

United States Department of Agriculture

SEP 0 1 2015

Food and Nutrition Service

SUBJECT:

2013 State-Level Estimates of Infants and Pre-School-Age Children

at or Below 185 Percent of Poverty

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TO:

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Director

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Attached are estimates of the number of infants and children (ages 1-4) in each State who were at or below 185 percent of poverty in 2013. The 2013 estimates are provided for use in the Women, Infants and Children (WIC) funding formula to determine States' fair shares of WIC food funds for fiscal year (FY) 2016. The 2013 estimates are recommended for use in FY 2016 funding allocations because they reflect the most recent data available. These estimates are the first set of estimates to be directly estimated from the American Community Survey (ACS), as per the decision memo from WIC (dated February 23, 2015). Estimates for Puerto Rico were based on the 2013 Puerto Rico Community Survey. Estimates for the other territories were based on data from the 2010 Census. (Note: the estimates for the States presented in this memo were produced using direct estimates from the ACS. These estimates are not comparable to the more comprehensive WIC eligibles estimates produced by the Urban Institute under contract with FNS and published on the FNS website in January 2015.)

Nationwide, the estimated number of infants and children (ages 1-4) at or below 185 percent of poverty increased by 3.0 percent from 2012 to 2013. It is important to note that we do not know how much of this increase is real and how much is due to changing our estimation methodology from the historical "CPS shrinkage" methodology to a more accurate methodology that directly estimates the number of eligible infants and children from the ACS. The State-level estimates provided here are consistent with the national number of infants and children at or below 185 percent of poverty. Because the 2013 data will be updating 2012 data for funding formula purposes, comparisons are shown between these two years, although the extent to which the two years are comparable is unclear, due to the change in estimation methodology.

<sup>&</sup>lt;sup>1</sup> 2012 (and prior) estimates were primarily developed using a "shrinkage" methodology similar to that used to develop estimates used in the funding formula since FY 1995.

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Attached is a brief summary of the estimates and the methodology used to develop them. We recommend releasing these materials to the States and other interested organizations on request.

Jay Hirschman

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Office of Policy Support

# Attachments

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## 2013 STATE-LEVEL ESTIMATES OF INFANTS AND CHILDREN (AGES 1-4) AT OR BELOW 185 PERCENT OF POVERTY

### **Overview**

Prior to Fiscal Year (FY) 1995, estimates of the number of infants and children (ages 1-4) at or below 185 percent of poverty were available for Census years only. For the FY 1995-2015 funding allocations, annual estimates were developed using a statistical technique known as "shrinkage." The Food and Nutrition Service (FNS) used this methodology to develop State-level estimates of infants and children at or below 185 percent of poverty for 1992-2012.

FNS is using a different methodology to develop the 2013 estimates for the State and Puerto Rico, as per the decision memo from WIC (dated February 23, 2015). The 2013 estimates are directly estimated from the ACS/PRCS, with an adjustment to account for the fact that WIC uses federal poverty guidelines to establish eligibility, rather than the poverty thresholds used by the Census Bureau.

Since the territories are not included in the ACS, the estimates assume that the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands have the same share of the number of infants and children at or below 185 percent of poverty that they did in 2010. The 2013 estimates are the second year that these estimates are based on the 2010 Census. As described in last year's memo, the 2010 Census decreased the estimated number of infants and children in the territories by between 30% and 40%, so the estimated number of WIC eligibles in the territories continues to be substantially lower than the 2011 estimates.

As the most current data, the 2013 estimates should be used for funding allocations for FY 2016.

#### Results

For 2013, the total number of infants and children at or below 185 percent of poverty in the United States, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands was estimated to be 9.2 million. Table 1 provides estimates of the number of infants and children at or below 185 percent of poverty in 2013 in each State and territory and the national totals. Also shown are the 2012 shrinkage estimates.

#### Use of the Estimates in the Funding Formula

State-level estimates of infants and children at or below 185 percent of poverty are used in the funding formula to determine each State's share of the national total of infants and children at or below 185 percent of poverty. This percentage share is used to determine a State's "fair share" of food funds. For example, for a State with 1 percent of the national total of infants and children at or below 185 percent of poverty, the fair share would be 1 percent of the total food funds.

<sup>&</sup>lt;sup>1</sup> For the island territories, the Census Bureau provided the number of infants and children at or below 185 percent of poverty.

Estimates of pregnant, postpartum and breastfeeding women at or below 185 percent of poverty are not used in determining fair share for the allocation process. Women are estimated as a direct constant function of the number of infants at or below 185 percent of poverty. As a result, inclusion of estimates of women would have no significant impact on the percentage distribution of people at or below 185 percent of poverty among States. Therefore, for simplicity, estimates of pregnant, postpartum, and breastfeeding women are not included in the calculation.

TABLE 1
STATE-LEVEL ESTIMATES OF INFANTS AND CHILDREN AT OR BELOW 185% OF POVERTY, 2012 AND 2013

2013
Infants +
en Children
-4) (ages 1-4)
159,407
20,622
225,055
102,340
1,162,423
130,335
60,959
22,290
17,606
545,575
347,152
34,167
57,576
323,260
207,910
73,625
86,429
128,152
2 157,354
29,765
29,765
112,764
271,465
112,630
3 117,523
175,645
2 27,651
55,945
85,681
3 21,235
179,924
77,402
494,299
311,477
17,071
324,815
146,769
7 104,585
292,628
3 24,659
1 159,785
21,854
214,471
958,192
2 101,852
2 181,810
176,010
52,796
3 135,181
2 14,185
8,998,812
163,539
2 4,170
7,862
2 5,358
1 3,603
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