: the number of low-income children (defined as children under 19

years of age living in families with incomes under 200 percent of their poverty threshold), the number of

low-income children without insurance; and a cost factor. The cost factor is based on the calculation of

the ratio of each state's average annual wages in the health industry to the national average annual

wages in the health care industry. [7]

The formula starts with the number of low-income children and low-income uninsured children in each

state, based on the CPS 3-year averages (the 1999-2001 averages were shown in Table 6). A

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[6]See Short (2001a) for description of adjustment of the poverty thresholds for insurance coverage of two of
the three alternative measures used in this exercise.

[7] Note that this adjustment by state introduces a geographic adjustment into the allocation formula which is
most likely positively associated with the housing cost adjustment in the alternative poverty measure.

composite number from these two figures is computed, based on 50 percent of the low-income figure and 50 percent of the low-income uninsured figure (so if there were 100,000 low-income children in a state and 75,000 low-income uninsured children, the formula figure for that state would be 87,500). That figure is then multiplied by the cost factor, calculated by adding 0.15 to the product of 0.85 times the ratio of the annual wages in the health industry per employee for the state to the annual wages for the 50 states and the District of Columbia. So, for example, if the wages of health care workers in that state were determined to be 95 percent of the national average, the 87,500 figure would be multiplied by (0.15 + (0.85*0.95) = 0.9575). The sum of the cost-adjusted child figures for each state is then computed across all states, and each state's figure is shown as a share of the total–so, for our example, the adjusted low-income figure would be 87,500* 0.9575 or 83,781. If the total of the cost-adjusted figures for all states was 8 million children, the share for this state would be 1.0473 percent. So this state would receive 1.0473 percent of the total U.S. allocation. That figure is then adjusted to reflect the "floors and ceilings" or statutory limits that are imposed by the formula. For example, a state cannot receive less than 90 percent of their previous year's allocation. So the reallocated figures, after these floors and ceilings are taken into account, become the basis for the actual allocations. The FY 2004 allocations based on this formula range from $3.8 million (Vermont) to $534.0 million (California). Other states with allocations over $150 million were Texas ($330.9 million), New York ($216.5 million), and Florida ($193.6 million). The total SCHIP funds to be allocated to the 50 states and the District of Columbia in fiscal year 2004 will be $3.1 billion.

As shown in Figure 3, the number of states categorized as having a difference between the two poverty measures is lower than for the other groups; only five states are lower and four states higher using the alternative measure. This result may be due to the additional condition of non-insurance that is part of the allocation formula, a component that is already partially accounted for in the alternative measure. Adding this condition to the formula brings the official measure more in line with the alternative measure.

Table 8 shows the official 2004 SCHIP allocations for the 50 states and the District of Columbia, as well as the components that go into that allocation. Table 9 shows the comparable figures based on the alternative poverty measure. As might be expected, the allocations of many states would be affected under the use of an alternative poverty measure that accounts for geographic differences in the cost of living. Table 10 and Figure 4 summarize these differences. Nine states would see no changes to their allocations. Of the other 42 states, 17 (including the District of Columbia) would see increases and 25 would see declines to their allocations. Of the 17 states that would have increased allocations, those with the largest dollar amount differences would be California ($35.3 million), New York ($25.2 million), and New Jersey ($17.5 million). In terms of percentage increases in allocations, the states with the largest changes would be New Jersey

(27.1 percent), New Hampshire (16.9 percent), New York (11.6 percent), and the District of Columbia (10.3 percent). In terms of dollar declines in allocations, the states with the largest changes would be Texas ($30.1 million), Louisiana ($9.4 million), and Alabama ($7.9 million). In terms of percentage declines in allocations, the states with the largest changes would be Louisiana and Alabama (both at 14.5 percent), Kentucky (13.0 percent), and Arkansas

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(12.4 percent).

Conclusions

The findings in this report should be considered as merely illustrative. The exercise reported here

changed only one element of a funding formula and then reported on the resulting change in allocations.

However, funding formulas are not created in a vacuum. Changing only one element of a formula can

provide information, but such a change rarely occurs in practice. Thus, the results discussed above

should be interpreted with this important limitation in mind.

Adjusting poverty thresholds for geographic differences in the cost of living has been recommended by

the National Academy of Sciences and other prominent researchers. There is also agreement that doing

so would be a complex statistical activity, which, given current limited availability of relevant data, could

lead to erroneous poverty classifications. These results show that use of an alternative poverty measure

that accounts for geographic differences in housing costs would result in a relatively large reallocation of

funding from Southern states to states in the West and the Northeast. This paper makes no statements

about the appropriateness or fairness of these reallocations but merely seeks to point out the

importance of further research and examination of these important indicators.

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Figure 1: States by Changes in Shares of All People Between Official and Alternative Poverty
Measures: 3-Year Average, 1999-2001

United States
Percentage Point Difference

- Declined 0.2 or more (19)
- Less than 0.2 change (23)
- Increased 0.2 or more (9)
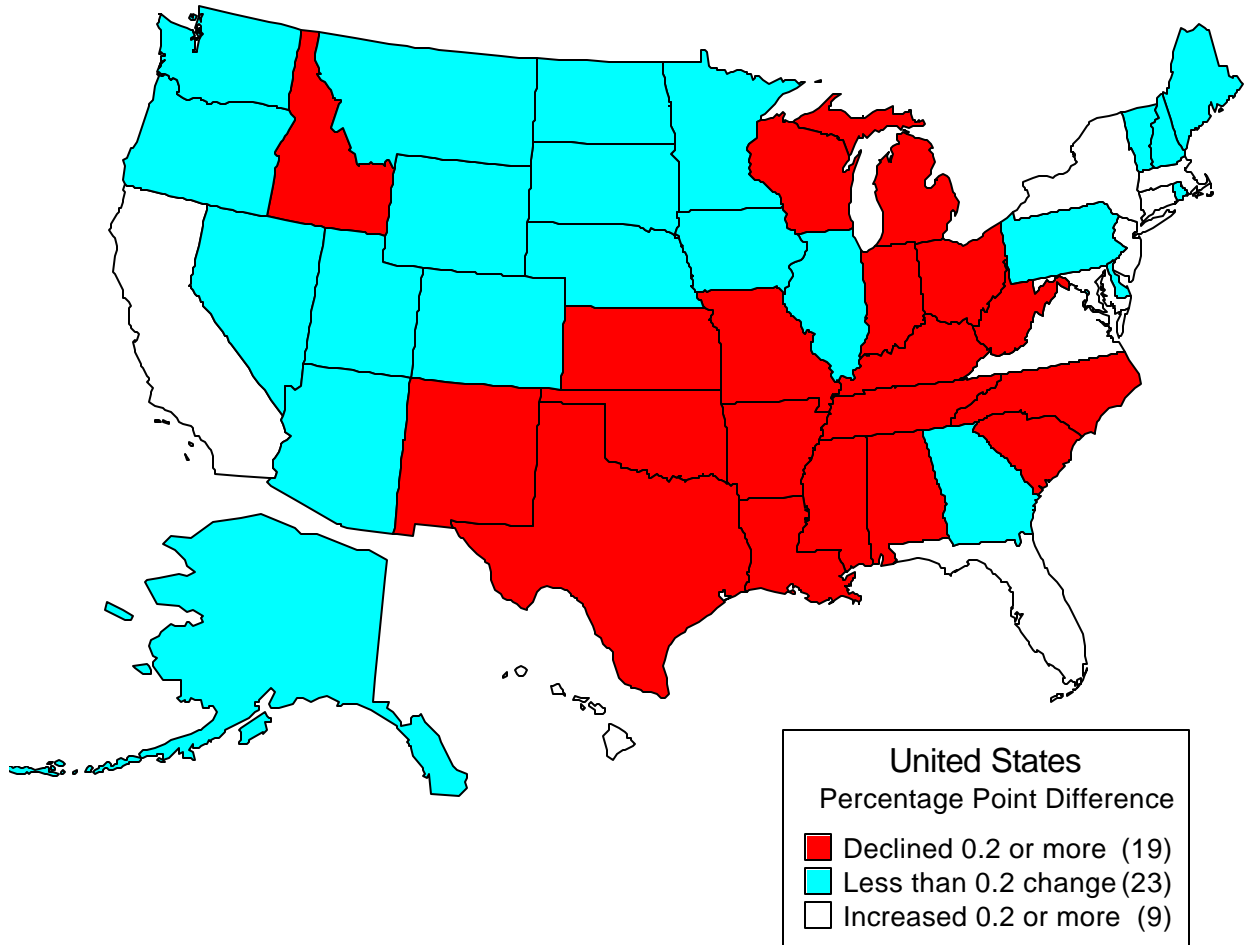
Note: The numbers in the text box include Washington, DC whose share increased by
0.051 percentage points between the official and alternative measures.

Sources: Table 3: Number of People and Share of the Total Population At or Below Official
and Alternative Poverty Thresholds, by State: 3-Year Averages for 1999, 2000, 2001;
U.S. Census Bureau, Current Population Survey, 2000, 2001, and 2002 Annual Social and Economic
Supplements.

Figure 2: States by Changes in Shares of Related Children Aged 5 to 17 Between Official and
Alternative Poverty Measures: 3-Year Average, 1999-2001

United States
Percentage Point Difference

- Declined 0.2 or more (21)
- Less than 0.2 change (25)
- Increased 0.2 or more (5)
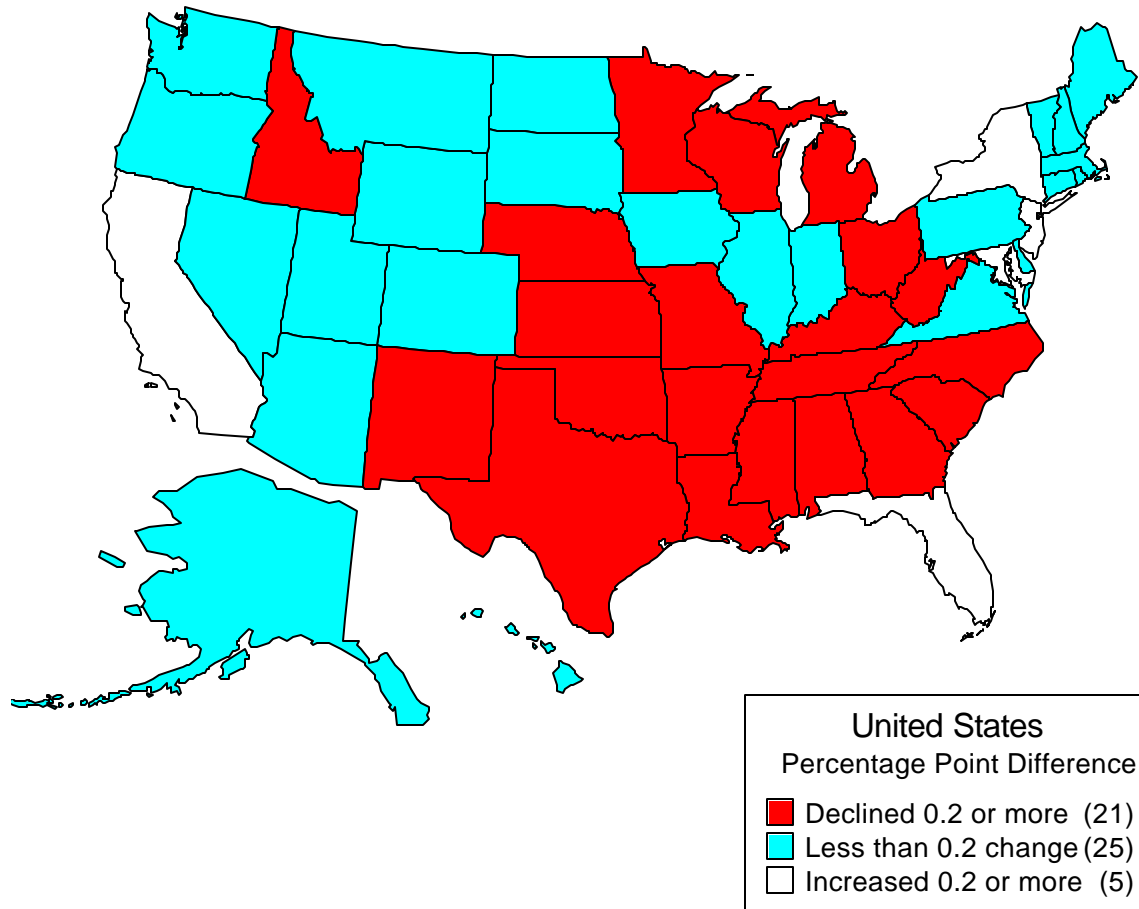
Note: The numbers in the text box include Washington, DC whose share increased by
0.034 percentage points between the official and alternative measures.
Sources: Table 5: Number of Related Children Aged 5 to 17 At or Below Official and Alternative
Poverty Thresholds by State: 3-Year Averages for 1999, 2000, 2001; U.S. Census Bureau, Current
Population Survey, 2000, 2001, and 2002 Annual Social and Economic Supplements.

Figure 3: States by Changes in Shares of Children Under 19 Years of Age, At or Below 200 Percent of Poverty, Without Health Insurance

United States
Percentage Point Difference

■	Declined 0.2 or more	(5)
■	Less than 0.2 change	(42)
□	Increased 0.2 or more	(4)
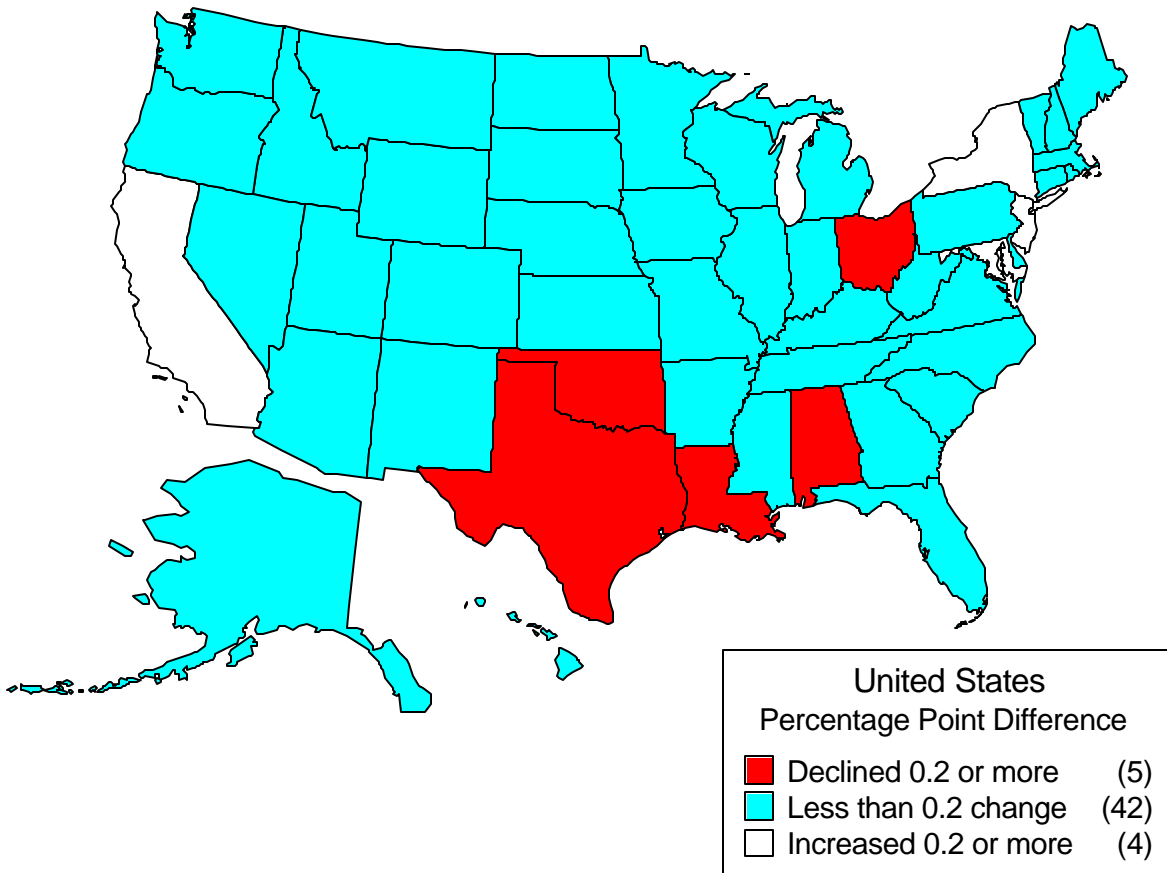
Note: The numbers in the text box include Washington, DC whose share increased by 0.021 percentage points between the official and alternative measures.

Sources: Table 6: Number and Percent of Children Under 19 Years of Age, At or Below 200 Percent of Poverty, by State, Under Official Poverty Definition: 3-Year Averages for 1999, 2000, 2001; Table 7 Number and Percent of Children Under 19 Years of Age, At or Below 200 Percent of Poverty, by State, Under Alternative Poverty Definition: 3-Year Averages for 1999, 2000, and 2001; U.S. Census Bureau, Current Population Survey, 2000, 2001, and 2002 Annual Social and Economic Supplements.

Figure 4: States by Percent Change in Fiscal Year 2004 State Children's Health Insurance Program Allotments Based on Official and Alternative Measures.
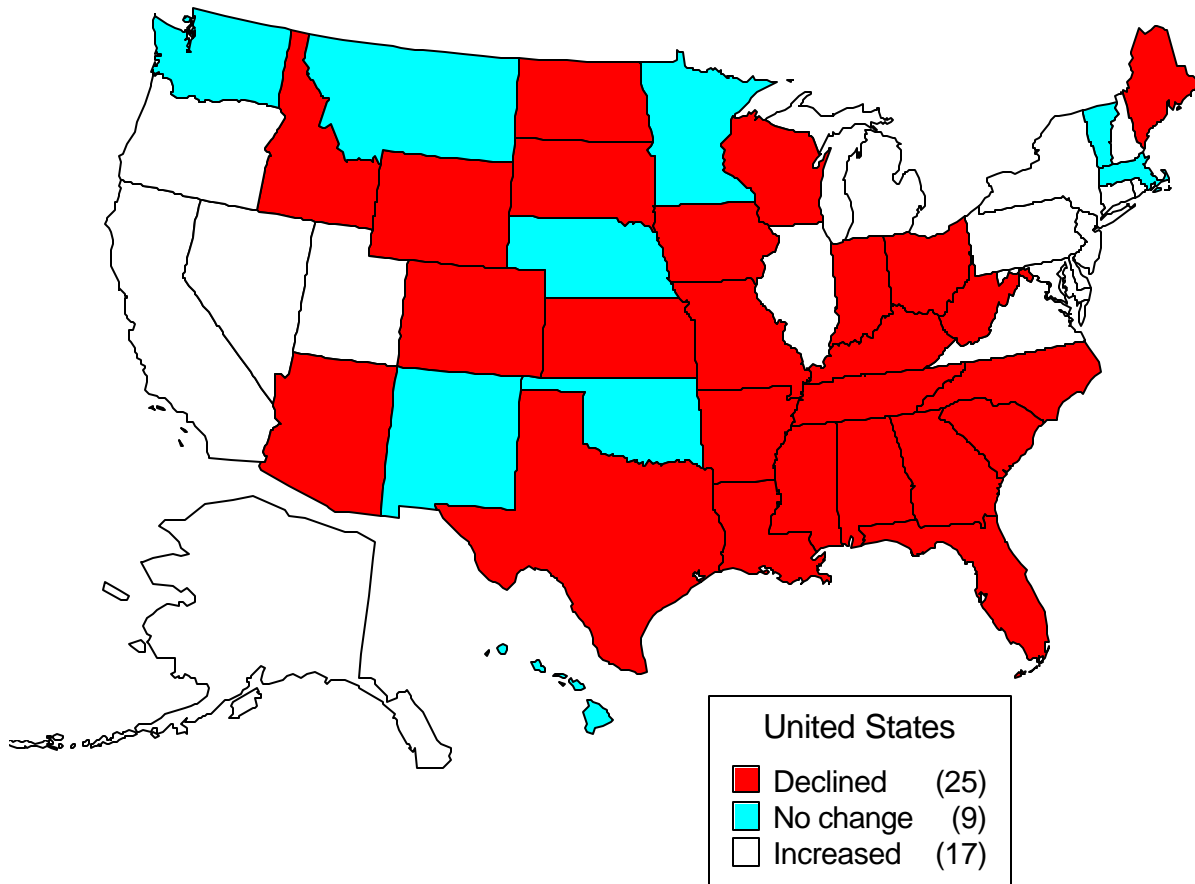
Note: The numbers in the text box include Washington, DC whose allotment increased by 10.26 percent between the official and alternative measures.

Sources: Table 10: Summary of Differences between Official and Alternative Fiscal Year 2004 State Children's Health Insurance Program Allotments; U.S. Census Bureau, Current Population Survey, 2000, 2001, and 2002 Annual Social and Economic Supplements.

Table 1. Adjustments for Housing Costs for Poverty Thresholds Proposed by the National Academy of Sciences

Area and Population Size	Index Value
Northeast	
New England (Connecticut, Maine, Massachusetts,	
* New Hampshire, Rhode Island, Vermont)*	
Non-metropolitan areas and Metropolitan areas under 250,000	1.128
Metropolitan areas 250,000-500,000	1.128
Metropolitan areas 500,000-1,000,000	1.148
Metropolitan areas 1,000,000-2,500,000	1.141
Metropolitan areas 2,500,000 or more	1.209
Middle Atlantic (New Jersey, New York, Pennsylvania)	
Non-metropolitan areas and Metropolitan areas under 250,000	0.908
Metropolitan areas 250,000-500,000	0.997
Metropolitan areas 500,000-1,000,000	1.020
Metropolitan areas 1,000,000-2,500,000	0.975
Metropolitan areas 2,500,000 or more	1.187
Midwest	
East North Central (Illinois, Indiana, Michigan,	
* Ohio, Wisconsin)*	
Non-metropolitan areas and Metropolitan areas under 250,000	0.896
Metropolitan areas 250,000-500,000	0.959
Metropolitan areas 500,000-1,000,000	0.987
Metropolitan areas 1,000,000-2,500,000	0.995
Metropolitan areas 2,500,000 or more	1.059
West North Central (Iowa Kansas, Minnesota, Missouri,	
* Nebraska, North Dakota, South Dakota)*	
Non-metropolitan areas and Metropolitan areas under 250,000	0.861
Metropolitan areas 250,000-500,000	0.962
Metropolitan areas 500,000-1,000,000	0.981
Metropolitan areas 1,000,000-2,500,000	1.028
Metropolitan areas 2,500,000 or more (use areas 1-2.5 million)	N.A.
South	
South Atlantic (Delaware, District of Columbia, Florida,	
* Georgia, Maryland, North Carolina, South Carolina,*	
* Virginia, West Virginia)*	
Non-metropolitan areas and Metropolitan areas under 250,000	0.899

Metropolitan areas 250,000-500,000	0.961
Metropolitan areas 500,000-1,000,000	1.007
Metropolitan areas 1,000,000-2,500,000	1.043
Metropolitan areas 2,500,000 or more	1.119
East South Central (Alabama, Kentucky, Mississippi,	
Tennessee)	
Non-metropolitan areas and Metropolitan areas under 250,000	0.827
Metropolitan areas 250,000-500,000	0.935
Metropolitan areas 500,000-1,000,000	0.947
Metropolitan areas 1,000,000-2,500,000	N.A.
Metropolitan areas 2,500,000 or more	N.A.
West South Central (Arkansas, Louisiana, Oklahoma, Texas)	
Non-metropolitan areas and Metropolitan areas under 250,000	0.858
Metropolitan Areas 250,000-500,000	0.911
Metropolitan areas 500,000-1,000,000	0.942
Metropolitan areas 1,000,000-2,500,000	0.962
Metropolitan areas 2,500,000 or more	1.005
West	
Mountain (Arizona, Colorado, Idaho, Montana, Nevada,	
New Mexico, Utah, Wyoming)	
Non-metropolitan areas and Metropolitan areas under 250,000	0.888
Metropolitan areas 250,000-500,000	0.976
Metropolitan areas 500,000-1,000,000	1.039
Metropolitan areas 1,000,000-2,500,000	1.003
Metropolitan areas 2,500,000 or more	N.A.
Pacific (Alaska, California, Hawaii, Oregon, Washington)	
Non-metropolitan areas and Metropolitan areas under 250,000	0.969
Metropolitan areas 250,000-500,000	1.018
Metropolitan areas 500,000-1,000,000	1.028
Metropolitan areas 1,000,000-2,500,000	1.104
Metropolitan areas 2,500,000 or more	1.217
N.A. = not applicable	
*Citro, Constance F. and Robert T. Michael (eds.), *Measuring Poverty:*	
A New Approach, Washington, D.C.: National Academy Press, 1995, p. 41.	

Table 2. Percent of People in Poverty by State, Under Official and Alternative Poverty Definitions: 3-Year Averages for 1999, 2000, and 2001					
State	Official 3-year average 1999-2001 Percent	90-pct. C.I.(+/-)	Alternative 3-year average 1999-2001 Percent	90-pct. C.I.(+/-)	Percentage Point Difference (Alternative Minus Official Measure)
United States	11.6	0.2	12.5	0.2	0.9
Alabama	14.8	1.5	10.2	1.3	-4.7
Alaska	7.9	1.2	9.3	1.2	1.4
Arizona	12.9	1.5	13.6	1.5	0.8
Arkansas	16.3	1.7	11.4	1.5	-4.9
California	13.1	0.7	18.4	0.8	5.3
Colorado	9.0	1.1	10.5	1.2	1.5
Connecticut	7.4	1.1	9.8	1.3	2.4
Delaware	8.5	1.3	9.6	1.4	1.1
District of Columbia	16.1	1.8	20.5	2.0	4.5
Florida	12.0	0.8	13.7	0.9	1.6
Georgia	12.6	1.4	13.2	1.4	0.6
Hawaii	10.4	1.4	16.9	1.7	6.5
Idaho	12.7	1.5	9.0	1.3	-3.6
Illinois	10.2	0.9	11.3	0.9	1.1
Indiana	7.9	1.1	7.6	1.0	-0.3
Iowa	7.7	1.1	6.6	1.1	-1.1
Kansas	10.1	1.3	8.5	1.2	-1.6
Kentucky	12.4	1.4	10.3	1.4	-2.1
Louisiana	17.5	1.7	13.5	1.6	-4.0
Maine	10.3	1.3	10.0	1.3	-0.3
Maryland	7.3	1.1	9.4	1.3	2.1
Massachusetts	10.2	1.1	13.3	1.2	3.1
Michigan	9.7	0.9	9.6	0.9	0.0
Minnesota	6.8	1.0	6.3	1.0	-0.4
Mississippi	16.8	1.8	12.8	1.6	-4.0
Missouri	10.2	1.3	8.2	1.2	-2.1
Montana	14.4	1.7	13.0	1.6	-1.4
Nebraska	9.7	1.3	7.8	1.2	-1.9
Nevada	9.0	1.2	11.0	1.3	1.9
New Hampshire	6.2	1.1	7.3	1.2	1.1
New Jersey	7.7	0.8	12.5	1.0	4.8
New Mexico	18.8	1.9	17.1	1.9	-1.7
New York	14.1	0.8	18.0	0.8	3.9
North Carolina	12.9	1.2	12.0	1.1	-0.9
North Dakota	12.4	1.5	9.2	1.3	-3.2
Ohio	10.8	0.9	9.1	0.8	-1.7

Oklahoma	14.3	1.5	10.3	1.3	-4.0
Oregon	11.8	1.4	12.3	1.4	0.6
Pennsylvania	9.2	0.8	9.6	0.8	0.4
Rhode Island	10.0	1.3	9.3	1.2	-0.6
South Carolina	12.7	1.5	10.8	1.4	-1.8
South Dakota	9.0	1.2	7.6	1.1	-1.4
Tennessee	13.2	1.5	10.9	1.4	-2.2
Texas	15.2	0.9	15.3	0.9	0.1
Utah	8.0	1.1	8.0	1.1	0.0
Vermont	9.8	1.3	9.6	1.3	-0.2
Virginia	8.0	1.1	9.5	1.2	1.4
Washington	10.4	1.3	11.1	1.4	0.8
West Virginia	15.6	1.5	11.5	1.3	-4.1
Wisconsin	8.6	1.1	8.0	1.1	-0.6
Wyoming	10.3	1.4	8.5	1.3	-1.9

Note: For explanation of confidence intervals (C.I.), see "Standard errors and their use"
   at www.census.gov/hhes/poverty/poverty01/pov01src.pdf
Source: U.S. Census Bureau, Current Population Survey, 2000, 2001, and 2002 Annual
   Social and Economic Supplements.

Table 3. Number of People and Share of the Total Population At or Below Official and Alternative Poverty Thresholds, by State: 3-Year Averages for 1999, 2000, 2001

States	Total Population	Share of Total 100.0	Poverty Population Official	Share of Total 100.0	Poverty Population Alternative	Share of Total 100.0	Percentage Point Difference (Alternative Minus Official Measure)
United States	278,875,715		32,426,290		34,896,493		
Alabama	4,380,235	1.6	649,225	2.0	445,003	1.3	-0.7
Alaska	627,280	0.2	49,727	0.2	58,336	0.2	0.0
Arizona	5,183,820	1.9	667,021	2.1	706,496	2.0	0.0
Arkansas	2,638,553	0.9	430,890	1.3	301,655	0.9	-0.5
California	33,996,163	12.2	4,449,035	13.7	6,249,371	17.9	4.2
Colorado	4,351,439	1.6	391,242	1.2	457,262	1.3	0.1
Connecticut	3,389,454	1.2	250,936	0.8	332,419	1.0	0.2
Delaware	778,218	0.3	66,216	0.2	74,719	0.2	0.0
District of Columbia	550,473	0.2	88,451	0.3	113,118	0.3	0.1
Florida	15,957,513	5.7	1,922,800	5.9	2,183,536	6.3	0.3
Georgia	8,083,118	2.9	1,020,933	3.1	1,066,662	3.1	-0.1
Hawaii	1,208,438	0.4	125,556	0.4	204,661	0.6	0.2
Idaho	1,280,635	0.5	162,274	0.5	115,723	0.3	-0.2
Illinois	12,277,131	4.4	1,257,298	3.9	1,386,246	4.0	0.1
Indiana	5,983,604	2.1	473,271	1.5	456,585	1.3	-0.2
Iowa	2,857,119	1.0	219,604	0.7	188,088	0.5	-0.1
Kansas	2,629,634	0.9	266,552	0.8	224,450	0.6	-0.2
Kentucky	3,947,779	1.4	490,705	1.5	406,204	1.2	-0.3
Louisiana	4,338,613	1.6	760,726	2.3	585,464	1.7	-0.7
Maine	1,268,146	0.5	131,158	0.4	127,219	0.4	0.0
Maryland	5,202,763	1.9	379,520	1.2	490,815	1.4	0.2
Massachusetts	6,282,787	2.3	639,113	2.0	832,858	2.4	0.4
Michigan	9,914,966	3.6	957,290	3.0	952,962	2.7	-0.2
Minnesota	4,889,413	1.8	330,561	1.0	309,108	0.9	-0.1
Mississippi	2,780,843	1.0	467,506	1.4	356,679	1.0	-0.4
Missouri	5,513,698	2.0	562,858	1.7	449,434	1.3	-0.4
Montana	890,061	0.3	128,348	0.4	115,973	0.3	-0.1
Nebraska	1,680,448	0.6	162,320	0.5	130,832	0.4	-0.1
Nevada	2,069,142	0.7	186,990	0.6	226,863	0.7	0.1
New Hampshire	1,246,492	0.4	77,547	0.2	91,291	0.3	0.0

New Jersey	8,357,421	3.0	646,971	2.0	1,047,023	3.0	1.0
New Mexico	1,805,128	0.6	339,498	1.0	308,331	0.9	-0.2
New York	18,796,512	6.7	2,648,215	8.2	3,380,367	9.7	1.5
North Carolina	7,944,276	2.8	1,027,100	3.2	951,909	2.7	-0.4
North Dakota	620,941	0.2	77,166	0.2	57,411	0.2	-0.1
Ohio	11,186,902	4.0	1,211,431	3.7	1,020,256	2.9	-0.8
Oklahoma	3,350,085	1.2	478,245	1.5	344,841	1.0	-0.5
Oregon	3,427,502	1.2	403,422	1.2	422,634	1.2	0.0
Pennsylvania	12,026,530	4.3	1,102,450	3.4	1,155,750	3.3	-0.1
Rhode Island	1,036,732	0.4	103,244	0.3	96,815	0.3	0.0
South Carolina	3,919,871	1.4	496,106	1.5	424,563	1.2	-0.3
South Dakota	727,546	0.3	65,242	0.2	55,244	0.2	0.0
Tennessee	5,627,553	2.0	740,923	2.3	614,786	1.8	-0.5
Texas	20,632,671	7.4	3,134,796	9.7	3,160,575	9.1	-0.6
Utah.	2,230,082	0.8	178,083	0.5	178,390	0.5	0.0
Vermont	601,120	0.2	58,842	0.2	57,610	0.2	0.0
Virginia	6,962,739	2.5	559,251	1.7	659,880	1.9	0.2
Washington	5,826,900	2.1	604,300	1.9	649,038	1.9	0.0
West Virginia	1,758,591	0.6	274,640	0.8	201,820	0.6	-0.3
Wisconsin	5,353,105	1.9	460,515	1.4	428,039	1.2	-0.2
Wyoming	485,529	0.2	50,181	0.2	41,179	0.1	0.0

Source: U.S. Census Bureau, Current Population Survey, 2000, 2001, and 2002 Annual Social and Economic Supplements.

Table 4. Percent of Related Children Aged 5-17 in Poverty by State, Under Official and Alternative Poverty Definitions: 3-Year Averages for 1999, 2000, and 2001

State	Official 3-year average 1999-2001		Alternative 3-year average 1999-2001		Percentage Point Difference (Alternative Minus Official Measure)
	Percent	90-pct. C.I.(+/-)	Percent	90-pct. C.I.(+/-)	
United States……	15.1	0.4	13.1	0.4	-2.0
Alabama..............	19.1	3.5	9.3	2.7	-9.8
Alaska..............	8.6	2.2	7.7	2.2	-0.9
Arizona.............	16.7	3.3	15.4	3.4	-1.3
Arkansas.............	20.0	3.7	10.7	3.0	-9.3
California...........	17.4	1.5	20.7	1.7	3.3
Colorado............	11.3	2.5	10.1	2.5	-1.2
Connecticut..........	10.1	2.6	9.7	2.6	-0.4
Delaware............	12.3	3.2	10.5	3.1	-1.8
District of Columbia.	26.8	4.9	26.2	5.1	-0.6
Florida..............	16.5	2.0	15.0	2.0	-1.5
Georgia.............	17.7	3.2	14.7	3.0	-3.0
Hawaii..............	11.7	2.9	14.4	3.4	2.7
Idaho................	15.6	3.2	7.7	2.5	-7.9
Illinois.............	14.4	2.0	12.6	2.0	-1.8
Indiana..............	8.6	2.3	7.5	2.2	-1.1
Iowa................	7.1	2.2	4.3	1.8	-2.8
Kansas..............	13.0	3.0	8.7	2.7	-4.3
Kentucky............	15.3	3.3	9.2	2.8	-6.1
Louisiana...........	23.8	3.9	14.0	3.3	-9.8
Maine...............	13.3	3.2	11.0	3.1	-2.3
Maryland.............	7.2	2.3	8.4	2.6	1.2
Massachusetts........	15.4	2.8	14.3	2.8	-1.1
Michigan.............	11.7	2.0	9.2	1.8	-2.5
Minnesota............	7.5	2.2	4.3	1.7	-3.2
Mississippi..........	22.3	3.9	13.1	3.3	-9.2
Missouri.............	13.0	3.1	7.8	2.5	-5.2
Montana..............	16.3	3.6	12.3	3.3	-4.0
Nebraska.............	10.7	2.8	5.4	2.1	-5.3
Nevada..............	12.1	2.7	12.5	2.8	0.4

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New Hampshire........	6.1	2.1	6.0	2.2	-0.1
New Jersey...........	9.4	1.9	12.4	2.3	3.0
New Mexico..........	26.0	4.0	19.4	3.8	-6.6
New York............	19.6	1.8	20.4	1.9	0.8
North Carolina.......	16.2	2.7	12.1	2.5	-4.1
North Dakota.........	14.1	3.3	5.7	2.3	-8.4
Ohio.................	13.6	2.1	8.4	1.8	-5.2
Oklahoma............	17.3	3.4	9.4	2.7	-7.9
Oregon...............	14.1	3.1	11.8	3.1	-2.3
Pennsylvania.........	11.1	1.8	9.6	1.8	-1.5
Rhode Island.........	12.8	3.0	10.1	2.9	-2.7
South Carolina.......	17.1	3.4	11.8	3.0	-5.3
South Dakota.........	8.9	2.4	5.2	1.9	-3.7
Tennessee............	17.7	3.6	12.1	3.2	-5.6
Texas...............	20.3	2.0	16.7	1.9	-3.6
Utah.................	8.3	2.1	6.4	2.0	-1.9
Vermont..............	9.8	2.8	8.3	2.7	-1.5
Virginia............	8.8	2.5	8.0	2.5	-0.8
Washington...........	10.7	2.8	9.8	2.8	-0.9
West Virginia........	20.3	3.9	11.5	3.3	-8.8
Wisconsin............	10.0	2.4	7.3	2.2	-2.7
Wyoming..............	10.3	2.8	6.0	2.3	-4.3

Note: For explanation of confidence intervals (C.I.), see "Standard errors and their use" at

www.census.gov/hhes/poverty/poverty01/pov01src.pdf

Source: U.S. Census Bureau, Current Population Survey, 2000, 2001, and 2002 Annual Social and Economic Supplements.

Table 5. Number of Related Children Aged 5 to 17 At or Below Official and Alternative Poverty Thresholds by State: 3-Year Averages for 1999, 2000, 2001

| | Related children 5-17 | Share of Total 100.0 | Poverty Population | | | | | Percentage Point Difference (Alternative Minus Official Measure) |
			Official	Share of Total 100.0	Alternative	Share of Total 100.0		
United States	5,167,144		7,795,646		6,784,088			
Alabama	820,542	15.9	157,116	2.0	76,114	1.1		-0.9
Alaska	137,417	2.7	11,836	0.2	10,516	0.2		0.0
Arizona	1,003,176	19.4	167,226	2.1	154,976	2.3		0.1
Arkansas	496,863	9.6	99,277	1.3	53,400	0.8		-0.5
California	6,876,738	133.1	1,196,791	15.4	1,422,128	21.0		5.6
Colorado	822,345	15.9	92,743	1.2	82,921	1.2		0.0
Connecticut	622,258	12.0	63,050	0.8	60,062	0.9		0.1
Delaware	148,921	2.9	18,294	0.2	15,609	0.2		0.0
District of Columbia	78,645	1.5	21,056	0.3	20,625	0.3		0.0
Florida	2,673,099	51.7	441,237	5.7	400,356	5.9		0.2
Georgia	1,563,798	30.3	276,177	3.5	229,721	3.4		-0.2
Hawaii	221,566	4.3	25,958	0.3	31,884	0.5		0.1
Idaho	265,041	5.1	41,328	0.5	20,469	0.3		-0.2
Illinois	2,257,528	43.7	325,401	4.2	283,795	4.2		0.0
Indiana	1,084,500	21.0	93,748	1.2	81,794	1.2		0.0
Iowa	511,135	9.9	36,081	0.5	22,137	0.3		-0.1
Kansas	477,161	9.2	61,992	0.8	41,455	0.6		-0.2
Kentucky	693,283	13.4	106,209	1.4	63,485	0.9		-0.4
Louisiana	844,275	16.3	201,218	2.6	117,921	1.7		-0.8
Maine	210,089	4.1	27,847	0.4	23,044	0.3		0.0
Maryland	994,053	19.2	71,403	0.9	83,325	1.2		0.3
Massachusetts	1,030,921	20.0	158,637	2.0	147,511	2.2		0.1
Michigan	1,853,412	35.9	217,494	2.8	170,569	2.5		-0.3
Minnesota	910,940	17.6	68,720	0.9	39,281	0.6		-0.3
Mississippi	541,409	10.5	120,499	1.5	71,096	1.0		-0.5
Missouri	996,203	19.3	129,408	1.7	77,411	1.1		-0.5
Montana	166,349	3.2	27,090	0.3	20,540	0.3		0.0
Nebraska	314,045	6.1	33,488	0.4	16,921	0.2		-0.2
Nevada	409,820	7.9	49,445	0.6	51,265	0.8		0.1
New Hampshire	228,595	4.4	13,899	0.2	13,693	0.2		0.0

New Jersey	1,422,979	27.5	133,331	1.7	176,820	2.6	0.9
New Mexico	390,220	7.6	101,390	1.3	75,594	1.1	-0.2
New York	3,344,908	64.7	656,338	8.4	681,221	10.0	1.6
North Carolina	1,398,576	27.1	226,312	2.9	169,696	2.5	-0.4
North Dakota	104,393	2.0	14,738	0.2	5,966	0.1	-0.1
Ohio	2,005,846	38.8	273,128	3.5	167,959	2.5	-1.0
Oklahoma	614,942	11.9	106,405	1.4	58,026	0.9	-0.5
Oregon.	620,186	12.0	87,324	1.1	73,425	1.1	0.0
Pennsylvania	2,053,729	39.7	227,614	2.9	196,254	2.9	0.0
Rhode Island	176,404	3.4	22,655	0.3	17,766	0.3	0.0
South Carolina	722,001	14.0	123,564	1.6	85,017	1.3	-0.3
South Dakota	132,059	2.6	11,700	0.2	6,912	0.1	0.0
Tennessee	987,890	19.1	174,749	2.2	119,737	1.8	-0.5
Texas	4,150,163	80.3	842,815	10.8	691,409	10.2	-0.6
Utah	501,489	9.7	41,437	0.5	31,866	0.5	-0.1
Vermont	102,583	2.0	10,046	0.1	8,521	0.1	0.0
Virginia	1,292,749	25.0	113,446	1.5	103,308	1.5	0.1
Washington	1,040,651	20.1	110,989	1.4	102,253	1.5	0.1
West Virginia	262,275	5.1	53,147	0.7	30,046	0.4	-0.2
Wisconsin	1,003,685	19.4	100,610	1.3	72,899	1.1	-0.2
Wyoming	89,585	1.7	9,239	0.1	5,372	0.1	0.0

Source: U.S. Census Bureau, Current Population Survey, 2000, 2001, and 2002 Annual Social and Economic Supplements.

Table 6. Number and Percent of Children Under 19 Years of Age, At or Below 200 Percent of Poverty, by State, Under Official Poverty Definition: 3-Year Averages for 1999, 2000, and 2001.

(Numbers in Thousands)

	Total children under 19 years, all income levels	AT OR BELOW 200% OF POVERTY				AT OR BELOW 200% OF POVERTY WITHOUT HEALTH INSURANCE			
		Number	Standard error	Percent	Standard error	Number	Standard error	Percent	Standard error
United States	75,809	28,872	294	38.1	0.3	5,984	140	7.9	0.2
Alabama	1,194	550	41	46.0	2.5	77	15	6.4	1.2
Alaska	203	62	5	30.6	2.1	14	3	7.0	1.2
Arizona	1,526	709	52	46.4	2.5	197	27	12.9	1.7
Arkansas	725	366	27	50.5	2.7	63	11	8.7	1.5
California	10,089	4,350	148	43.1	1.1	1,051	73	10.4	0.7
Colorado	1,214	377	31	31.0	2.1	105	16	8.6	1.3
Connecticut	876	239	23	27.3	2.2	42	10	4.8	1.1
Delaware	208	62	6	29.8	2.5	8	2	4.0	1.1
District of Columbia	116	58	5	50.1	3.2	8	2	6.5	1.6
Florida	3,922	1,664	78	42.4	1.5	443	40	11.3	1.0
Georgia	2,305	976	71	42.3	2.3	171	29	7.4	1.2
Hawaii	328	116	10	35.2	2.5	16	4	5.0	1.1
Idaho	389	168	13	43.2	2.5	43	7	11.1	1.6
Illinois	3,341	1,098	63	32.9	1.5	223	28	6.7	0.8
Indiana	1,561	534	43	34.2	2.2	99	18	6.4	1.1
Iowa	761	222	21	29.2	2.3	28	7	3.7	0.9
Kansas	696	243	21	34.9	2.4	50	10	7.1	1.3
Kentucky	1,020	393	33	38.5	2.6	70	14	6.9	1.4
Louisiana	1,258	648	46	51.5	2.6	166	24	13.4	1.8
Maine	301	104	9	34.5	2.5	10	3	3.4	0.9
Maryland	1,398	319	33	22.8	2.1	64	15	4.6	1.1
Massachusetts	1,511	502	39	33.2	2.1	56	13	3.6	0.8
Michigan	2,729	870	54	31.9	1.6	106	19	3.9	0.7
Minnesota	1,301	301	31	23.1	2.0	40	11	3.0	0.8
Mississippi	813	396	30	48.7	2.6	62	12	7.7	1.4
Missouri	1,494	461	41	30.9	2.3	39	11	2.6	0.7
Montana	238	107	9	44.9	2.8	24	4	10.2	1.7
Nebraska	464	147	13	31.7	2.4	23	5	5.0	1.1
Nevada	603	229	17	38.0	2.2	68	10	11.2	1.5
New Hampshire	325	75	8	23.1	2.2	8	2	2.5	0.7

New Jersey	2,044	533	40	26.1	1.7	110	18	5.4	0.8
New Mexico	541	291	22	53.8	2.7	81	12	14.8	1.9
New York	4,900	1,961	80	40.0	1.3	298	32	6.1	0.6
North Carolina	2,103	863	55	41.1	2.0	158	24	7.5	1.1
North Dakota	150	60	5	40.2	2.7	10	2	6.4	1.3
Ohio	2,933	1,034	62	35.3	1.7	169	25	5.7	0.8
Oklahoma	895	409	31	45.7	2.6	105	16	11.7	1.7
Oregon	904	344	29	38.0	2.5	72	13	7.9	1.4
Pennsylvania	2,961	985	58	33.3	1.6	126	20	4.3	0.7
Rhode Island	261	77	7	29.4	2.3	8	2	2.9	0.9
South Carolina	1,032	412	34	40.0	2.6	69	15	6.9	1.4
South Dakota	194	63	5	32.3	2.3	9	2	4.8	1.1
Tennessee	1,460	588	50	40.3	2.7	52	15	3.6	1.0
Texas	6,241	2,884	116	46.2	1.4	990	68	15.9	1.0
Utah	755	252	19	33.4	2.1	44	8	5.8	1.0
Vermont	144	50	5	34.6	2.6	3	1	2.1	0.8
Virginia	1,845	517	48	28.0	2.2	111	23	6.1	1.2
Washington	1,557	515	45	33.1	2.4	96	20	6.2	1.2
West Virginia	403	201	15	49.9	2.7	31	6	7.7	1.5
Wisconsin	1,448	438	38	30.3	2.1	57	15	3.8	0.9
Wyoming	131	50	4	38.0	2.5	10	2	7.5	1.4

* Average of the three years' percentages: not average 'Number' divided by average Total Children. Results may differ slightly based on the method used.

Source: U.S. Census Bureau, Current Population Survey, 2000, 2001, and 2002 Annual Social and Economic Supplements.

Table 7. Number and Percent of Children Under 19 Years of Age, At or Below 200 Percent of Poverty, by State, Under Alternative Poverty Definition: 3-Year Averages for 1999, 2000, and 2001.

(Numbers in Thousands)

	Total children under 19 years, all income levels	AT OR BELOW 200% OF POVERTY				AT OR BELOW 200% OF POVERTY WITHOUT HEALTH INSURANCE			
		Number	Standard error	Percent	Standard error	Number	Standard error	Percent	Standard error
United States	75,809	37,413	328	49.4	0.3	7,118	141	8.3	0.2
Alabama	1,194	587	43	49.2	2.5	80	16	6.7	1.3
Alaska	203	94	6	46.2	2.3	18	3	8.9	1.3
Arizona	1,526	868	58	56.8	2.5	229	30	15.0	1.8
Arkansas	725	403	29	55.6	2.7	69	12	9.5	1.6
California	10,089	6,127	175	60.7	1.1	1,325	82	13.1	0.8
Colorado	1,214	561	37	46.2	2.3	131	18	10.8	1.4
Connecticut	876	363	29	41.4	2.5	54	11	6.1	1.2
Delaware	208	92	8	44.1	2.7	11	3	5.2	1.2
District of Columbia	116	83	6	72.1	2.9	11	2	9.4	1.9
Florida	3,922	2,129	88	54.3	1.5	526	44	13.4	1.1
Georgia	2,305	1,241	80	53.8	2.4	195	32	8.4	1.3
Hawaii	328	219	14	66.6	2.5	25	5	7.5	1.4
Idaho	389	189	14	48.5	2.5	45	7	11.8	1.6
Illinois	3,341	1,501	73	44.9	1.6	275	31	8.2	0.9
Indiana	1,561	634	47	40.6	2.3	108	19	6.9	1.2
Iowa	761	273	23	35.9	2.4	31	8	4.0	1.0
Kansas	696	259	22	37.3	2.4	52	10	7.3	1.4
Kentucky	1,020	442	35	43.3	2.6	73	15	7.2	1.4
Louisiana	1,258	675	47	53.6	2.6	169	24	13.6	1.8
Maine	301	131	11	43.5	2.6	13	3	4.5	1.1
Maryland	1,398	496	41	35.5	2.4	90	18	6.5	1.2
Massachusetts	1,511	769	48	50.9	2.2	68	15	4.5	0.9
Michigan	2,729	1,134	61	41.5	1.7	136	21	5.0	0.7
Minnesota	1,301	407	35	31.3	2.2	52	13	4.0	1.0
Mississippi	813	421	31	51.8	2.6	66	12	8.1	1.4
Missouri	1,494	537	45	35.9	2.4	43	12	2.9	0.8
Montana	238	125	10	52.7	2.8	26	4	10.9	1.8
Nebraska	464	173	15	37.2	2.5	25	6	5.5	1.2
Nevada	603	330	21	54.7	2.3	86	11	14.2	1.6

New Hampshire	325	122	11	37.5	2.5	11	3	3.5	0.9
New Jersey	2,044	932	53	45.6	1.9	153	21	7.5	1.0
New Mexico	541	326	23	60.2	2.7	87	12	15.8	2.0
New York	4,900	2,862	97	58.4	1.3	402	37	8.2	0.7
North Carolina	2,103	1,050	60	49.9	2.0	180	25	8.6	1.1
North Dakota	150	60	5	40.3	2.7	10	2	6.6	1.4
Ohio	2,933	1,229	67	41.9	1.7	186	26	6.3	0.9
Oklahoma	895	438	32	48.9	2.6	109	16	12.1	1.7
Oregon	904	483	34	53.4	2.6	84	14	9.3	1.5
Pennsylvania	2,961	1,301	66	43.9	1.7	145	22	4.9	0.7
Rhode Island	261	109	9	41.8	2.5	9	3	3.5	1.0
South Carolina	1,032	496	37	48.1	2.6	83	16	8.2	1.5
South Dakota	194	71	6	36.4	2.4	11	2	5.6	1.1
Tennessee	1,460	683	54	46.8	2.7	67	17	4.6	1.2
Texas	6,241	3,427	126	54.9	1.4	1,130	73	18.1	1.1
Utah	755	339	22	44.9	2.2	53	9	7.0	1.1
Vermont	144	66	5	45.9	2.7	5	2	3.4	1.0
Virginia	1,845	756	58	41.0	2.4	138	26	7.5	1.3
Washington	1,557	706	53	45.4	2.6	115	22	7.4	1.4
West Virginia	403	213	16	53.0	2.7	34	6	8.5	1.5
Wisconsin	1,448	544	42	37.6	2.3	64	15	4.3	1.0
Wyoming	131	54	4	41.6	2.6	10	2	7.7	1.4

* Average of the three years' percentages: not average 'Number' divided by average Total Children. Results may differ slightly based on the method used.

Table 8: State Children's Health Insurance Program Allotments for Fiscal Year 2004 Under the Official Poverty Definition

State	Number Of Children (000)	State Cost Factor	Product	Proportion Of Total	Adjusted Proportion Of total	Allotment
Alabama	314	0.9651	302.5447	1.7328%	1.7402%	$54,679,333
Alaska	38	1.0421	39.5996	0.2268%	0.2278%	$7,156,891
Arizona	453	1.0629	481.5082	2.7578%	2.7696%	$87,023,654
Arkansas	215	0.9047	194.0635	1.1115%	1.1162%	$35,073,372
California	2,701	1.0941	2,954.6099	16.9220%	16.9946%	$533,990,797
Colorado	241	1.0301	248.2437	1.4218%	1.4279%	$44,865,429
Connecticut	141	1.1017	154.7884	0.8865%	0.8903%	$27,975,129
Delaware	35	1.1199	39.1972	0.2245%	0.2488%	$7,817,461
District of Columbia	33	1.2070	39.8323	0.2281%	0.2291%	$7,198,952
Florida	1,054	1.0169	1,071.2850	6.1356%	6.1619%	$193,614,837
Georgia	574	1.0023	574.8473	3.2923%	3.3065%	$103,892,954
Hawaii	66	1.1178	73.7720	0.4225%	0.3071%	$9,647,963
Idaho	106	0.8894	93.8299	0.5374%	0.5397%	$16,958,002
Illinois	661	1.0134	669.3338	3.8335%	3.8499%	$120,969,643
Indiana	317	0.9445	298.9336	1.7121%	1.7194%	$54,026,680
Iowa	125	0.8722	109.0205	0.6244%	0.6271%	$19,703,423
Kansas	147	0.8891	130.2592	0.7460%	0.7492%	$23,541,920
Kentucky	232	0.9390	217.3764	1.2450%	1.2503%	$39,286,749
Louisiana	407	0.8772	357.0114	2.0447%	2.0535%	$64,523,178
Maine	57	0.9197	52.4233	0.3002%	0.3015%	$9,474,540
Maryland	192	1.0437	199.8620	1.1447%	1.1496%	$36,121,348
Massachusetts	279	1.0651	297.1598	1.7019%	1.4704%	$46,201,047
Michigan	488	1.0107	493.2086	2.8248%	2.8369%	$89,138,280
Minnesota	171	1.0074	171.7662	0.9838%	0.9747%	$30,626,504
Mississippi	229	0.8915	204.1556	1.1693%	1.1743%	$36,897,326
Missouri	250	0.9279	231.9657	1.3285%	1.3342%	$41,923,481
Montana	66	0.8587	56.2440	0.3221%	0.3244%	$10,193,881
Nebraska	85	0.8925	75.8655	0.4345%	0.4415%	$13,872,884
Nevada	149	1.1612	172.4324	0.9876%	0.9918%	$31,163,957
New Hampshire	42	1.0108	41.9467	0.2402%	0.2550%	$8,013,366

New Jersey	322	1.1082	356.2728	2.0405%	2.0492%	$64,389,677
New Mexico	186	0.9383	174.5154	0.9995%	1.0435%	$32,788,606
New York	1,130	1.0604	1,197.6656	6.8594%	6.8888%	$216,455,790
North Carolina	511	0.9905	505.6368	2.8959%	2.7292%	$85,753,907
North Dakota	35	0.8665	30.3277	0.1737%	0.1730%	$5,436,695
Ohio	602	0.9549	574.3513	3.2895%	3.3036%	$103,803,316
Oklahoma	257	0.8593	220.8462	1.2649%	1.4201%	$44,621,756
Oregon	208	1.0124	210.5710	1.2060%	1.2112%	$38,056,795
Pennsylvania	556	0.9836	546.3788	3.1293%	3.1427%	$98,747,809
Rhode Island	43	0.9608	40.8340	0.2339%	0.2349%	$7,379,988
South Carolina	241	0.9974	239.8867	1.3739%	1.3798%	$43,355,057
South Dakota	36	0.8899	32.0373	0.1835%	0.1843%	$5,790,144
Tennessee	320	1.0021	320.6857	1.8367%	1.8445%	$57,957,983
Texas	1,937	0.9451	1,830.6255	10.4846%	10.5295%	$330,851,514
Utah	148	0.9007	133.2978	0.7634%	0.7667%	$24,091,106
Vermont	27	0.8961	23.7474	0.1360%	0.1214%	$3,813,156
Virginia	314	0.9818	308.2741	1.7656%	1.7732%	$55,714,814
Washington	306	0.9662	295.1792	1.6906%	1.6017%	$50,326,484
West Virginia	116	0.8948	103.8024	0.5945%	0.5971%	$18,760,354
Wisconsin	248	0.9726	240.7161	1.3787%	1.3846%	$43,504,958
Wyoming	30	0.9133	27.4004	0.1569%	0.1576%	$4,952,110
TOTAL STATES			17,460.1388	100.0000%	100.0000%	$3,142,125,000
Worksheet: Actual 2004 Allotment						

Table 9: State Children's Health Insurance Program Allotments for Fiscal Year 2004 Under the Alternative Poverty Definition with Geographic Adjustments to Poverty Thresholds

State	Number Of Children (000)	State Cost Factor	Product	Proportion Of Total	Adjusted Proportion Of Total	Allotment
Alabama	334	0.9651	322.1635	1.4318%	1.4887%	$46,775,427
Alaska	56	1.0421	58.4743	0.2599%	0.2365%	$7,430,455
Arizona	548	1.0629	582.7469	2.5900%	2.5900%	$81,381,159
Arkansas	236	0.9047	213.4661	0.9487%	0.9783%	$30,739,050
California	3,726	1.0941	4,076.4173	18.1175%	18.1175%	$569,275,528
Colorado	346	1.0301	356.4261	1.5841%	1.4242%	$44,750,127
Connecticut	208	1.1017	229.5130	1.0201%	0.9151%	$28,753,554
Delaware	51	1.1199	57.4863	0.2555%	0.2555%	$8,028,018
District of Columbia	47	1.2070	56.8384	0.2526%	0.2526%	$7,937,542
Florida	1,327	1.0169	1,349.7345	5.9989%	5.9989%	$188,491,700
Georgia	718	1.0023	719.4601	3.1976%	3.1976%	$100,473,288
Hawaii	122	1.1178	136.0908	0.6049%	0.3071%	$9,647,963
Idaho	117	0.8894	104.0915	0.4626%	0.4811%	$15,115,931
Illinois	888	1.0134	899.5531	3.9980%	3.9980%	$125,623,444
Indiana	371	0.9445	350.7755	1.5590%	1.5590%	$48,986,132
Iowa	152	0.8722	132.3955	0.5884%	0.6121%	$19,231,441
Kansas	156	0.8891	138.2755	0.6146%	0.7001%	$21,999,315
Kentucky	257	0.9390	241.6617	1.0741%	1.0880%	$34,186,015
Louisiana	422	0.8772	370.1962	1.6453%	1.7555%	$55,161,566
Maine	72	0.9197	66.2889	0.2946%	0.2946%	$9,257,301
Maryland	293	1.0437	306.0719	1.3603%	1.2640%	$39,715,060
Massachusetts	418	1.0651	445.6977	1.9809%	1.4704%	$46,201,047
Michigan	635	1.0107	641.6741	2.8519%	2.8519%	$89,610,392
Minnesota	230	1.0074	231.6152	1.0294%	0.9747%	$30,626,504
Mississippi	243	0.8915	216.8636	0.9638%	1.0791%	$33,905,608
Missouri	290	0.9279	269.0729	1.1959%	1.2438%	$39,082,411
Montana	76	0.8587	65.0334	0.2890%	0.3244%	$10,193,881
Nebraska	99	0.8925	88.4014	0.3929%	0.4415%	$13,872,884
Nevada	208	1.1612	241.3513	1.0727%	1.0437%	$32,795,563
New Hampshire	66	1.0108	67.0560	0.2980%	0.2980%	$9,364,434

New Jersey	543	1.1082	601.2748	2.6724%	2.6049%	$81,848,499
New Mexico	206	0.9383	193.6471	0.8607%	1.0435%	$32,788,606
New York	1,632	1.0604	1,730.3232	7.6904%	7.6904%	$241,641,263
North Carolina	615	0.9905	609.1620	2.7074%	2.7074%	$85,070,055
North Dakota	35	0.8665	30.5027	0.1356%	0.1557%	$4,893,025
Ohio	708	0.9549	675.7819	3.0035%	3.2829%	$103,152,819
Oklahoma	273	0.8593	234.9364	1.0442%	1.4201%	$44,621,756
Oregon	283	1.0124	286.7228	1.2743%	1.2743%	$40,041,105
Pennsylvania	723	0.9836	711.3768	3.1617%	3.1617%	$99,344,447
Rhode Island	59	0.9608	56.8925	0.2529%	0.2529%	$7,945,094
South Carolina	290	0.9974	289.2227	1.2854%	1.2854%	$40,390,229
South Dakota	41	0.8899	36.3361	0.1615%	0.1762%	$5,536,551
Tennessee	375	1.0021	375.5510	1.6691%	1.6715%	$52,519,061
Texas	2,279	0.9451	2,153.4817	9.5711%	9.5711%	$300,735,755
Utah	196	0.9007	176.6752	0.7852%	0.7852%	$24,672,862
Vermont	35	0.8961	31.8112	0.1414%	0.1214%	$3,813,156
Virginia	447	0.9818	438.7460	1.9500%	1.9500%	$61,271,288
Washington	411	0.9662	396.7424	1.7633%	1.6017%	$50,326,484
West Virginia	124	0.8948	110.7528	0.4922%	0.5314%	$16,695,709
Wisconsin	304	0.9726	295.5356	1.3135%	1.3135%	$41,271,821
Wyoming	32	0.9133	29.4798	0.1310%	0.1570%	$4,932,675
TOTAL STATES			22,499.8479	100.0000%	100.0000%	$3,142,125,000

Table 10: Summary of Differences between Official and Alternative Fiscal Year 2004 State Children's Health Insurance Program Allotments		
State	Dollar Change In Allotment	Percent Change in Allotment
Alabama	-7,903,906	-14.46%
Alaska	273,564	3.82%
Arizona	-5,642,495	-6.48%
Arkansas	-4,334,322	-12.36%
California	35,284,731	6.61%
Colorado	-115,302	-0.26%
Connecticut	778,425	2.78%
Delaware	210,557	2.69%
District of Columbia	738,590	10.26%
Florida	-5,123,137	-2.65%
Georgia	-3,419,666	-3.29%
Hawaii	0	0.00%
Idaho	-1,842,071	-10.86%
Illinois	4,653,801	3.85%
Indiana	-5,040,548	-9.33%
Iowa	-471,982	-2.40%
Kansas	-1,542,605	-6.55%
Kentucky	-5,100,734	-12.98%
Louisiana	-9,361,612	-14.51%
Maine	-217,239	-2.29%
Maryland	3,593,712	9.95%
Massachusetts	0	0.00%
Michigan	472,112	0.53%
Minnesota	0	0.00%
Mississippi	-2,991,718	-8.11%
Missouri	-2,841,070	-6.78%
Montana	0	0.00%
Nebraska	0	0.00%
Nevada	1,631,606	5.24%
New Hampshire	1,351,068	16.86%
New Jersey	17,458,822	27.11%
New Mexico	0	0.00%
New York	25,185,473	11.64%

North Carolina	-683,852	-0.80%
North Dakota	-543,670	-10.00%
Ohio	-650,497	-0.63%
Oklahoma	0	0.00%
Oregon	1,984,310	5.21%
Pennsylvania	596,638	0.60%
Rhode Island	565,106	7.66%
South Carolina	-2,964,828	-6.84%
South Dakota	-253,593	-4.38%
Tennessee	-5,438,922	-9.38%
Texas	-30,115,759	-9.10%
Utah	581,756	2.41%
Vermont	0	0.00%
Virginia	5,556,474	9.97%
Washington	0	0.00%
West Virginia	-2,064,645	-11.01%
Wisconsin	-2,233,137	-5.13%
Wyoming	-19,435	-0.39%
TOTAL STATES	0	0.00%