FOR IMMEDIATE RELEASE: TUESDAY, SEPTEMBER 10, 2019
SEPTEMBER 10, 2019
RELEASE NUMBER CB19-141

Erratum Note:
Oct. 11, 2019 - Due to an error in our tax model, tax units with an Adjusted Gross Income (AGI) below $12,000 were inadvertently not run through the Additional Child Tax Credit (ACTC) portion of the tax model. As a result, 2,435 tax units did not receive this refundable credit, which changed the Supplemental Poverty Measure (SPM) poverty status of about 600 individuals (or 0.3% of the weighted population). This error changed our top-level SPM estimate from 13.1% for 2018 to 12.8%. Using either set of estimates, the change between 2017 and 2018 was not significant overall or for any of the major age categories. All SPM estimates have been revised accordingly. Updated statements are highlighted in red below.

SEPT. 10, 2019 — The U.S. Census Bureau announced today the median household income was not statistically different from the 2017 median, and the official poverty rate decreased 0.5 percentage points from 2017. At the same time, the rate and number of people without health insurance increased from 7.9%, or 25.6 million, in 2017 to 8.5%, or 27.5 million, in 2018.

Median household income was $63,179 in 2018, not statistically different from the 2017 median, following three consecutive years of annual increases. Between 2017 and 2018, the real median earnings of all workers increased 3.4% to $40,247. The 2018 real median earnings of men and women who worked full-time, year-round increased by 3.4% and 3.3%, respectively, between 2017 and 2018. The difference between the 2017-2018 percent changes in median earnings for men and women working full-time, year round was not statistically significant. The number of full-time, year-round workers increased by 2.3 million, between 2017 and 2018. The number of men and women full-time, year-round workers increased by about 700,000 and 1.6 million, respectively.

The official poverty rate in 2018 was 11.8%, a decrease of 0.5 percentage points from 2017. This is the fourth consecutive annual decline in the national poverty rate. In 2018, for the first time in 11 years, the official poverty rate was significantly lower than 2007, the year before the most recent recession. The number of people in poverty in 2018 was 38.1 million, 1.4 million fewer people than 2017.
The percentage of people with health insurance coverage for all or part of 2018 was 91.5%, lower than the rate in 2017 (92.1%). Between 2017 and 2018, the percentage of people with public coverage decreased 0.4 percentage points, and the percentage of people with private coverage did not statistically change.


Another Census Bureau report, The Supplemental Poverty Measure: 2018, was also released today. The supplemental poverty rate in 2018 was 12.8%, not statistically different from the 2017 supplemental poverty rate of 13.0%. The Supplemental Poverty Measure (SPM) provides an alternative way of measuring poverty in the United States and serves as an additional indicator of economic well-being. The Census Bureau has published poverty estimates using the SPM annually since 2011 with the collaboration of the Bureau of Labor Statistics.

The Current Population Survey, sponsored jointly by the Census Bureau and Bureau of Labor Statistics, is conducted every month and is the primary source of labor force statistics for the U.S. population; it is used to calculate the monthly unemployment rate estimates. Supplements are added in most months; the Annual Social and Economic Supplement is designed to give annual, national estimates of income, poverty and health insurance numbers and rates. The most recent Annual Social and Economic Supplement was conducted nationwide (February, March and April 2019) and collected information about income and health insurance coverage during the 2018 calendar year.

The Current Population Survey-based income and poverty report includes comparisons with the previous year, and historical tables in the report contain statistics back to 1959. The health insurance report is based on both the Current Population Survey and the American Community Survey. State and local income, poverty and health insurance estimates from the American Community Survey will be released Thursday, Sept. 26.

For the first time, income, poverty and health insurance measures in these reports will reflect important changes to the processing system for the Current Population Survey Annual Social and Economic Supplement (CPS ASEC). These
reports present year-to-year comparisons from 2017 to 2018 based on data edited using the updated processing system for both years. In some cases, 2017 estimates may differ from values published in September 2018, which were created using the legacy processing system. For more information on the updates to the processing system see the CPS ASEC Redesign and Processing Changes.

Income

- Median household income was $63,179 in 2018, not statistically different from the 2017 median.
- The 2018 real median income of family households and nonfamily households increased 1.2% and 2.4%, respectively, between 2017 and 2018. This is the fourth consecutive annual increase in median household income for family households. The difference between the 2017-2018 percent changes in median income for family (1.2%) and nonfamily (2.4%) households was not statistically significant.
- For householders under the age of 65, real median household income was not statistically different between 2017 and 2018, while real median household income for householders age 65 and over increased 3.3% from 2017. The difference between the 2017-2018 percent changes in median income for householders under the age of 65 (1.0%) and householders age 65 and over (3.3%) was not statistically significant.

Race and Hispanic Origin

(Race data refer to people reporting a single race only; Hispanics can be of any race.)

- The 2018 real median income of Asian households increased 4.6% from 2017 to $87,194, while the real median incomes of non-Hispanic white ($70,642), black ($41,361) and Hispanic ($51,450) households were not statistically different from their 2017 medians. The only significant difference between the 2017-2018 percent changes in median income for each race group was Asian (4.6%) and Hispanic (0.1%).

Nativity

- The real median income of households maintained by a native-born person increased 1.4% between 2017 and 2018, while the 2018 real median income of households maintained by a foreign-born person was not statistically different from 2017. The difference between the 2017-2018 percent changes in median income for households maintained by a native-born person (1.4%) and those maintained by a foreign-born person (1.7%) was not statistically significant.

Earnings

- Between 2017 and 2018, the real median earnings of all workers increased 3.4% to $40,247.
- The 2018 real median earnings of men ($55,291) and women ($45,097) who worked full-time, year-round increased by 3.4% and 3.3%, respectively, between 2017 and 2018. The difference between the 2017-2018 percent changes in median earnings for men (3.4%) and women (3.3%) working full-time, year-round was not statistically significant.
- The 2018 female-to-male earnings ratio was 0.816, not statistically different from the 2017 ratio.
- The number of full-time, year-round workers increased by 2.3 million, between 2017 and 2018. The number of men and women full-time, year-round workers increased by about 700,000 and 1.6 million, respectively.

Poverty
The official poverty rate in 2018 was 11.8%, down 0.5 percentage points from 12.3% in 2017 (the Office of Management and Budget determined the official definition of poverty in Statistical Policy Directive 14). This is the fourth consecutive annual decline in poverty. Since 2014, the poverty rate has fallen 3.0 percentage points, from 14.8% to 11.8%.

In 2018, for the first time in 11 years, the official poverty rate was significantly lower than 2007, the year before the most recent recession.

In 2018, there were 38.1 million people in poverty, approximately 1.4 million fewer people than 2017.

Families

(Families are a group of two or more people related by birth, marriage or adoption and living together. A primary family is a family which includes the householder.)

In 2018, the poverty rate for primary families declined from 9.3% to 9.0%.

For primary families with a female householder, the poverty rate was 24.9%, a decline from 26.2% in 2017.

The poverty rate for married-couple families was 4.7% in 2018. For primary families with a male householder, the poverty rate was 12.7%. Differences in the poverty rate for married-couple families and male-householder families were not statistically significant between 2017 and 2018.

Race and Hispanic Origin

(Race data refer to people reporting a single race only; Hispanics can be of any race.)

The poverty rate for non-Hispanic whites was 8.1% in 2018, down from 8.5% in 2017.

The poverty rate for blacks was 20.8%, while the poverty rate for Asians was 10.1%. The poverty rate for Hispanics was 17.6%. Among blacks, Asians and Hispanics, 2018 poverty rates were not statistically different from 2017.

Sex

The 2018 poverty for males was 10.6%, not statistically different from 2017. The 2018 poverty rate for females was 12.9%, down from 13.6% in 2017.

Region

From 2017 to 2018, the South was the only region not to experience a decline in its poverty rate. The 2018 poverty rate for those in the South was 13.6%.

The 2018 poverty rate for the Northeast was 10.3%, down from 11.3% in 2017. The 2018 poverty rate for the Midwest was 10.4%, down from 11.2%. The poverty rate for the West in 2018 was 11.2%, down from 11.9% in 2017.

The South had the highest poverty rate in 2018 at 13.6% while poverty rates were lowest in the Northeast and Midwest (the rate of 10.3% in the Northeast was not statistically different from the rate of 10.4% in the Midwest).

Age
Between 2017 and 2018, poverty rates for children under age 18 decreased 1.2 percentage points from 17.4% to 16.2%. Poverty rates decreased 0.4 percentage points for adults ages 18 to 64, from 11.1% to 10.7%.

The poverty rate for those age 65 and older (9.7%) was not statistically different from 2017.

Education

(Limited to individuals age 25 and older.)

- From 2017 to 2018, the poverty rate decreased for those with some college education, from 9.0% to 8.4%. Individuals with an associate degree are included in the some college category.
- Between 2017 and 2018, people age 25 and older without a high school diploma were the only group to experience an increase in their poverty rates. Among this group, the poverty rate increased 1.4 percentage points to 25.9%, but the number in poverty was not statistically different from 2017.

Supplemental Poverty Measure

The Supplemental Poverty Measure (SPM) extends the official poverty measure by taking into account many of the government programs designed to assist low-income families and individuals that are not included in the current official poverty measure.

The SPM released today shows:

- In 2018, the overall SPM rate was 12.8%. This is not statistically different from the 2017 SPM rate of 13.0%.
- The SPM rate for 2018 was 1.0 percentage points higher than the official poverty rate of 11.8%.
- There were 15 states plus the District of Columbia for which SPM rates were higher than official poverty rates, 24 states with lower rates, and 11 states for which the differences were not statistically significant.
- Social Security continued to be the most important antipoverty program, moving 27.2 million individuals out of poverty.
  Refundable tax credits moved 8.9 million people out of poverty.

Age

- SPM rates were not statistically different for any of the major age categories in 2018 compared with 2017. SPM rates for children under the age of 18 were 13.7%, which is not significantly different than 14.2% in 2017.
- Compared to the official poverty rate, the SPM rates for individuals age 65 and older were higher than the official rate while the SPM rates for children under the age of 18 were lower.

While the official poverty measure includes only pretax money income, the SPM adds the value of in-kind benefits, such as the Supplemental Nutrition Assistance Program, school lunches, housing assistance and refundable tax credits.

Additionally, the SPM deducts necessary expenses for critical goods and services from income. Expenses that are deducted include: taxes, child care, commuting expenses, contributions toward the cost of medical care and health
insurance premiums, and child support paid to another household. The SPM permits the examination of the effects of government transfers on poverty estimates. For example, not including refundable tax credits (the Earned Income Tax Credit and the refundable portion of the child tax credit) in resources, the poverty rate for all people would have been 15.5% rather than 12.8%. The SPM does not replace the official poverty measure and will not be used to determine eligibility for government programs.

Health Insurance

- In 2018, 8.5% of people, or 27.5 million, did not have health insurance at any point during the year. The uninsured rate and number of uninsured increased from 2017 (7.9% or 25.6 million). This is the first year-to-year increase in the percent of uninsured since 2008-2009.
- Between 2017 and 2018, the percentage of people without health insurance coverage at the time of interview decreased in three states and increased in eight states.

Coverage Types

- The percentage of people with health insurance coverage for all or part of 2018 was 91.5%, lower than the rate in 2017 (92.1%). Between 2017 and 2018, the percentage of people with public coverage decreased 0.4 percentage points, and the percentage of people with private coverage did not statistically change.
- In 2018, private health insurance coverage continued to be more prevalent than public coverage, covering 67.3% of the population and 34.4% of the population, respectively (some people may have more than one coverage type during the calendar year). Of the subtypes of health insurance coverage, employer-based insurance remained the most common, covering 55.1% of the population for all or part of the calendar year.
- For the first time, estimates include coverage purchased through a federal or state marketplace. In 2018, 3.3% of people, or 30.8% of people with direct-purchase insurance, obtained their coverage through the state or federal health insurance marketplace.
- Between 2017 and 2018, the percentage of people covered by Medicaid decreased by 0.7 percentage points to 17.9%. The rate of Medicare coverage increased by 0.4 percentage points. This increase was driven by growth in the number of people age 65 and over. Among those 65 years and older, the Medicare coverage rate did not statistically change between 2017 and 2018. However, the percentage of the U.S. population 65 years and older increased between 2017 and 2018. In 2018, the percentage of people covered by Medicaid was not statistically different from the percentage covered by Medicare.
- The percentage of people with employment-based coverage, direct-purchase coverage, TRICARE, and VA or CHAMPVA health care did not statistically change between 2017 and 2018.

Age

- In 2018, children under the age of 19 had a lower overall coverage rate (94.5%) than adults age 65 and over (99.1%), but a higher rate than adults age 19 to 64 (88.3%).
- The percentage of uninsured children under the age of 19 increased by 0.6 percentage points between 2017 and 2018, to 5.5%.

Regional trends are available for income, poverty and health insurance in each respective report, as well as a table showing state-level coverage for health insurance.

State and Local Estimates From the American Community Survey
Some state-level health insurance data from the American Community Survey are included in this report. On Thursday, Sept. 26, the Census Bureau will release all 2018 single-year estimates of median household income, poverty and health insurance for all states, counties, places and other geographic units with populations of 65,000 or more from the American Community Survey. These statistics will include numerous social, economic and housing characteristics, such as language, education, commuting, employment, mortgage status and rent. Subscribers will be able to access these estimates on an embargoed basis.

The American Community Survey provides a wide range of important statistics about people and housing for every community (i.e., census tracts or neighborhoods) across the nation. The results are used by everyone from town and city planners to retailers and homebuilders. The survey is the only source of local estimates for most of the 40 topics it covers.

The Current Population Survey Annual Social and Economic Supplement and American Community Survey are subject to sampling and nonsampling errors. All comparisons made in each respective report have been tested and found to be statistically significant at the 90% confidence level, unless otherwise noted.

For additional information on the source of the data and accuracy of the income, poverty and health insurance estimates, visit <https://www2.census.gov/library/publications/2019/demo/phi-sa.pdf>.

###

Contact

Julie Iriondo  
Public Information Office  
301-763-3030  
pio@census.gov

Related Information