

AN OVERVIEW OF POVERTY IN DELAWARE

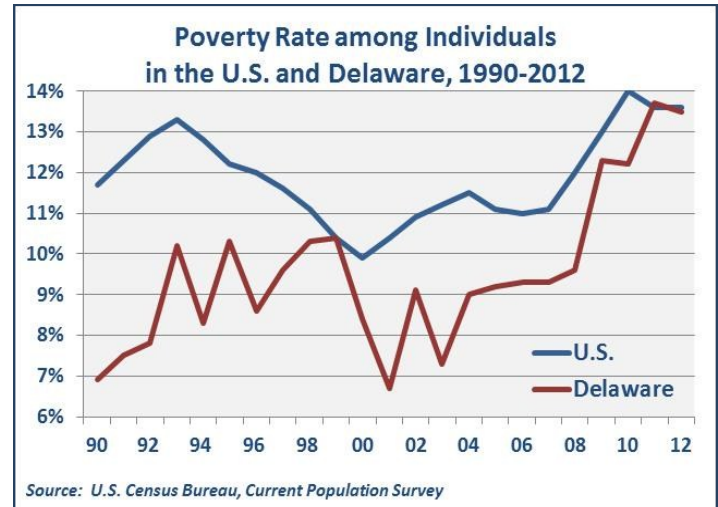
The **official poverty rate** is calculated by the U.S. Census Bureau based on income thresholds and family structure and size. There are 48 different *poverty thresholds*. A family or individual making below these thresholds would be counted as living in poverty.

For example, in 2011 an unrelated individual under 65 years old has a threshold of \$11,702. A family of three with one child under 18 years old would have a poverty threshold of \$18,123. 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.

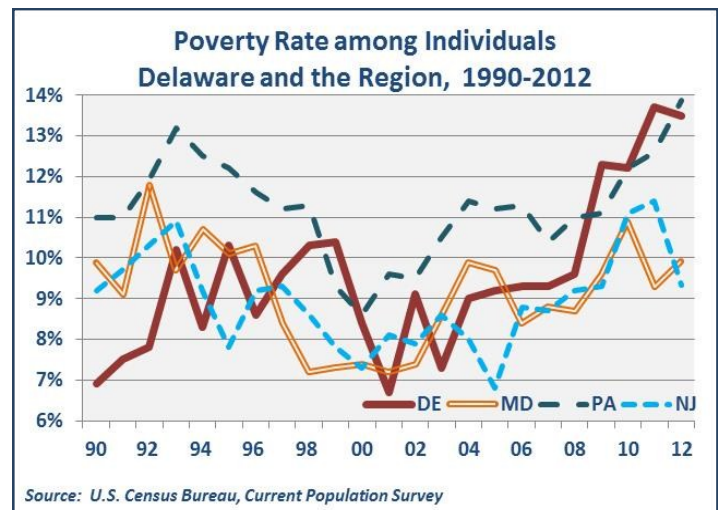
Poverty guidelines are simplified versions of the poverty thresholds and often used by social service programs to determine eligibility and benefits.

The **official poverty rate for individuals in Delaware was 13.5% in 2012**. 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 2008, and by 2012 were only 0.1% apart.

Technical Note: Official poverty rates are based on data from the U.S. Census Bureau's Current Population Survey. Due to small numbers in Delaware, rates for subgroups of individuals or families are usually derived from the American Community Survey three- or five-year estimates. It is important to keep in mind that these rates are estimates and should be viewed as percentages or trends rather than precise numbers. For more information on how poverty rates are calculated go to: www.census.gov/hhes/www/poverty/about/overview/measure.html



Regionally, the individual poverty rate 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, the rates in Delaware and Pennsylvania have been very similar.



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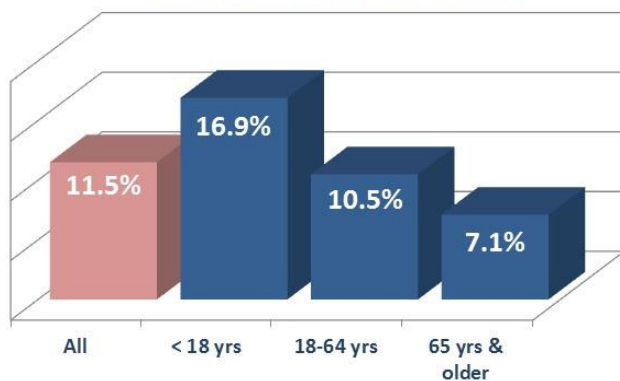
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Examining the individual poverty rate by age groups reveals that Delaware's children (under 18 years old) are by far the poorest group, followed by people in their working years (18-64), and then seniors (65 and older). The differences in rates across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

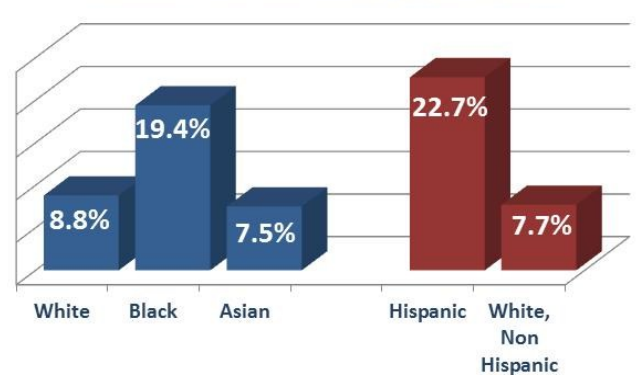
Poverty rates by race and ethnic background also show disparities. When compared to whites, individuals who are black are more than twice as likely to live in poverty. Hispanics are almost three times more likely to be poor than white, non-Hispanic Delawareans.

Poverty among Delawareans by Age Group, Five Year Average, 2008-2012



Source: U.S. Census Bureau, 2008-2012 American Community Survey

Poverty among Delawareans by Race & Ethnicity, Five Year Average, 2008-2012

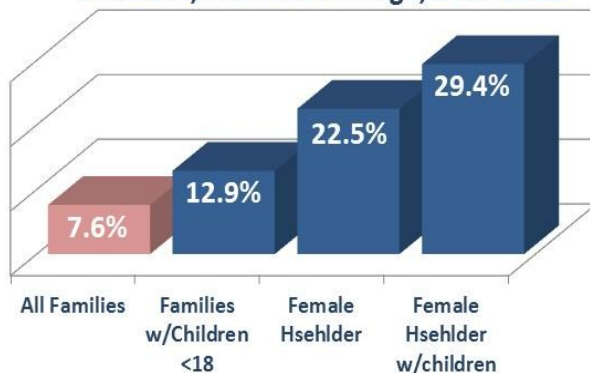


Source: U.S. Census Bureau, 2008-2012 American Community Survey

In Delaware, there is a higher rate of poverty among families with children. The highest rate of poverty, almost 30%, is found among families with a female head of the household and one or more children.

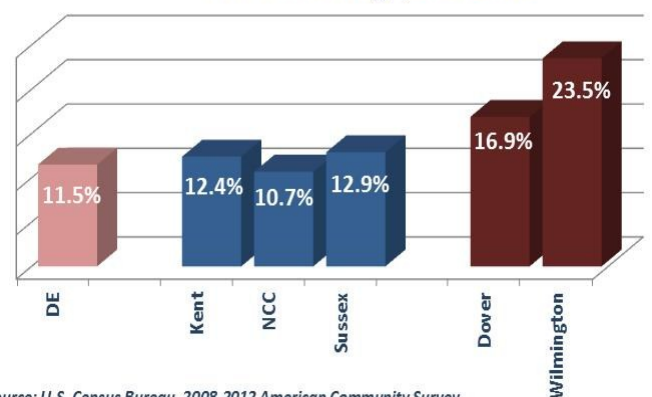
Poverty rates vary by geographic regions. Individual rates are slightly higher in Kent and Sussex Counties as compared to New Castle County. Urban areas experience higher rates, with Dover at 16.9%, and Wilmington at 23.5%, which is twice that of the State.

Poverty among Delawareans by Family Structure, Five Year Average, 2008-2012



Source: U.S. Census Bureau, 2008-2012 American Community Survey

Poverty among Delawareans by County and Place, Five Year Average, 2008-2012



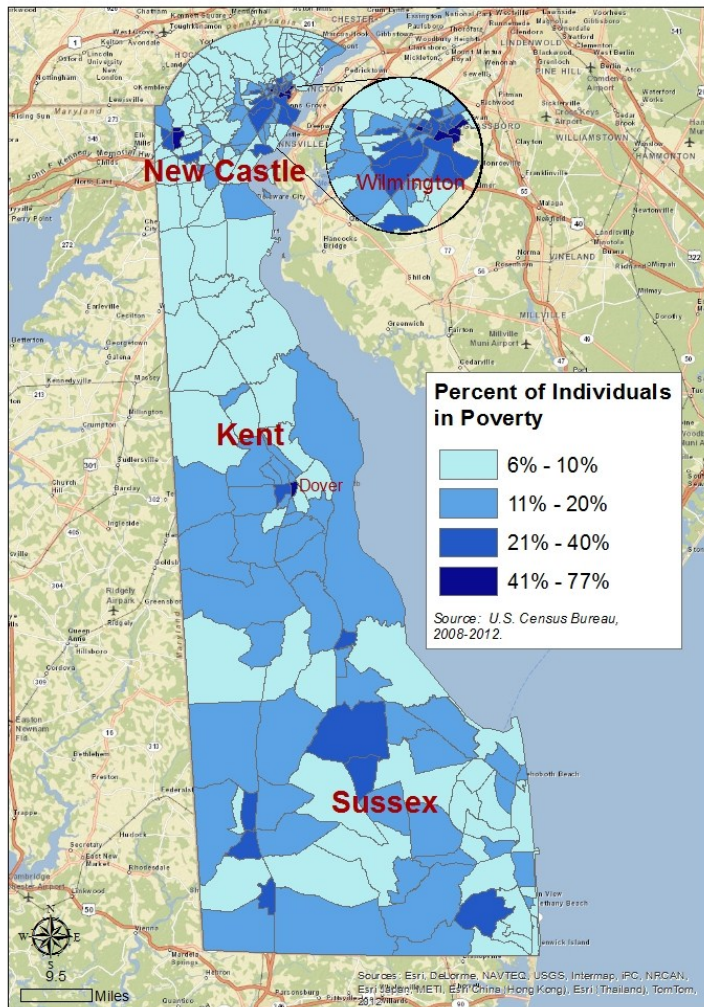
Source: U.S. Census Bureau, 2008-2012 American Community Survey

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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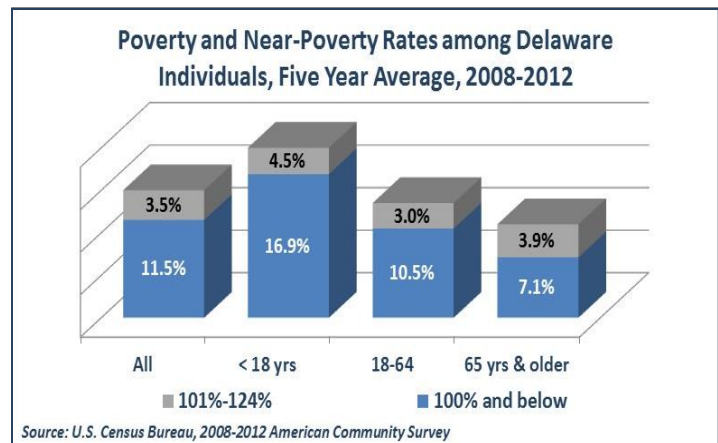
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Poverty rates among specific census tracts within Wilmington are even higher, ranging between 41% and 77%. In addition, pockets of high poverty are found in rural Sussex County.



OTHER INDICATORS OF ECONOMIC WELL-BEING

Poverty rates 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 extreme economic hardships.



A comparison of the 2012 supplemental (SPM) and official poverty rates for Delaware 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 the federal government.

Official vs. Supplemental Poverty Rates		
U.S.	Official	Supplemental
All individuals	15.1	16.0
Under 18 years old	22.3	18.0
18 - 64 Years Old	13.7	15.5
65 years and older	9.1	14.8
Married Couple	7.5	10.0
Female householder	29.1	28.9
White	12.8	14.0
Black	27.3	25.8
Hispanic	25.8	27.8
Delaware	Official	Supplemental
All individuals	13.2	13.9

National is for 2012, State is based on average of 2010-2012.
Source: U.S. Census Bureau, 2013.

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, among other variables. This new measure gives additional information about the economic conditions of families and individuals.

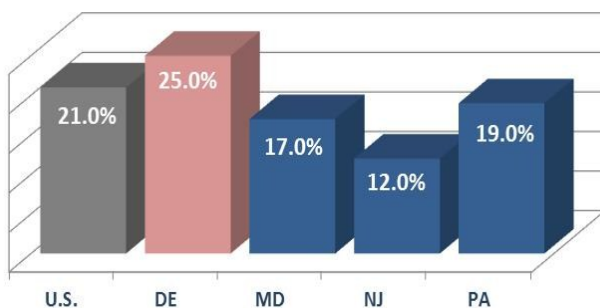
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Medicaid enrollment is also an indicator of the economic health of a state. Approximately one-fourth of Delawareans in 2010 were enrolled in the Medicaid program. In comparison to the U.S. as well as the region, Delaware has a higher percentage of enrollment. It is important to note, however, that eligibility for Medicaid coverage is not the same in all states.

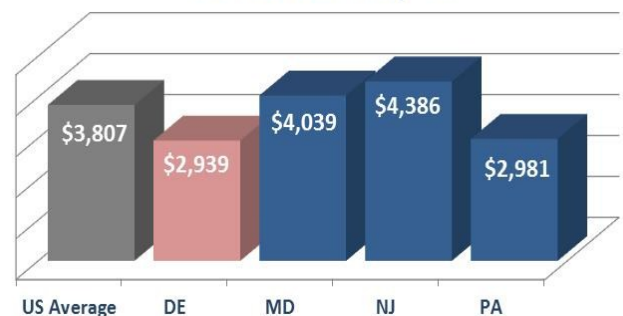
Public assistance to the poor and near poor in the form of cash assistance includes Temporary Assistance to Needy Families Expenditures (TANF) and General Assistance (GA) funds. The percentage of individuals receiving TANF in Delaware and bordering states was similar (2.3 - 2.6%). The average annual amount of cash assistance in Delaware, however, was lower than the U.S. and region.

**Medicaid Enrollment as a % of Total Population:
US, DE, and Region, 2010**



Source: Calculations based on Kaiser Commission on Medicaid and the Uninsured and Urban Institute estimates based on data from FY 2010 MSIS and 2010 population estimates for states from the United States Census Bureau.

**Average Annual Cash Assistance:
US, DE, and Region**

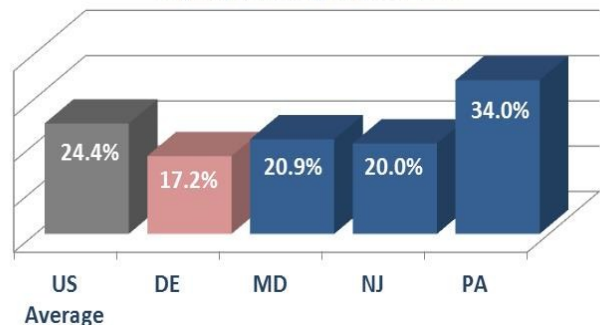


Source: U.S. Census Bureau, 2008-2012 American Community Survey

Medicaid expenditures by Delaware were \$1.6 billion in fiscal year 2013 or approximately 17.2% of total state expenditures — a lower percentage of total expenditures in comparison to the region and the U.S.

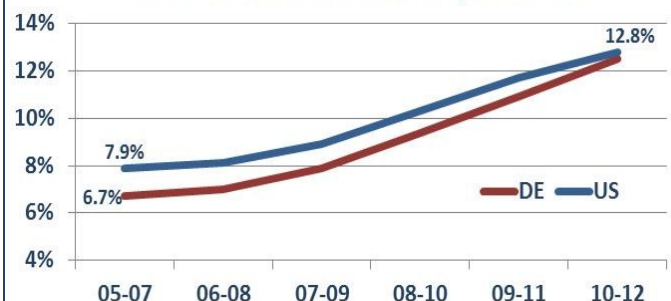
The Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps, provided food assistance to approximately 153,000 Delawareans in FY 2013. The participation rate in SNAP has increased steadily for both Delaware and the U.S. over the past several years.

**Medicaid Expenditures
as a % of Total Expenditures:
US, DE, and Region, FY 2013**



Source: National Association of State Budget Officers, State Expenditure Report, 2013

**% of Population Receiving SNAP
in Past Year: DE and US, 2005-12**



Source: U.S. Census Bureau, American Community Survey 3-Year Estimates

Since 1996, Delaware has been covering childless adults living at or below 100% of the official poverty level in the Medicaid program. This coverage is not universal among states. With implementation of the Affordable Health Care Act, an estimated 24 states will be expanding coverage to this population. In addition, childless adults living at or below 138% of the poverty level will be covered under Medicaid in Delaware and the states implementing the expansion. For more information, see: www.medicaid.gov/medicaid-chip-program-information/medicaid-and-chip-program-information.html

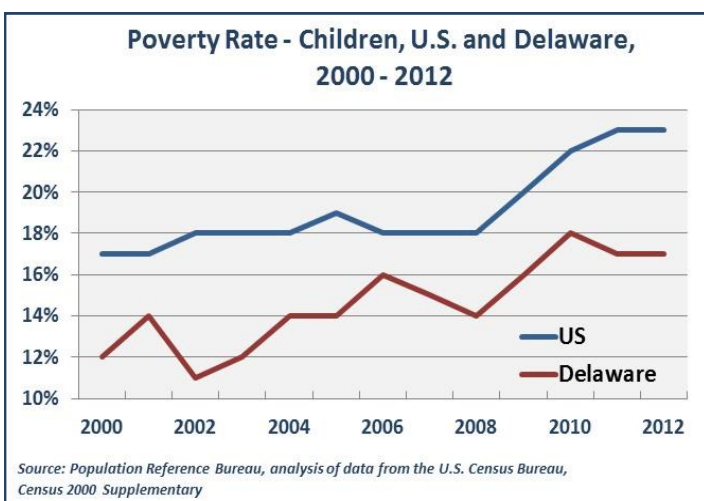
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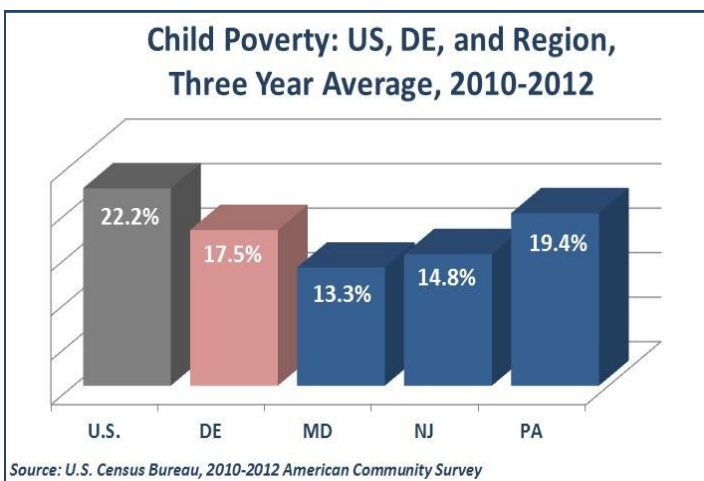
CHILD POVERTY

Children are a more vulnerable population and experience higher rates of poverty than other age groups. The following section highlights details regarding child poverty in Delaware.

From 2000 through 2012, the Delaware child poverty rate, while trending with the U.S. rate, was below the national average.



Regionally, the Delaware child poverty rate is higher than that of Maryland and New Jersey, but lower than that of Pennsylvania.

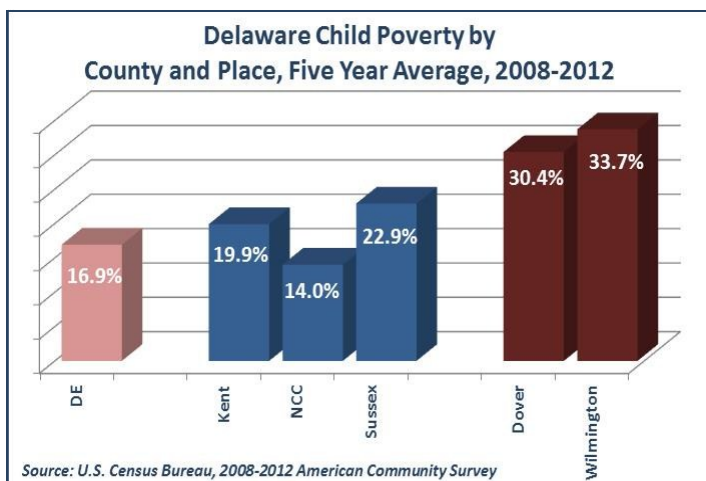


In Delaware, **younger children** (age 5 and under), children living with one parent, and Black/African American children are at greatest risk of living in or near poverty.

Selected Delaware Child Poverty Indicators	
Poverty Rate	
0 - 5 years	21%
6 - 17 years	16%
Black/African American	28%
Poverty Rate by Household Structure	
One parent	37%
Two parents	10%
Below 200% poverty level	
All Children	40%
Ages 0 - 8 years	44%
Black/African American	56%

Source: U.S. Census, Bureau, three and five year averages, 2012

Geographic analysis illustrates that the southern counties, Kent and Sussex, have a higher rate of child poverty than New Castle County.



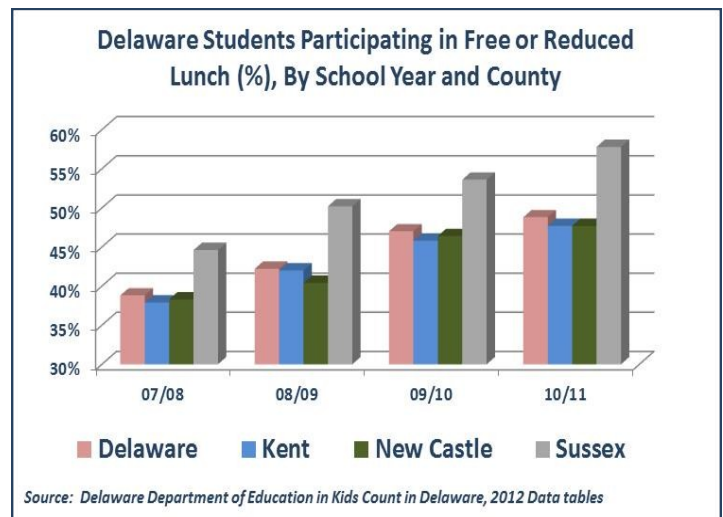
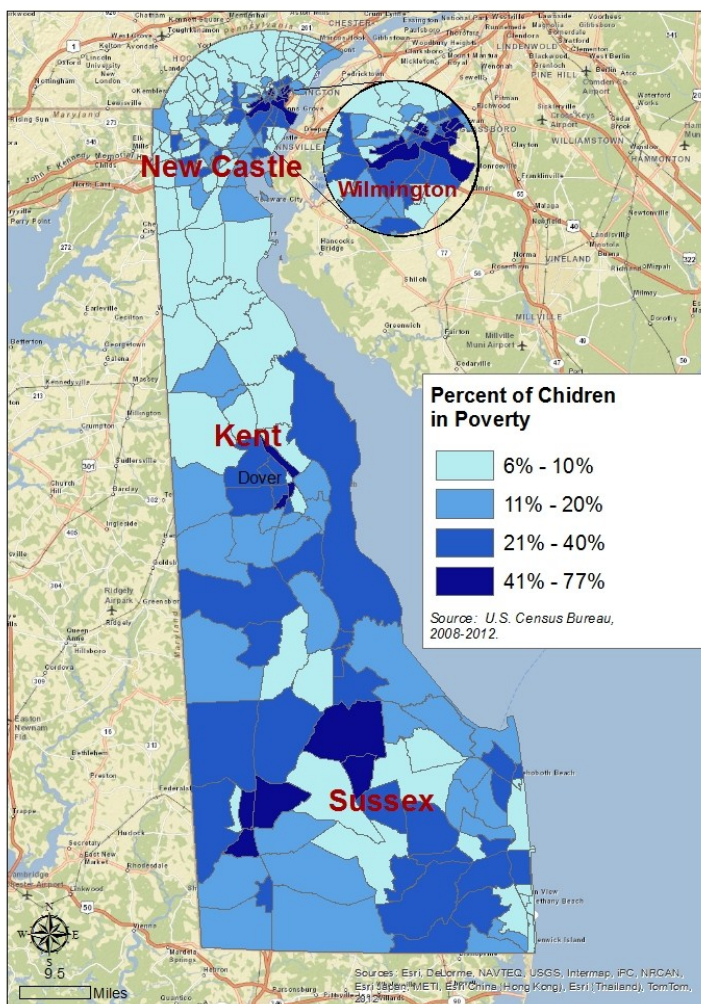
KIDS COUNT in Delaware, funded by the Annie E. Casey Foundation and the State of Delaware, provides high-quality data about the well-being of children, youth and families. For more information, visit: www.ccrs.udel.edu/kids-count

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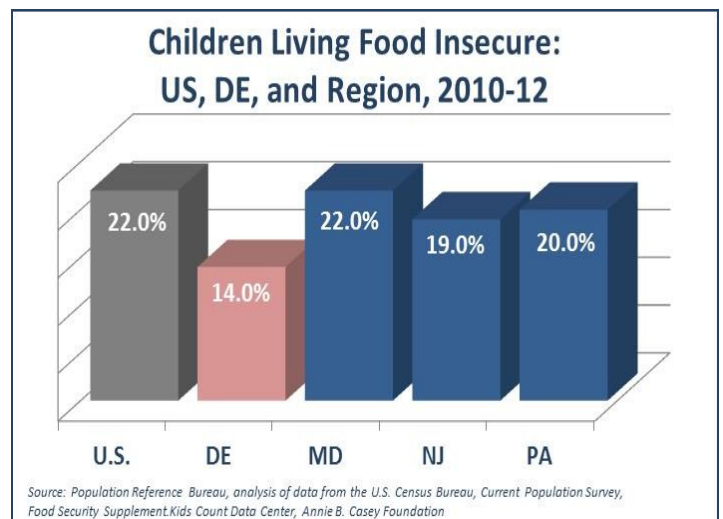
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The following census tract map further illustrates pockets of child poverty in Delaware. In Wilmington (New Castle County), one in three children lives in poverty, with the highest concentrations in downtown neighborhoods. The highest levels in Kent County are found in Dover. In Sussex County, the highest rates are inland in the more rural areas.

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 2010-2011 academic year, almost half (48.8%) of all Delaware public school students were in the school lunch program; with the majority of these children (87.8%) receiving free lunches. 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. While 14% of Delaware children suffer from food insecurity, this rate is below the regional and national averages.



National and state data on the well-being of children is compiled by the Annie E. Casey Foundation. For more information, go to: www.aecf.org/MajorInitiatives/KIDSCOUNT.aspx?rules=2

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Analyzing health insurance coverage provides insights regarding child poverty and access to health care. Delaware provides public health insurance to 28% of children throughout the state, a slightly higher rate than coverage provided by Maryland, Pennsylvania, and New Jersey. However, it is slightly lower than the national rate.

**Children with Public Health Insurance:
US, DE, and Region, 2011**



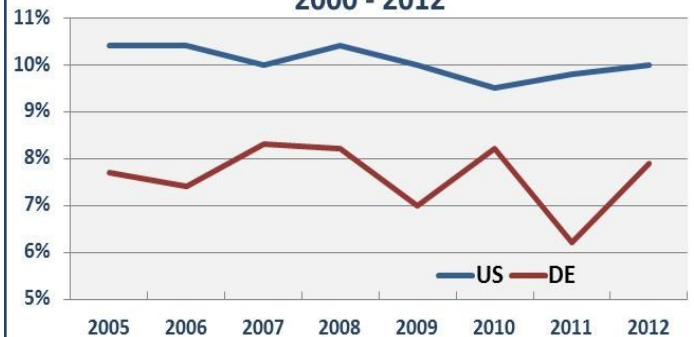
Source: Census Bureau, Current Population Survey (March supplement). Kids Count Data Center, Annie B. Casey Foundation

POVERTY AMONG OLDER ADULTS

Delaware has a growing senior population. According to the U.S. Census Bureau, individuals 65 and over comprise 15.3% 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 older Delawareans.

The poverty rate of older 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 expenditures. When these and other expenditures and transfers are taken into account, the supplemental poverty rate for older Delawareans was estimated to be seven percentage points higher. According to AARP¹, almost half (49%) of older Delawareans are estimated to be living at or below 200% of the poverty level based on the supplemental poverty measure (SPM).

**Poverty Rate - Adults 65 Years and Older,
U.S. and Delaware,
2000 - 2012**



Source: U.S. Census Bureau, American Community Survey, One Year Estimates, 2005-2012

Viewing the poverty rate by region, Delaware's older adults experience a lower poverty rate than neighboring states.

**Older Adults Poverty: US, DE, and
Region, Three Year Average, 2010-2012**



Source: U.S. Census Bureau, 2010-2012 American Community Survey

¹AARP, "Why Social Security and Medicare are Vital to Older Americans in Delaware", 2012

Resources for older 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.ccrs.udel.edu/cane

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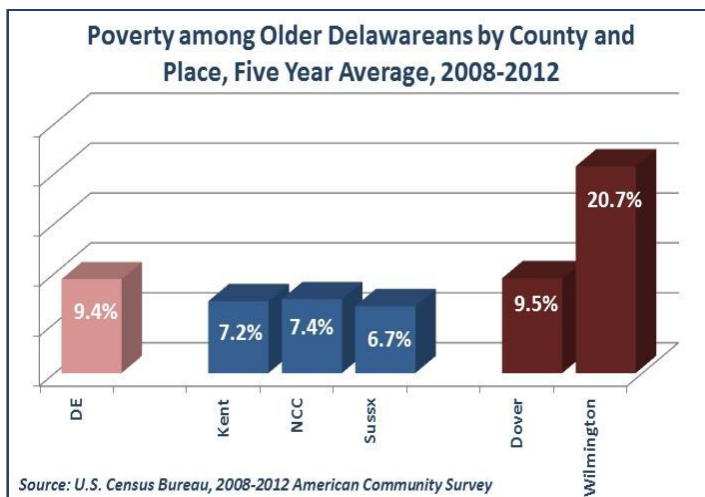
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Medicare and Social Security are important support systems which keep many older individuals out of poverty. The poverty rate of Delaware's older population would rise to 39% if Social Security was not in place.

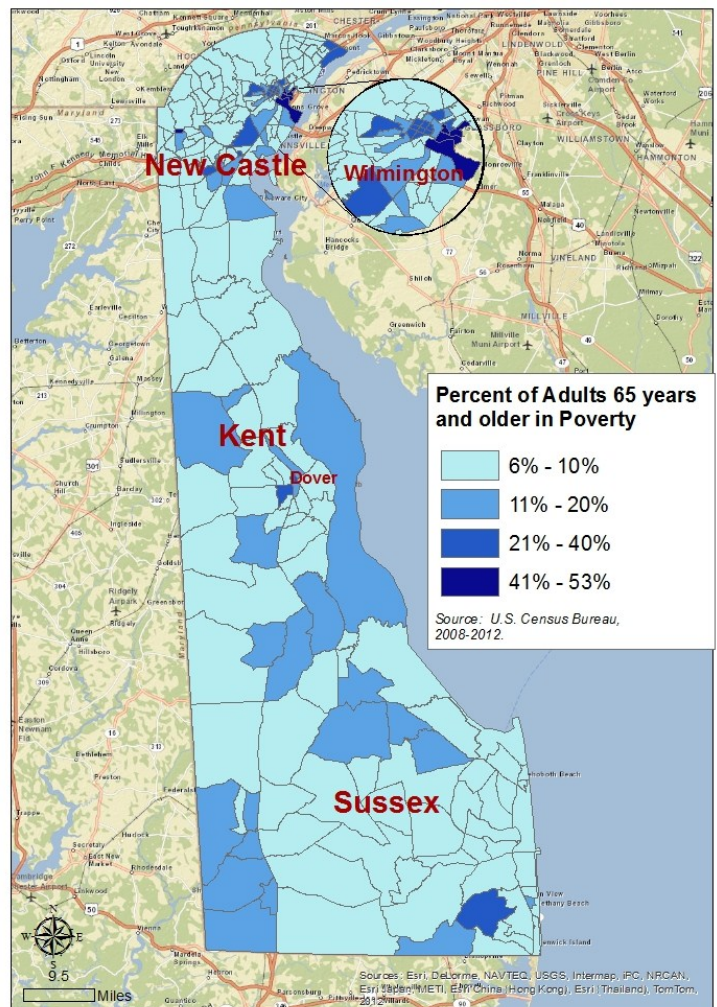
Selected Indicators for Social Security and Medicare in Delaware	
Older individuals receiving Social Security, 2012	92%
Average annual benefit, 2012	\$16,000
Average annual benefit, 2012, Percent of income	47%
Poverty rate without social security	39%
Average annual out-of-pocket health care expenditures 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 the Dover rate and the state overall. 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 outside of Dover and in Sussex along the Maryland border.



This report was written by Mary Joan McDuffie with contributions by Sharon Merriman-Nai and Janice Barlow. Editorial assistance was provided by Sharon Merriman-Nai and Steven W. Peuquet. It may be reproduced and distributed broadly in printed or electronic form by others without charge.