



FINANCIAL VULNERABILITY IN NEW HAMPSHIRE

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ENDOWMENT FOR HEALTH
BOARD OF DIRECTORS AND ADVISORY COUNCIL
ANNUAL RETREAT
JUNE 20, 2022

VULNERABILITY AND THE DEFINITION OF POVERTY

OFFICIAL POVERTY MEASURE IS ONE OF MANY WAYS TO UNDERSTAND HARDSHIP

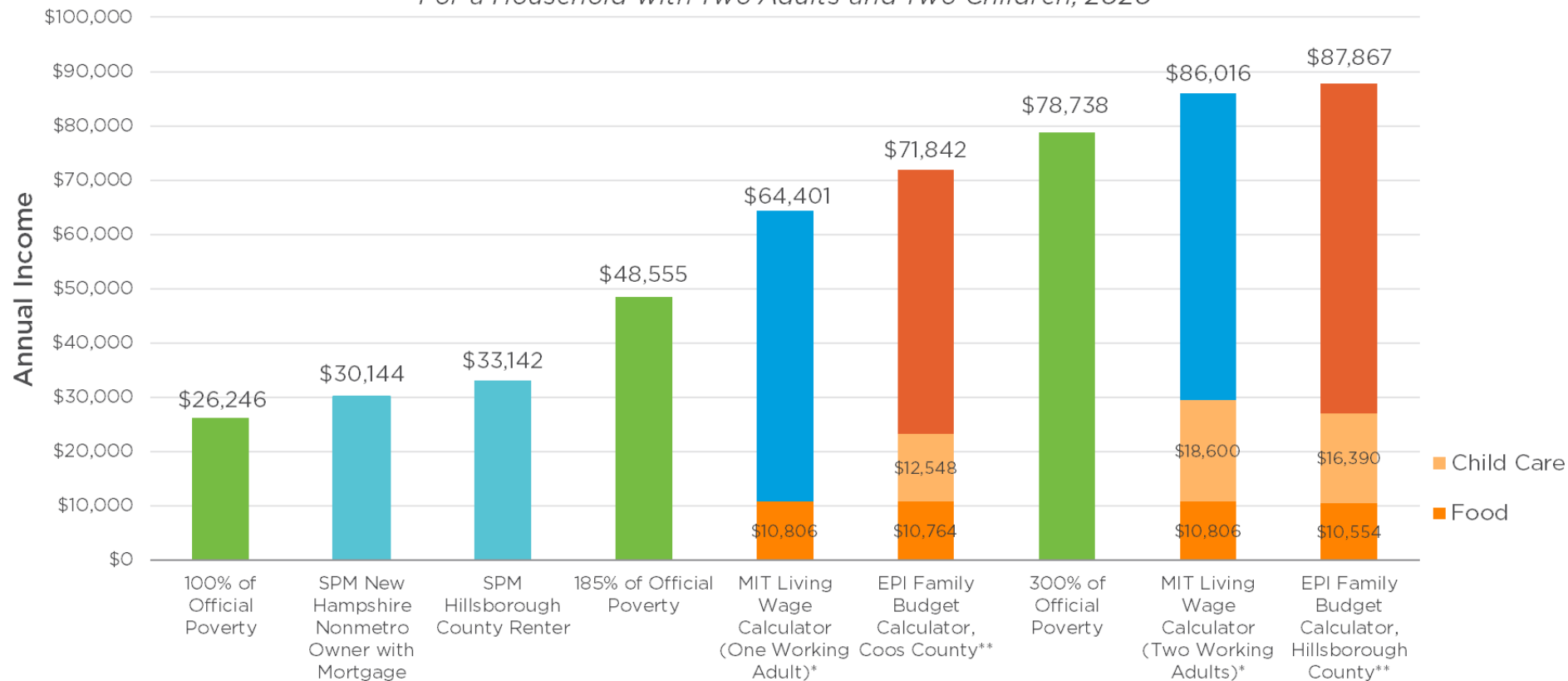
- Poverty measures income, rather than assets or debt
- Rooted in federal research from the 1960s, using a key analysis published in 1955, to estimate living costs based on food expenses as a proportion of family income
- Families spent about one-third of their incomes on food in 1955
- Multiplying federal food plan costs by a factor of three (with adjustments for certain household sizes) became basis for measuring poverty, still used as framework for federal Official Poverty Measure with annual inflation adjustments
- Supplemental Poverty Measure established in 2011, based on consumer expenditure costs for food, clothing, housing (adjusted regionally), and utilities after taxes and certain other expenses
- Typically, data on prevalence of poverty stems from surveys

Sources: U.S. Congressional Research Service, An Introduction of Poverty Measurement, March 9, 2017; U.S. Congressional Research Service, The Supplemental Poverty Measure: Its Core Concepts, Development, and Use, November 28, 2017; NHFPI, Poverty in New Hampshire Was Higher Than Other States When Adjusted for Regional Housing and Other Costs, February 3, 2022.

POVERTY THRESHOLD LOWER THAN OTHER KEY MEASURES OF LIVING COSTS

SELECTED MEASURES OF POVERTY AND COST OF LIVING IN NEW HAMPSHIRE

For a Household with Two Adults and Two Children, 2020



Income Measure and Geography

*Massachusetts Institute of Technology, 2020-2021 Update, May 2021 (via archive.org)

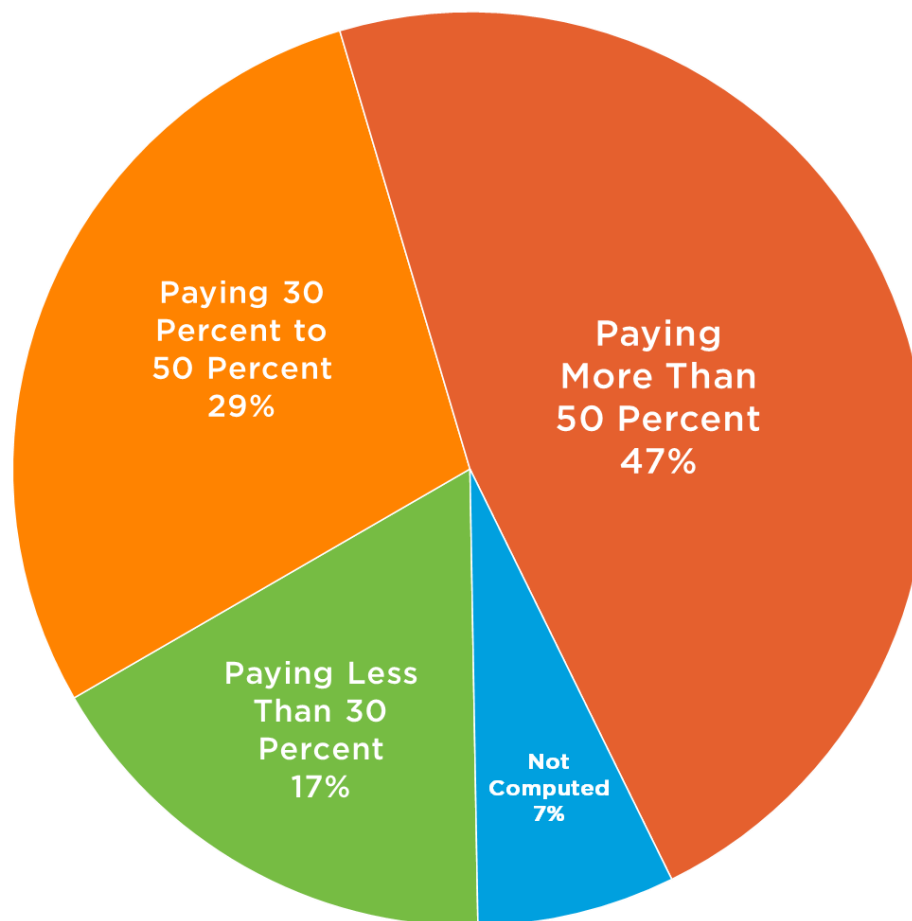
**Economic Policy Institute, Data in 2020 Dollars, March 2022 Update

Sources: U.S. Census Bureau, Massachusetts Institute of Technology, Economic Policy Institute

HOUSING COSTS ARE A SIGNIFICANT BURDEN

RENT AND UTILITIES PAYMENTS AS A PERCENTAGE OF INCOME FOR LOWER-INCOME NEW HAMPSHIRE RENTERS

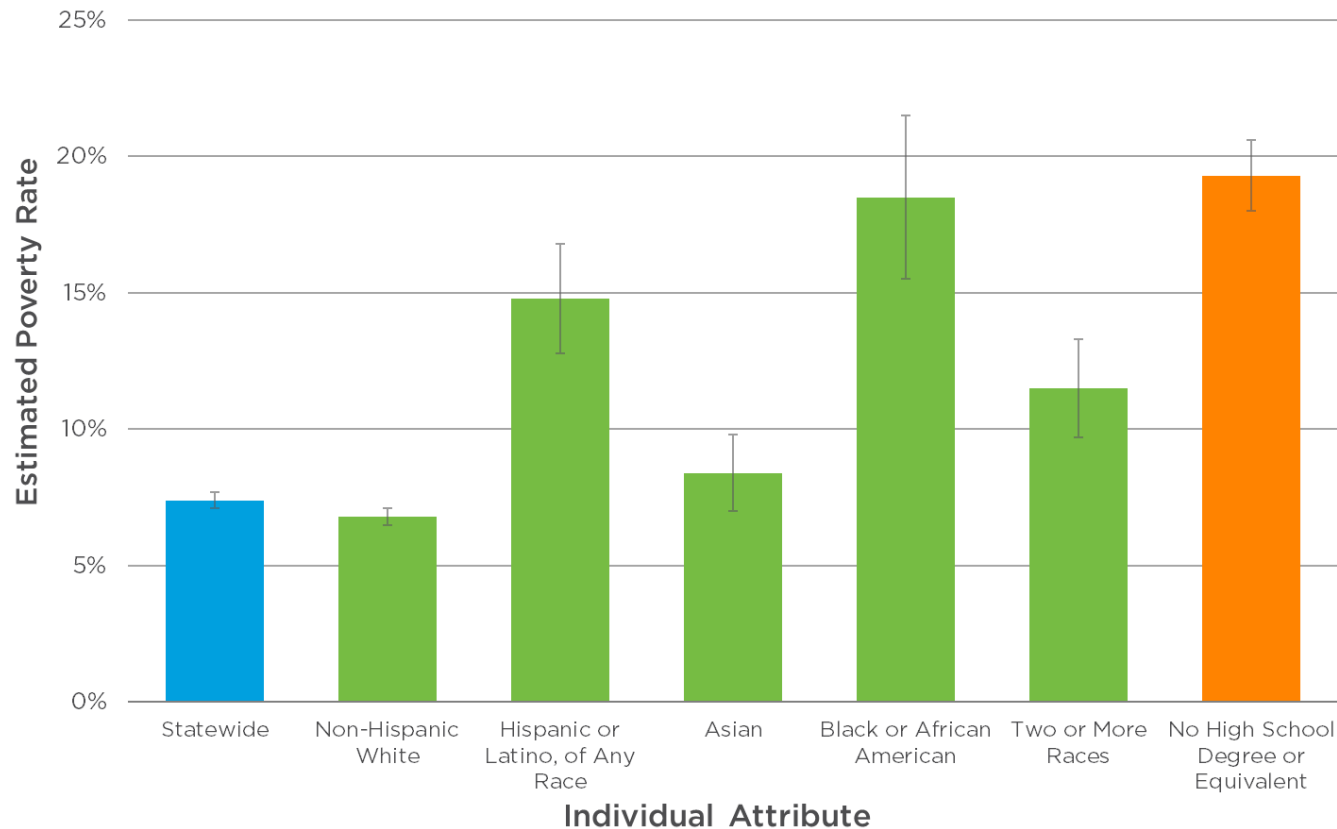
Percentage of Income Paid by Renter Households with Less Than \$35,000 Per Year of Income (39 Percent of All Renters), 2016-2020



Source: U.S. Census Bureau, American Community Survey, 2016-2020

CERTAIN INDIVIDUALS AND GROUPS HAVE MUCH HIGHER POVERTY RATES

INDIVIDUAL POVERTY RATES BY SELECTED GROUP
2016-2020 ESTIMATES, NEW HAMPSHIRE



Notes: Margin of error bars represent 90 percent confidence intervals. Hispanic origin included in non-white races.
Source: U.S. Census Bureau, American Community Survey Five-Year Estimates, 2016-2020

Poverty Rates by Household or Family Characteristic:

- Renters: 14.5% (+/- 1.2%)
- All Families: 4.6% (+/- 0.2%)
- Families with Children: 7.8% (+/- 0.5%)
- Families in Single Female-Headed Household with Children Under 5 Years Old: 30.9% (+/- 5.7%)

Source: U.S. Census Bureau, American Community Survey, 2016-2020, DP03, S1702

CONCENTRATIONS OF POVERTY AND HOUSEHOLDS WITH LOW INCOMES VARIES

NEW HAMPSHIRE POPULATION BY INCOME GROUP, 2016-2020 ESTIMATES RELATIVE TO THE FEDERAL POVERTY THRESHOLD (FPT)

New Hampshire County	Percent of Population with Incomes Below 100 Percent FPT	Number of People with Incomes Below 100 Percent FPT	Percent of Population with Incomes Below 300 Percent FPT	Number of People with Incomes Below 300 Percent FPT
Belknap	9%	5,200	40%	24,300
Carroll	9%	4,200	41%	19,600
Cheshire	9%	6,500	39%	27,900
Coos	12%	3,400	53%	15,600
Grafton	10%	8,700	42%	35,000
Hillsborough	7%	30,300	32%	130,600
Merrimack	7%	9,500	34%	48,700
Rockingham	5%	14,000	24%	73,000
Strafford	9%	10,800	35%	42,100
Sullivan	11%	4,800	43%	18,300
Statewide	7%	97,400	33%	435,200

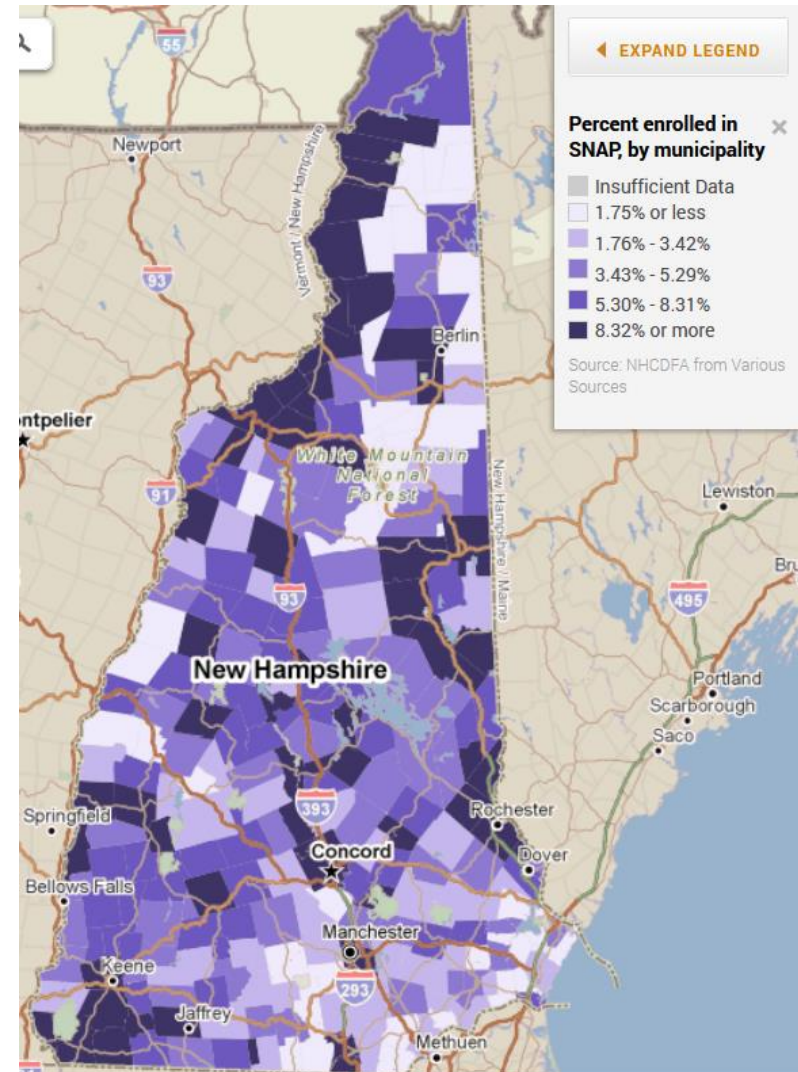
Source: U.S. Census Bureau, American Community Survey, 2016-2020

MEASURING VULNERABILITY AT THE LOCAL LEVEL

BEYOND COUNTIES: MEASURING POVERTY AT THE LOCAL LEVEL

Community Development Finance Authority focus on municipalities:

- NHFPI has been working with the New Hampshire CDFA to develop indicators of local poverty, hardship, and need
- Designed to have consistent measures across municipalities, including those too small for survey data, to help understand local economies
- Survey data often unreliable for small communities
- Using PolicyMap as a data tool:
<https://resources.nhcdfa.org/working-with-cdfa/data/>



CDFA CORE DATA INDEX PROVIDES INSIGHTS INTO LOCALIZED VULNERABILITY

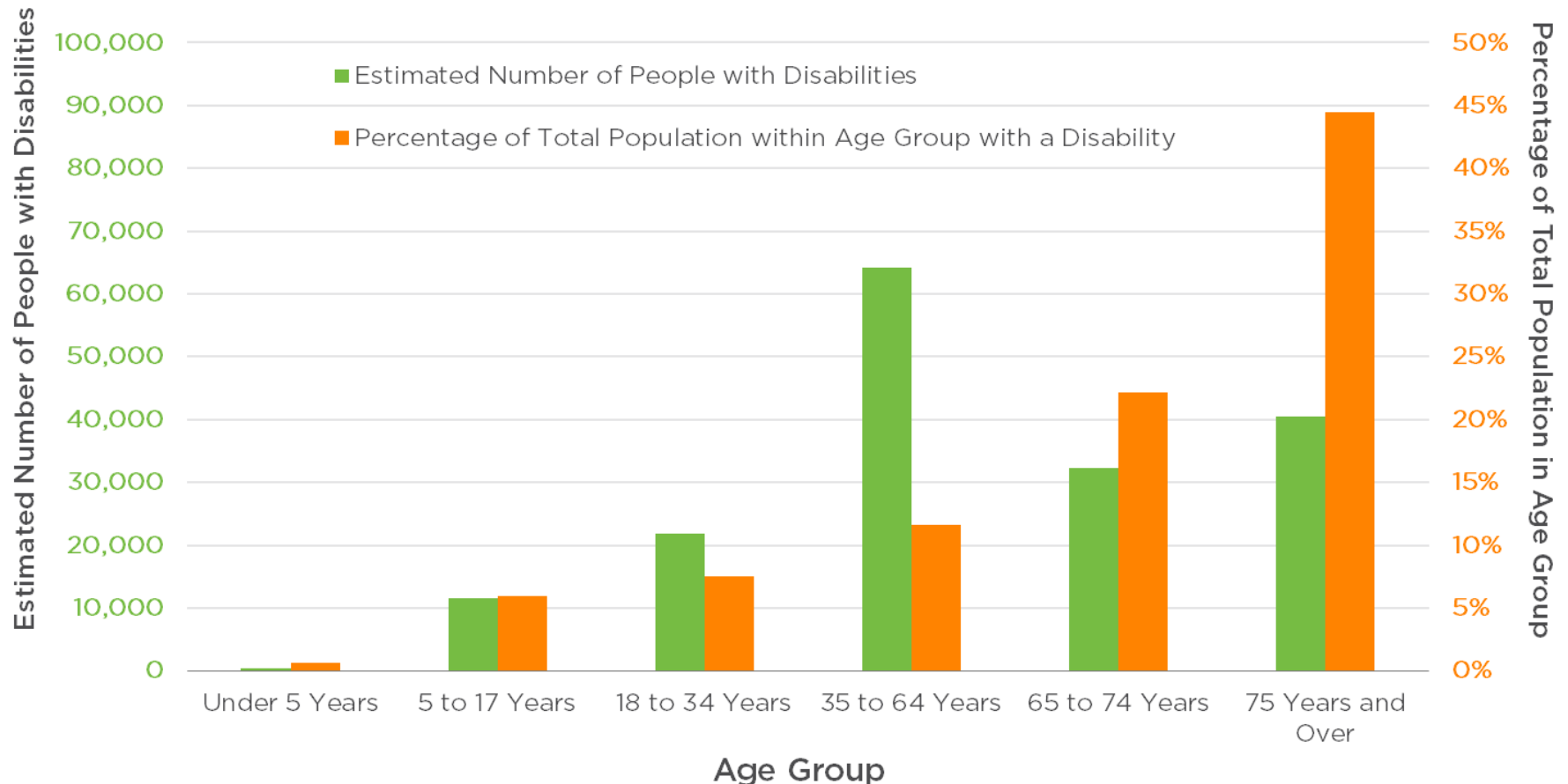
Measures in Core Data Index of Community Progress Indicators:

- Food Stamp Program enrollment
- Free and reduced-price school meal eligibility
- Population growth
- Median age, as well as percent of the population age 65 years and older
- Taxable property value per capita
- Median household income relative to statewide median
- Percentage of total tax returns reporting more than \$100,000 income
- Weekly wage of jobs based in county, and change in number of jobs
- Percent of median renter income required to avoid cost burden while affording median rent (by county)
- Primary care physicians per 1,000 people (by county)
- Percent of population without health insurance (by county)

OLDER GRANITE STATERS MORE LIKELY TO EXPERIENCE DISABILITY

NEW HAMPSHIRE INDIVIDUALS WITH DISABILITIES BY AGE GROUP

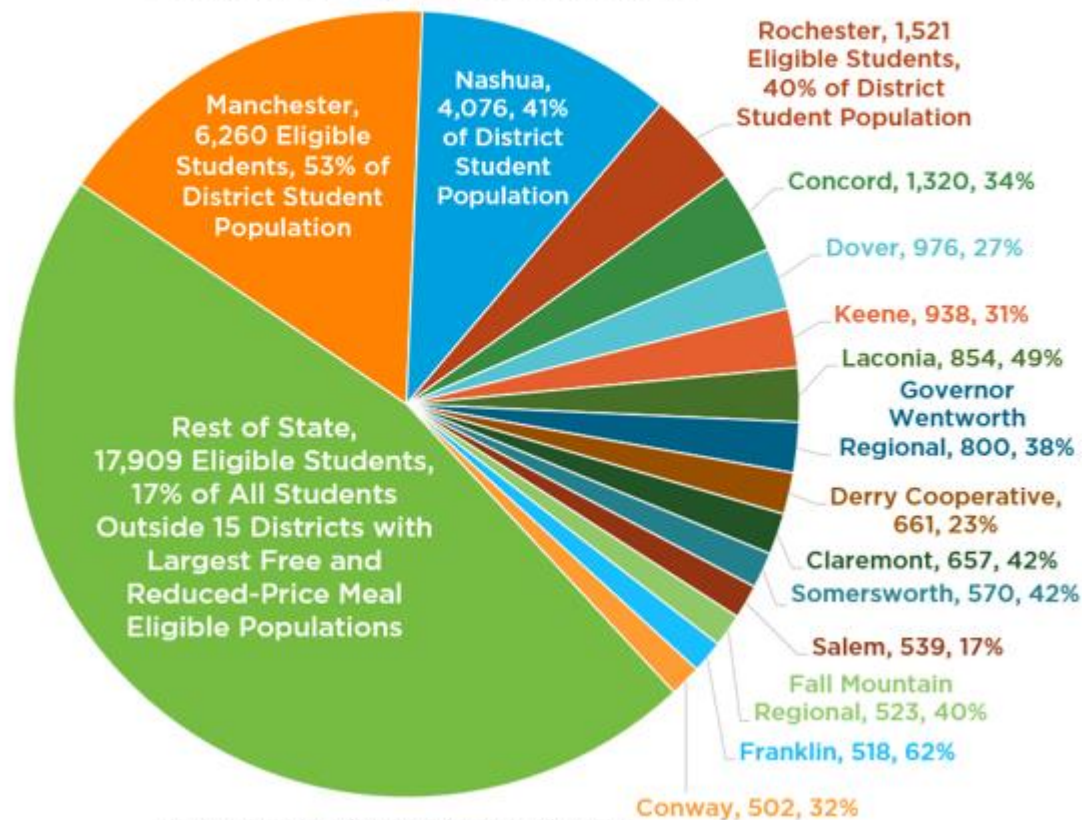
U.S. Census Bureau Survey Data, 2016-2020



Source: U.S. Census Bureau, American Community Survey Five-Year Estimates, 2016-2020

STUDENTS WITH LOW INCOMES LIVE IN RURAL AND URBAN AREAS STATEWIDE

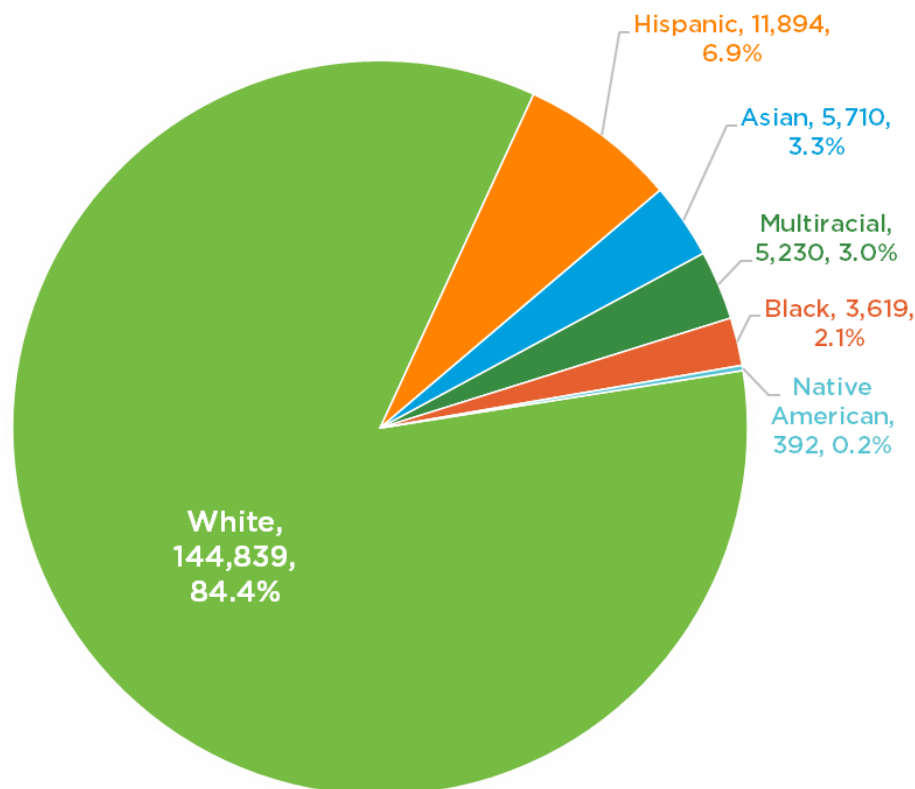
FREE AND REDUCED-PRICE MEAL ELIGIBLE CHILDREN
BY SCHOOL DISTRICT AND AS PERCENTAGE OF
SCHOOL DISTRICT POPULATION,
GRADES 1-12, OCTOBER 2019



Source: New Hampshire Department of Education

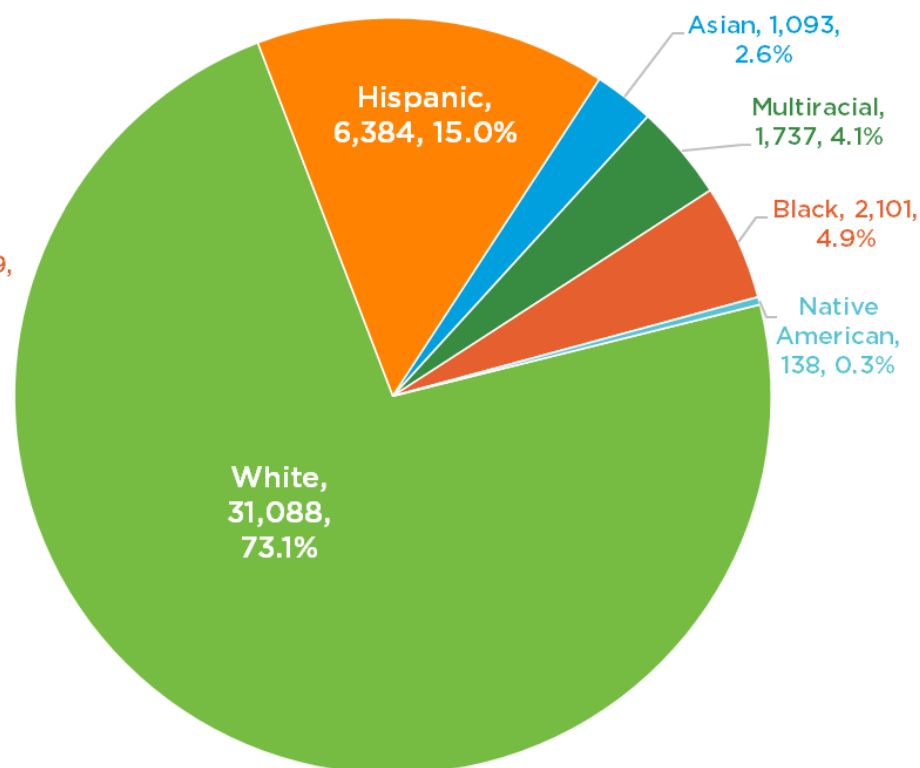
STUDENTS OF COLOR MORE LIKELY TO HAVE LIMITED FINANCIAL RESOURCES AT HOME

ALL NEW HAMPSHIRE PUBLIC SCHOOL
K-12 STUDENTS, OCTOBER 2019



Source: New Hampshire Department of Education

NEW HAMPSHIRE PUBLIC SCHOOL
K-12 STUDENTS ELIGIBLE FOR FREE AND
REDUCED-PRICE MEALS, OCTOBER 2019

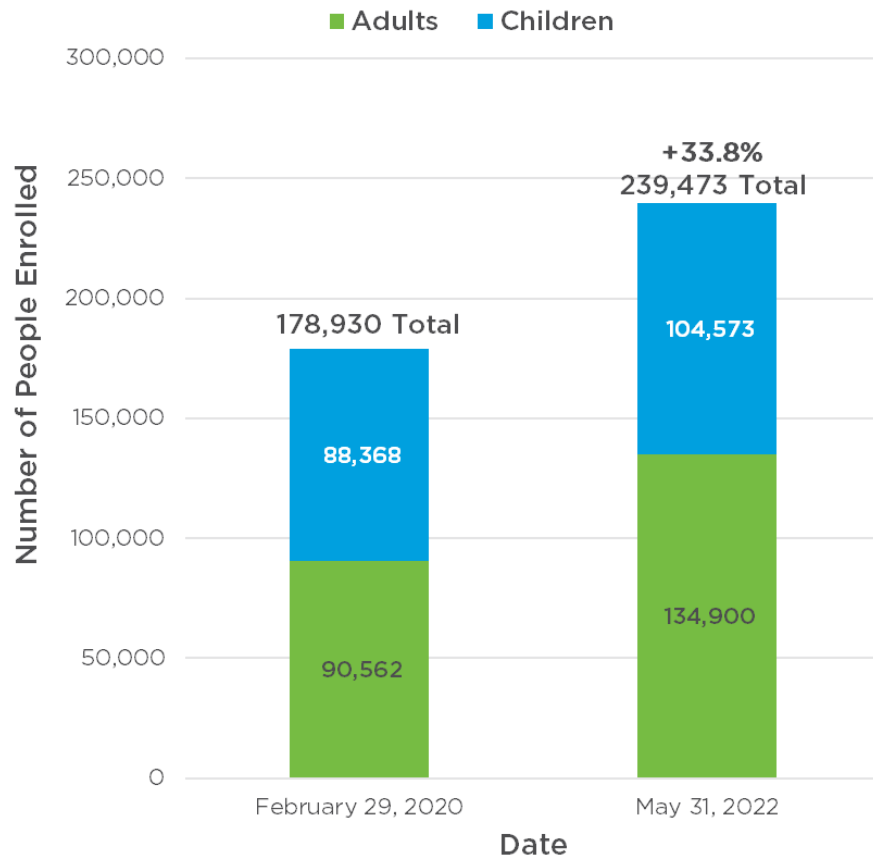


Source: New Hampshire Department of Education

UNDERSTANDING VULNERABILITY DURING THE PANDEMIC

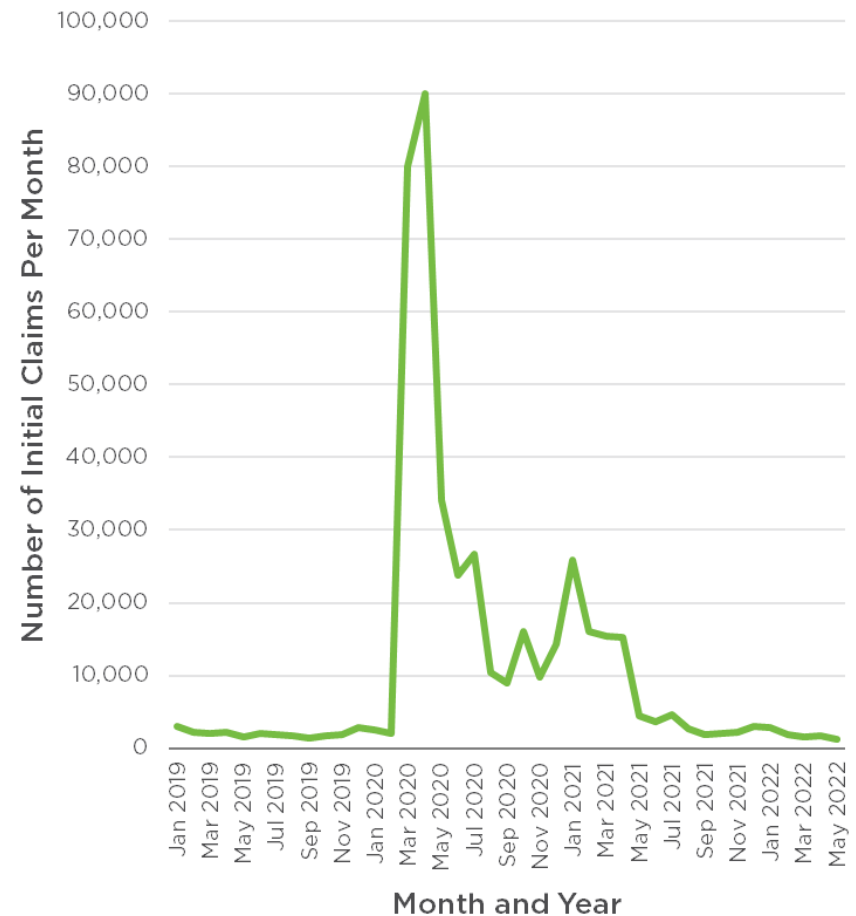
MANY PEOPLE BECAME ELIGIBLE FOR ASSISTANCE PROGRAMS

NEW HAMPSHIRE MEDICAID ENROLLMENT



Source: New Hampshire Department of Health and Human Services Monthly Caseload Reports

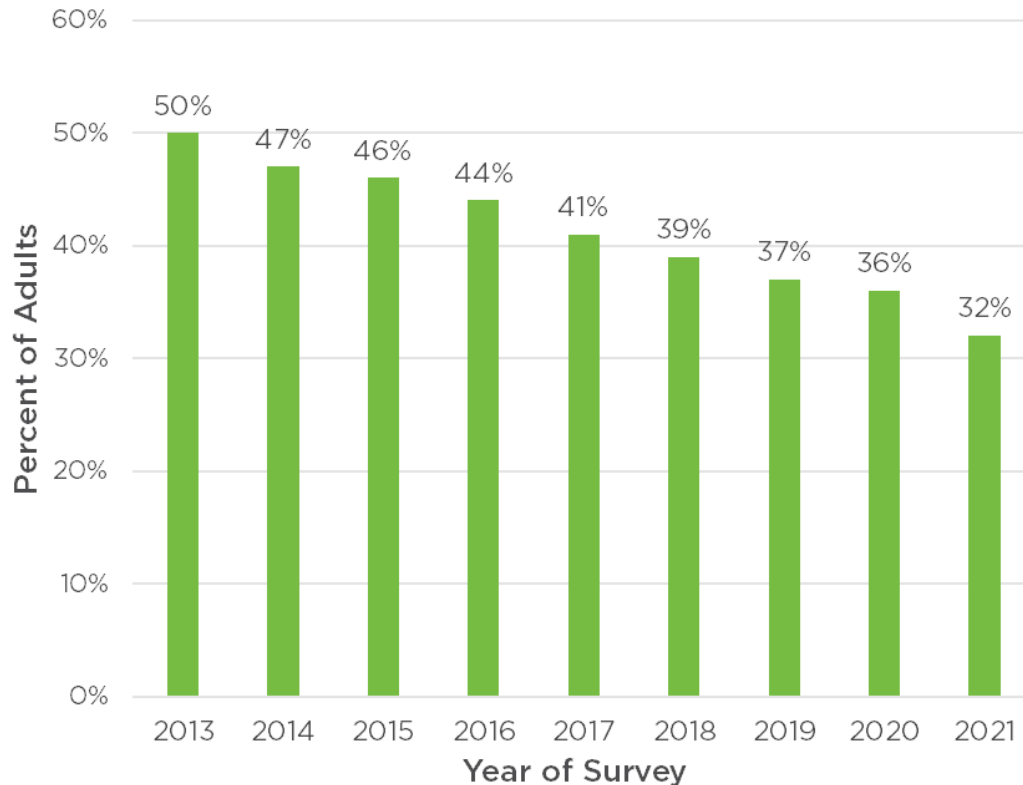
INITIAL UNEMPLOYMENT CLAIMS IN NEW HAMPSHIRE



Source: New Hampshire Employment Security

MORE INDIVIDUALS MAY HAVE ACCESS TO EMERGENCY SAVINGS

PERCENT OF U.S. ADULTS WHO WOULD NOT PAY FOR AN UNEXPECTED \$400 EXPENSE WITH CASH OR AN EQUIVALENT*



*Includes savings and credit cards to be paid off at next statement.

Source: Board of Governors of the Federal Reserve System, Economic Well-Being of U.S. Households in 2021, May 2022.

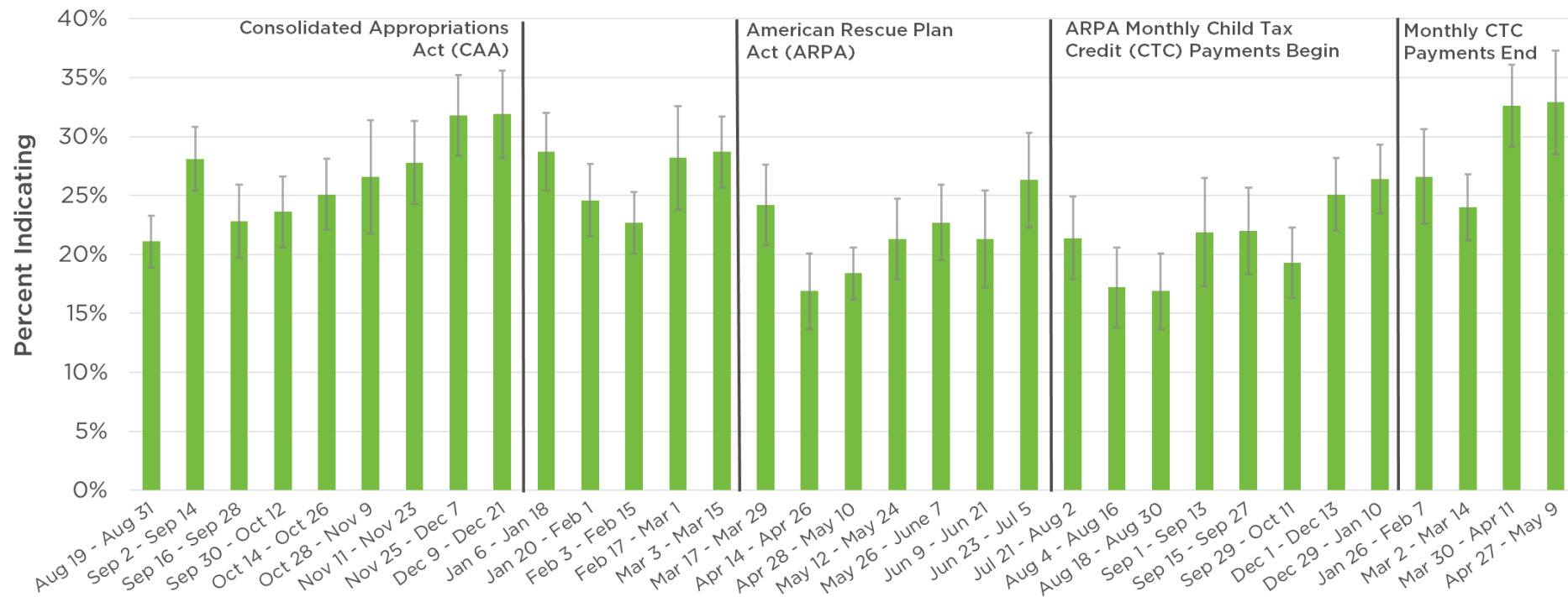
November 2021 U.S. Survey:

- Parents saw largest increase in percentage paying cash or equivalent for unexpected expenses
- 91 percent of adults with a Bachelor's degree or higher "doing okay" or "living comfortably" financially, only 49 percent with less than a high school degree
- 81 percent of white adults reported doing at least "okay" financially, 88 percent of Asian adults, 71 percent of Hispanic adults, 68 percent of Black adults

Source: Board of Governors of the Federal Reserve System, Economic Well-Being of U.S. Households in 2021, May 2022.

DIFFICULTY AFFORDING EVERYDAY EXPENSES INCREASING

PERCENTAGE OF NEW HAMPSHIRE ADULTS LIVING IN HOUSEHOLDS WHERE IT HAS BEEN SOMEWHAT OR VERY DIFFICULT TO PAY FOR USUAL HOUSEHOLD EXPENSES DURING THE LAST SEVEN DAYS



Survey Period (Years 2020-2022)

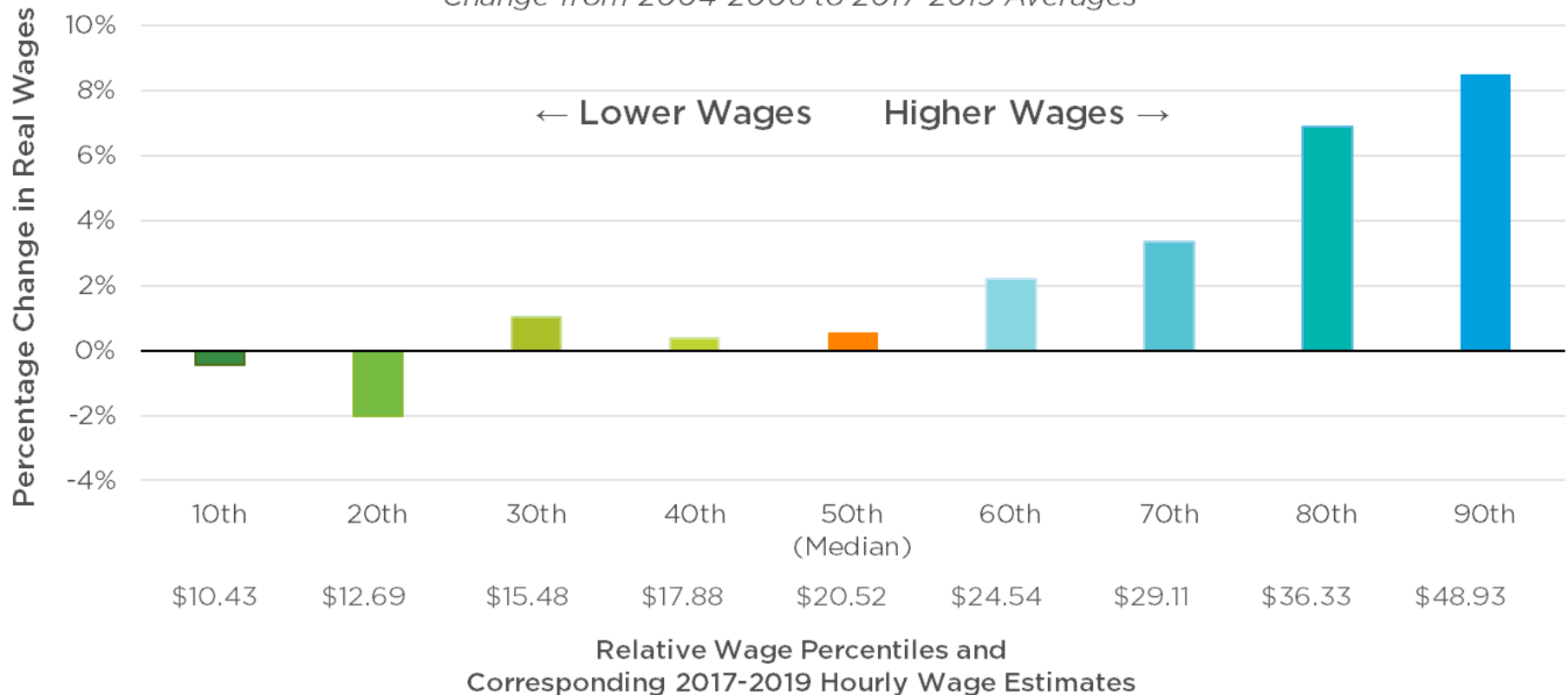
Note: Margin of error bars represent 90 percent confidence intervals

Source: U.S. Census Bureau, 2020-2022 Household Pulse Survey, accessed June 14, 2022

INFLATION-ADJUSTED WAGES HAD NOT GROWN FOR MANY IN LAST RECOVERY

NEW HAMPSHIRE WAGE CHANGES BY DECILE

Change from 2004-2006 to 2017-2019 Averages



Note: Inflation adjustment using Consumer Price Index-Urban-Research Series (current methods). Includes workers aged 16 years and older, all income from work.
Source: Economic Policy Institute analysis of Current Population Survey Outgoing Rotation Group data

KEY TAKEAWAYS

- The Official Poverty Measure is an imperfect indicator and does not capture the breadth of financial hardship, but does provide a key and common comparable measure for understanding disparate impacts on groups and families
- Individuals and families with low and lower-middle incomes live throughout the state, with higher concentrations in some communities and significant numbers living in wealthier areas as well
- Measuring financial well-being at the local level in New Hampshire requires creative use of available data, none of which provide comprehensive insight but can be informative collectively
- The pandemic made larger and different components of the population vulnerable, and significant policy changes targeted at aiding those with low incomes have had positive impacts
- Ending of temporary policies and significant, rapid changes in the economy may make understanding who is vulnerable more difficult in the near future



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