

Updating the True Cost of Economic Security: What It Takes to Thrive in the US

Housekeeping

- The event is being recorded, and the recording will be posted online afterward.
- Speaker biographies and related materials are available online.
- All participants are muted, but you can type your questions or comments into the Q&A box at any time. We will have a Q&A segment at the end of the session.
- You can hide captions or adjust settings with the Live Transcript button.

March 17, 2026

Update 2023: Measuring the True Cost of Economic Security



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Division of Tax and Income Supports

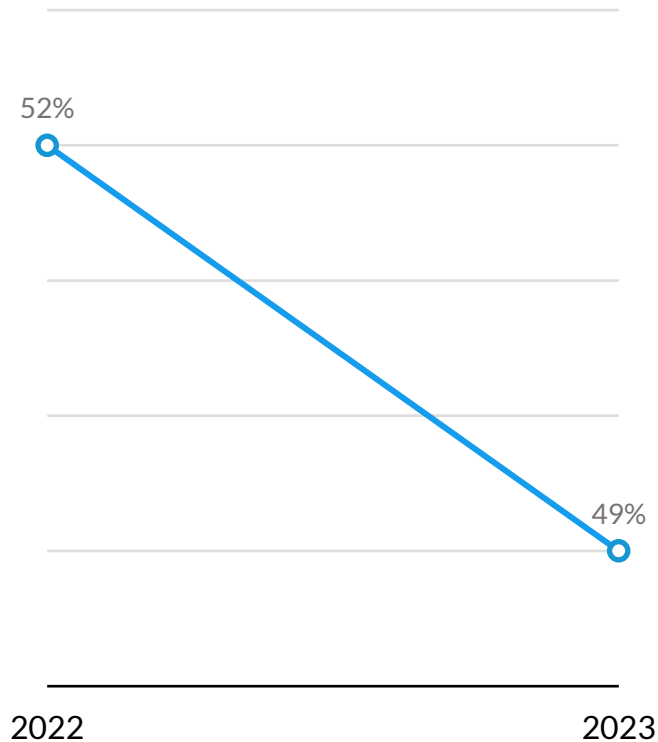
Acknowledgments

- Thank you to our funders, the Federation of Protestant Welfare Agencies.
- Coauthors: Greg Acs, Margaret Todd, and Lauren Simpson.
- Senior Advisor: Linda Giannarelli.
- Programming team: Joyce Morton, Damir Cosic, and Paul Johnson.

Why a TCES measure?

- Provide a **comprehensive assessment of the costs families face and the resources they have** to meet those costs
- **Set a reasonable bar** for measuring economic security and financial resilience
- Assess **which families are most vulnerable**, why families fall below the TCES threshold, and **whether those reasons vary by place**
- **Identify** federal, state, and local **policies and practices than can help families thrive**

What's new since the 2022 TCES?



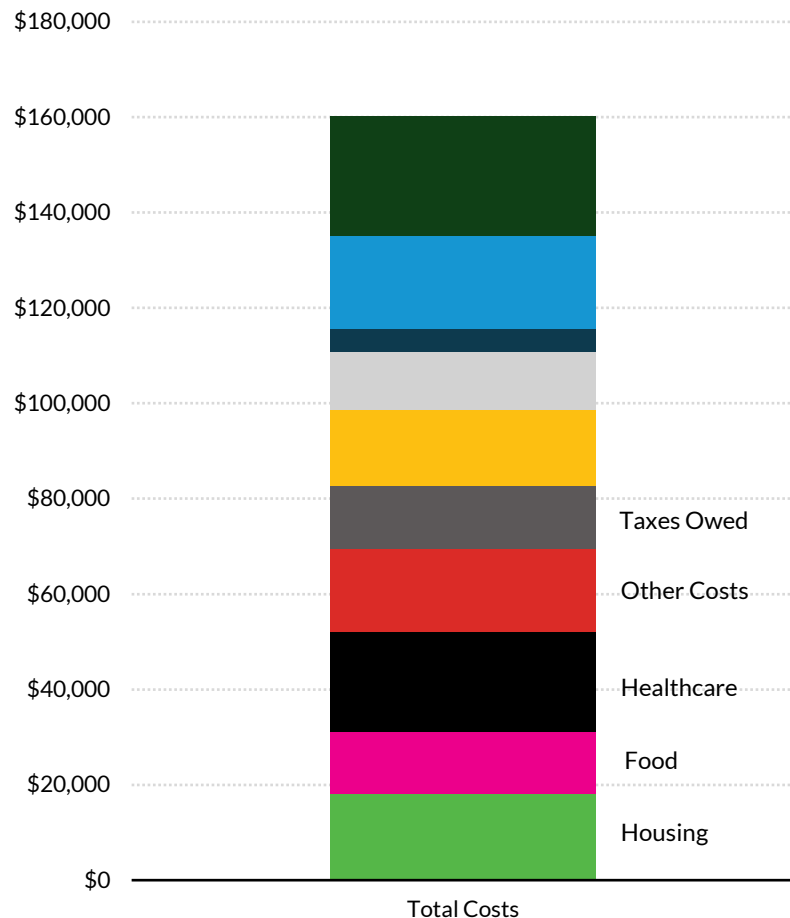
- Economic changes, changes in costs and resources, family composition, etc.
- Enhancements to the TCES measure
 - **Disability-related costs and resources**: Caregiving for people with self-care limitations
 - **Homeownership resources**: Implicit value of homeownership
 - Childcare costs for children **through age 12**

Key Takeaways

- **49 percent of people in the US are economically insecure** and not poised to thrive
- **Children are more likely to be economically insecure** than working age or older adults – **56 percent do not meet the TCES**
- Families with **full-time workers still struggle** – **43 percent** of people in these families **are economically insecure**
- TCES rates vary geographically – **48 percent of people in metropolitan areas are economically insecure, compared to 54 percent in non-metro areas**

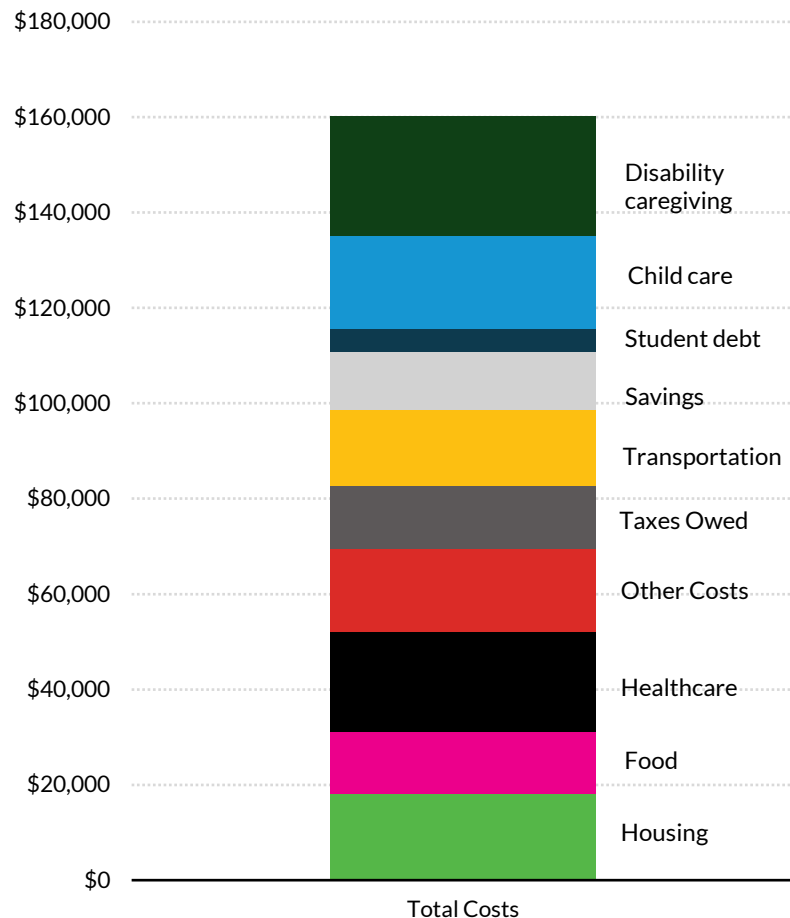
Cost and Resource Elements

Cost Elements



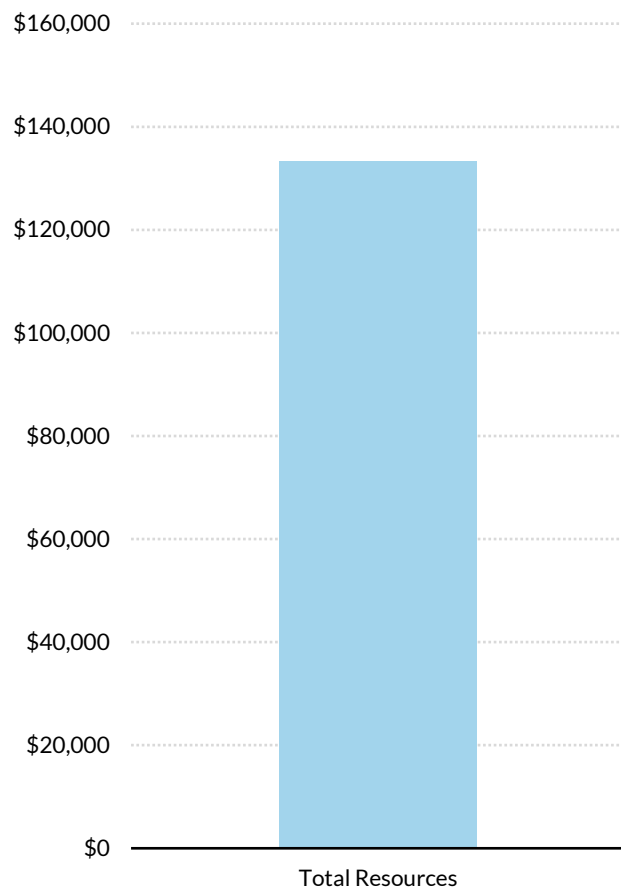
- **Housing** – Fair Market Rent from HUD. One bedroom for persons age 12 and older.
- **Food** – Low Cost Food Plan from USDA adjusted by Map the Meal Gap for county variation.
- **Health Care**
 - Insurance – Based on the cost of the second lowest cost silver plan in the marketplace
 - Medical Out of Pocket – Based on median MOOP spending, by family type and state from CPS, adjusted to county level using ACS imputations.
- **Other Costs**
 - Technology – Cost of a cell phone plan for all people ages 13 and older (~\$65/month). Cost of broadband for each household (~\$60/month).
 - Miscellaneous – Based on regional consumer expenditure data for five categories (apparel and service, housekeeping supplies, personal care products and services, food away from home, civic engagement)
- **Taxes owed** – ATTIS-simulated federal, state, and payroll tax liability.

Cost Elements



- **Transportation** - Mean cost of transit, mileage, car ownership for families with income at 80 percent of area median income.
- **Student debt** – Estimated student loan payment for some adults based on Debt in America data.
- **Child care** – Median cost of center based care from DOL’s National Database of Childcare Prices. Child care costs are assumed for each child **under age 13** and each child age 13-18 simulated to receive SSI by the ATTIS model.
- **Disability caregiving** – Cost of **caregiving for anyone with a personal care limitation**.
 - Cost of care is based on the median hourly rate for a home health aide in each state (ranged from \$22-\$42) from Genworth’s Cost of Care Survey.
 - Two tiers of caregiving:
 - Some adults are assumed to need part time care (20 hours per week)
 - Some adults and all children with a care limitation are assumed to need full time care (40 hours per week)
- **Savings** – 10 percent of family total costs.

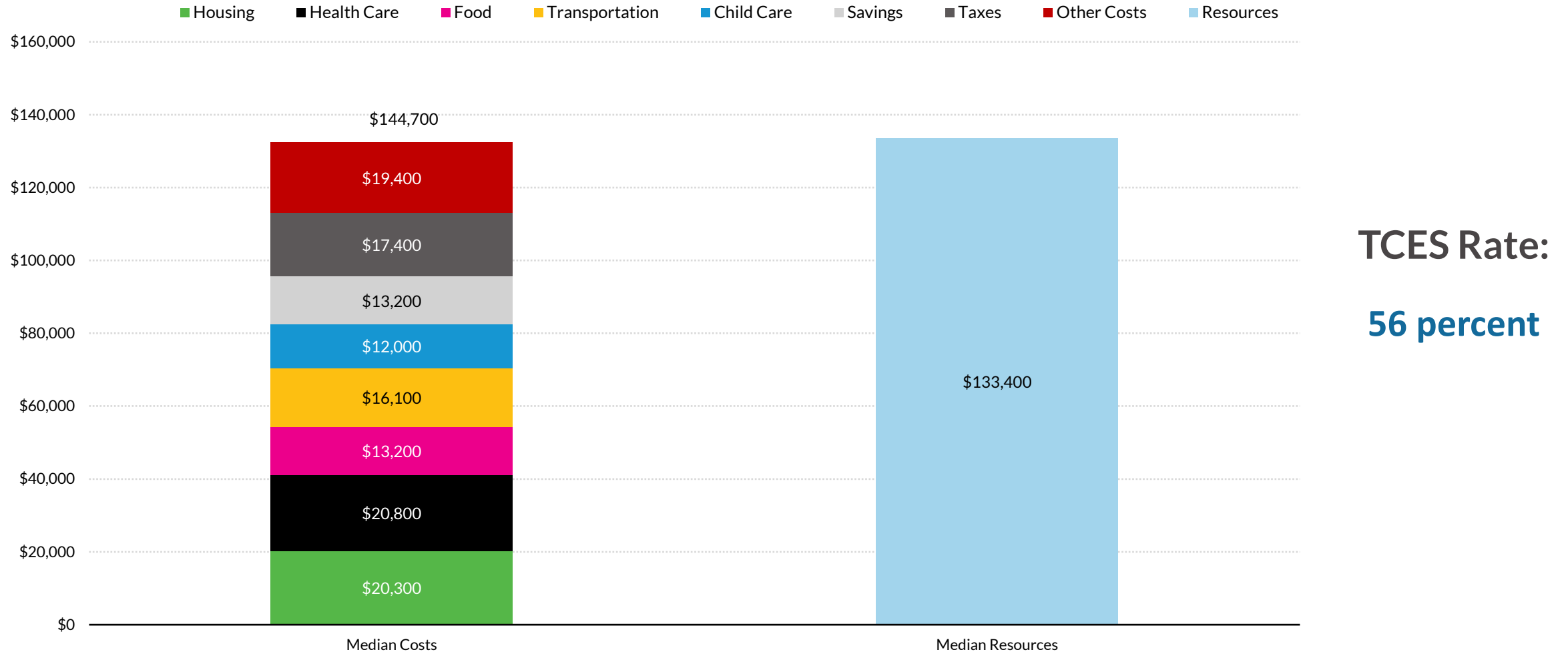
Resource Elements From the American Community Survey and ATTIS



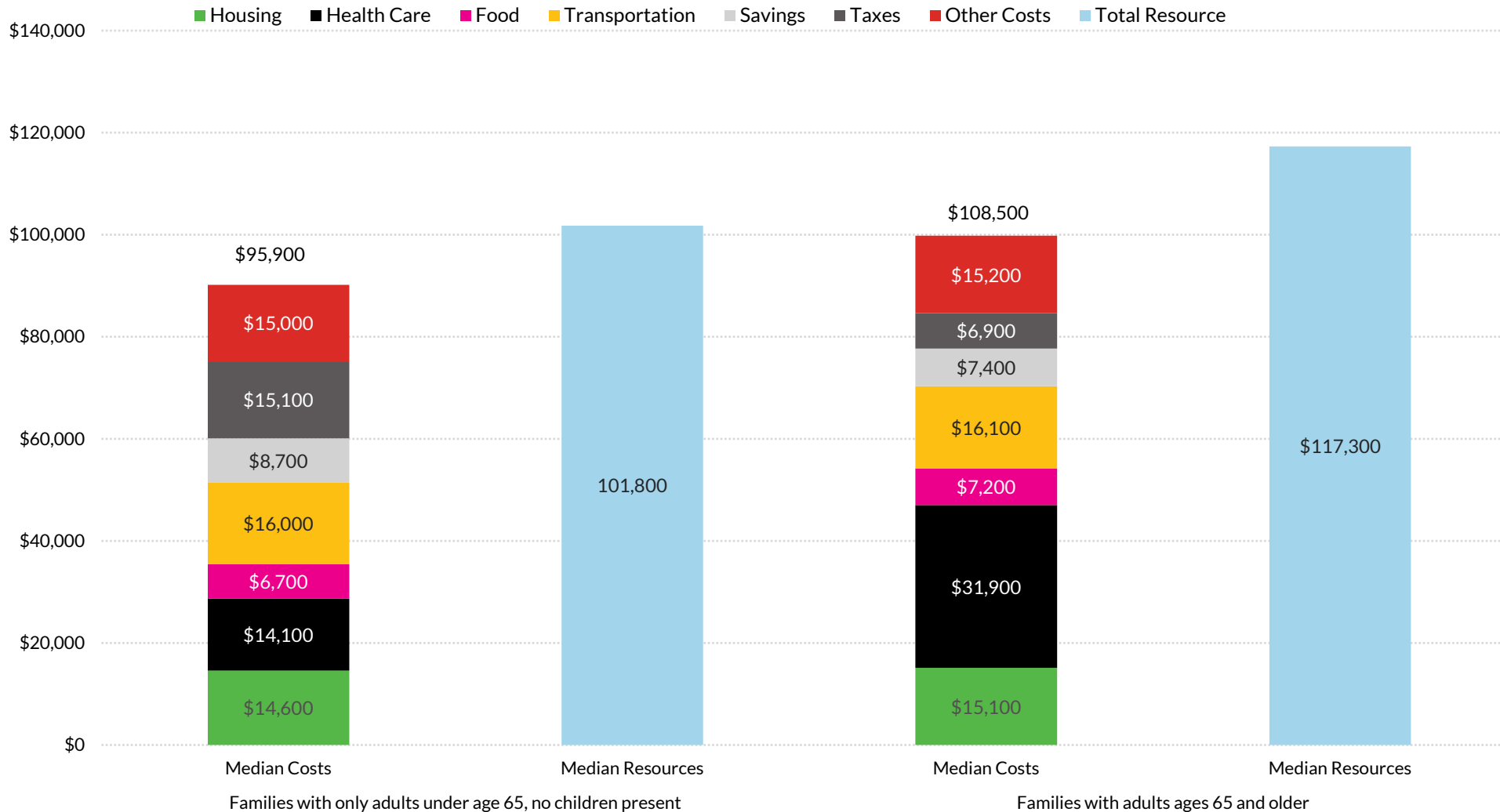
- Annual earnings.
- Positive self-employment income.
- Interest, dividends, and rent.
- Pension income and distributions from retirement savings accounts.
- Cash transfers from social insurance and public assistance programs (e.g., TANF, SSI, etc.).
 - Under-reported benefits aligned with administrative data using ATTIS.
- Cash value of in-kind public supports including SNAP, WIC, and housing vouchers as well as direct payments to providers including child care subsidies and LIHEAP.
 - Under- and non-reported benefits simulated using ATTIS.
- Other cash income, including child support received, alimony, etc.
- Tax credits.
- **Implicit value of homeownership.**
- Employer or government provided health insurance and marketplace subsidies.
- Some family provided child care and **caregiving for people with self care limitations.**

Findings

TCES Threshold and Resources for Families with Children (no adults ages 65 or older)

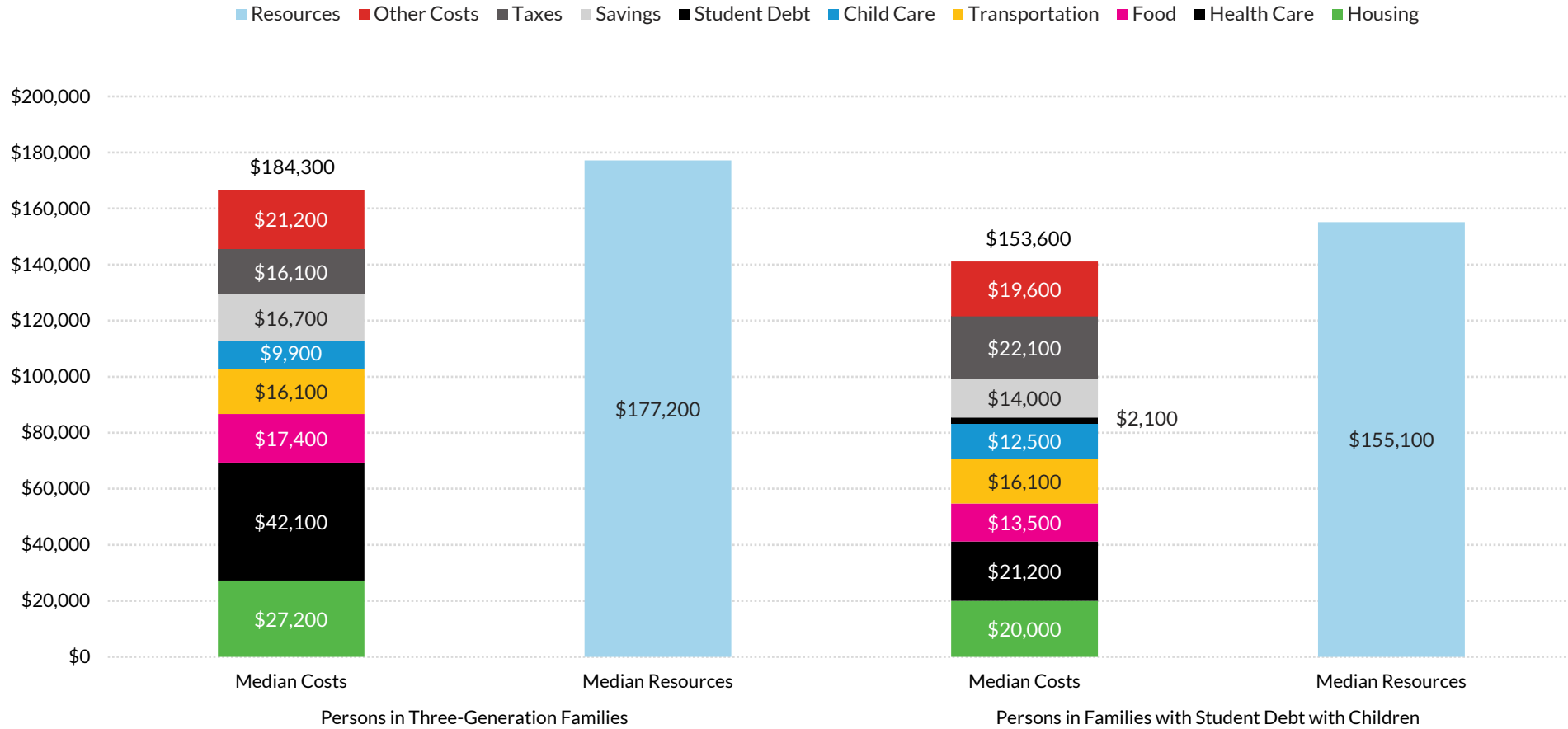


TCES Thresholds and Resources for Adults without Children and Adults Age 65 and Older



TCES rates:
 adults <65
 w/o children
44 percent
 adults ages
 65+
45 percent

TCES Thresholds and Resources for Three-Generation Families and Families with Student Debt



TCES rates:

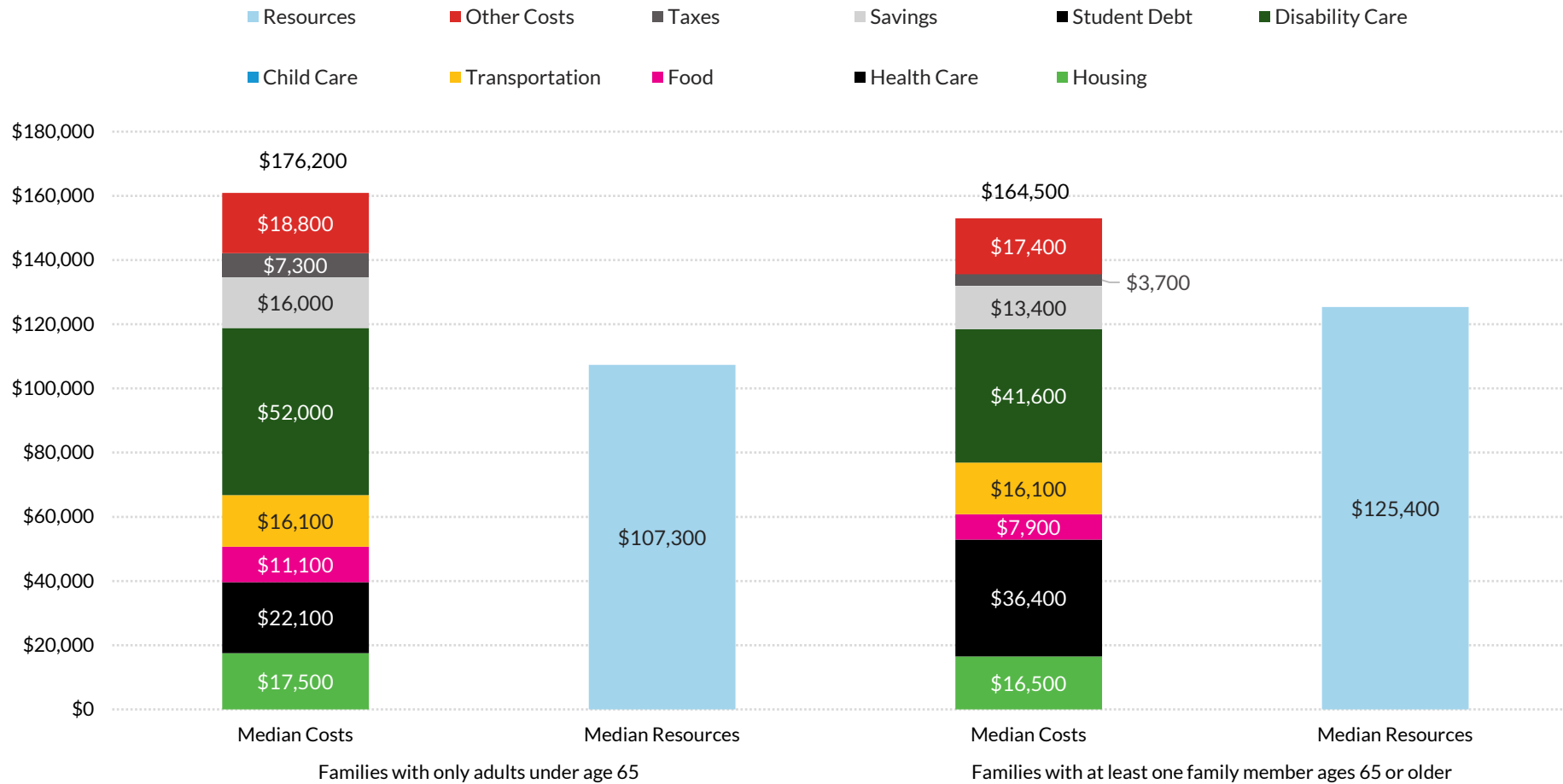
three generation families

53 percent

families with student debt

47 percent

TCES Thresholds and Resources for Families Including Someone With a Personal Care Limitation

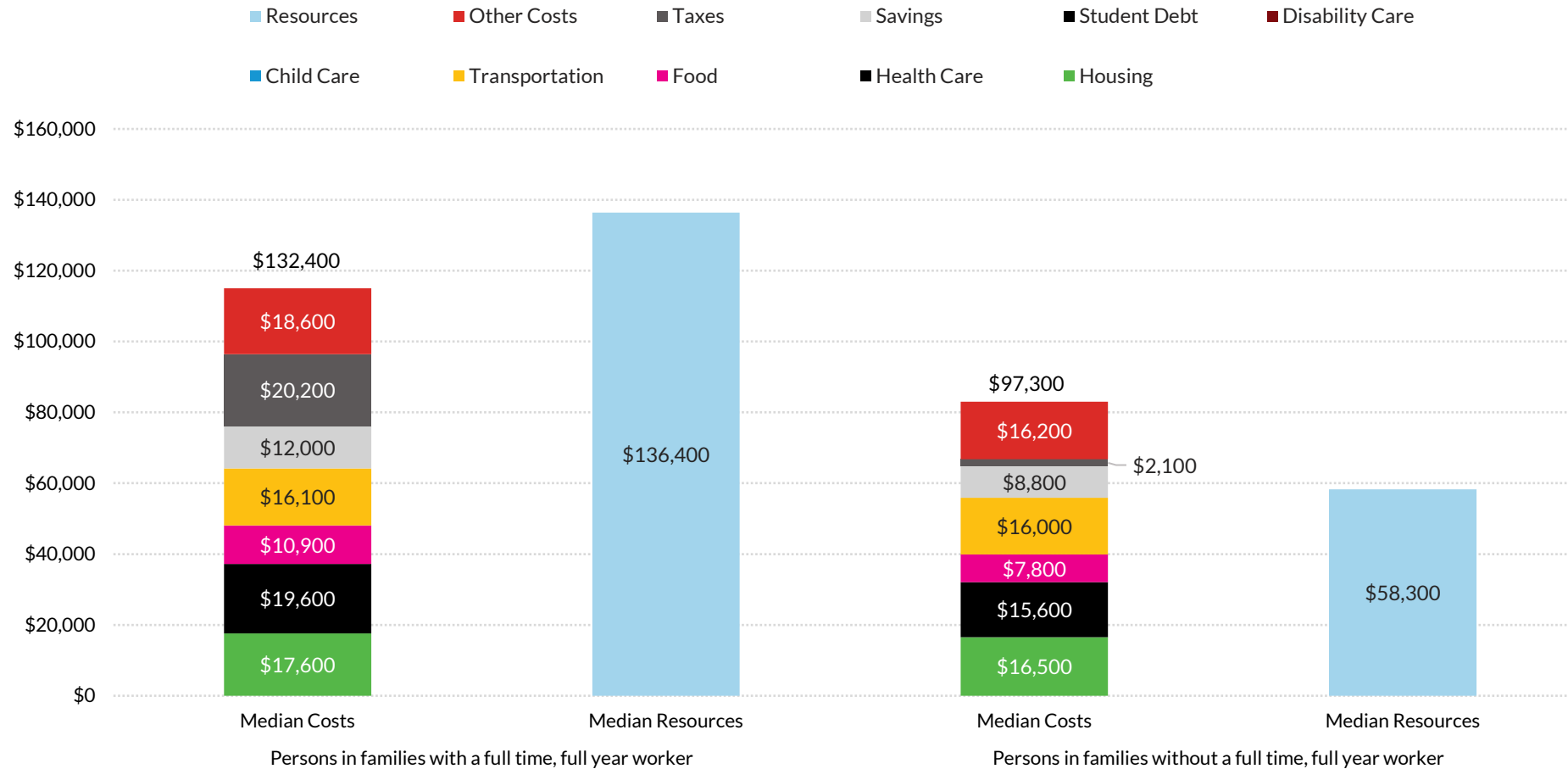


TCES rates:

adults under age 65
86 percent

adults ages 65+
75 percent

TCES Threshold and Resources by Work Status, for Families With No Adults Age 65 or Older

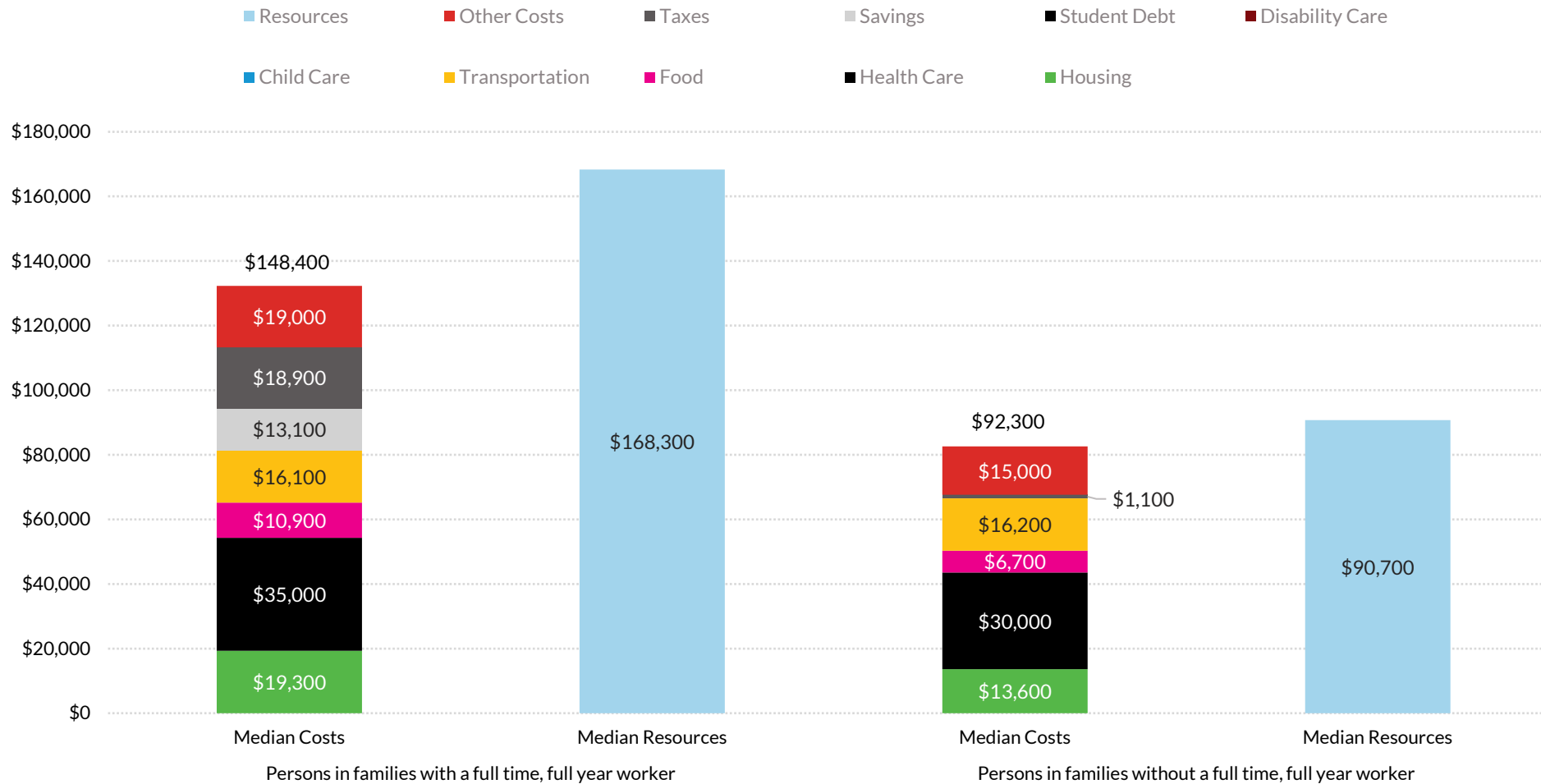


TCES rates:

full time, full year worker
43 percent

no full time, full year worker
84 percent

TCES Threshold and Resources by Work Status, for Families With at Least One Adult Age 65 or Older

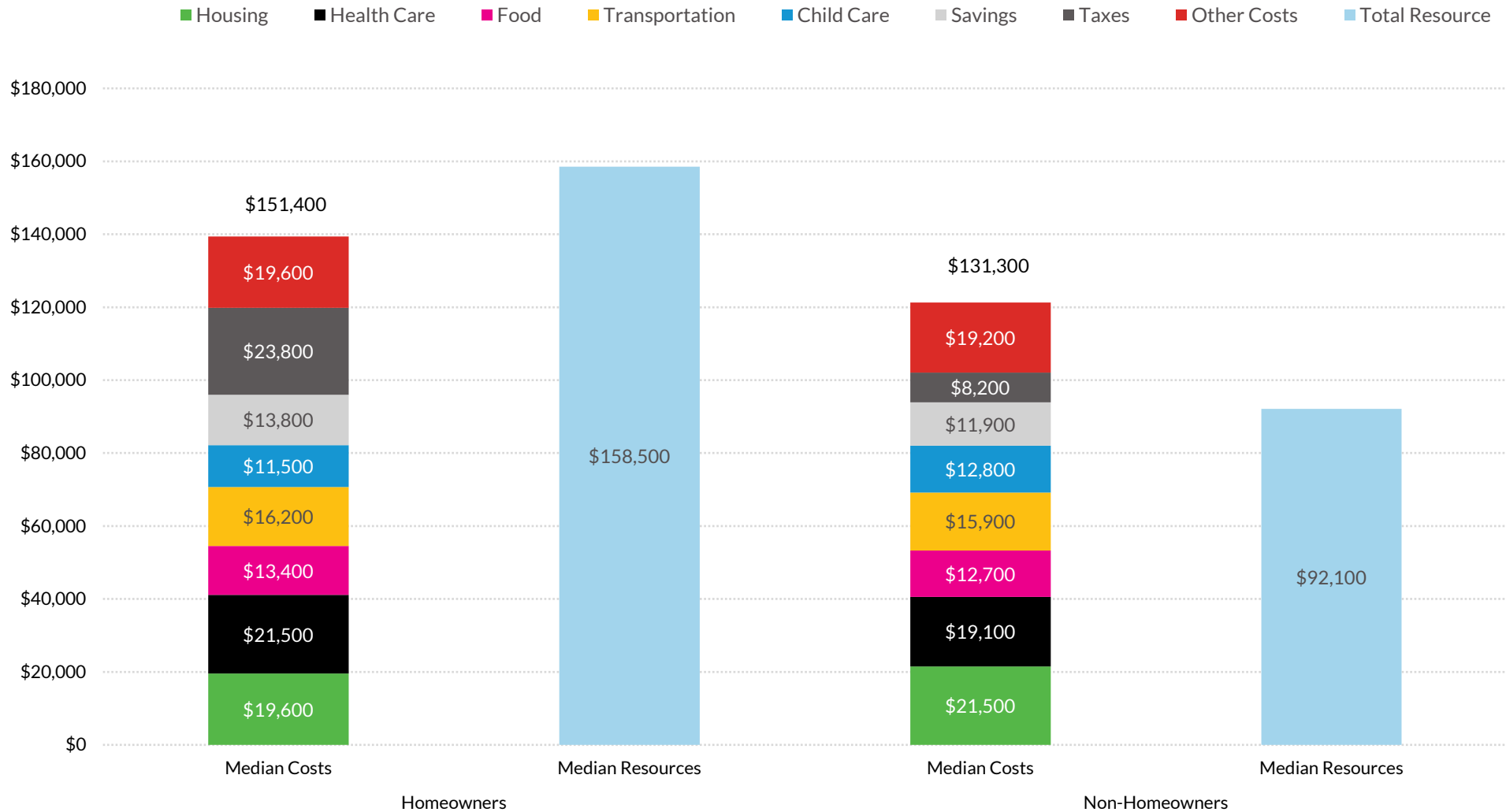


TCES rates:

full time, full year worker
33 percent

no full time, full year worker
53 percent

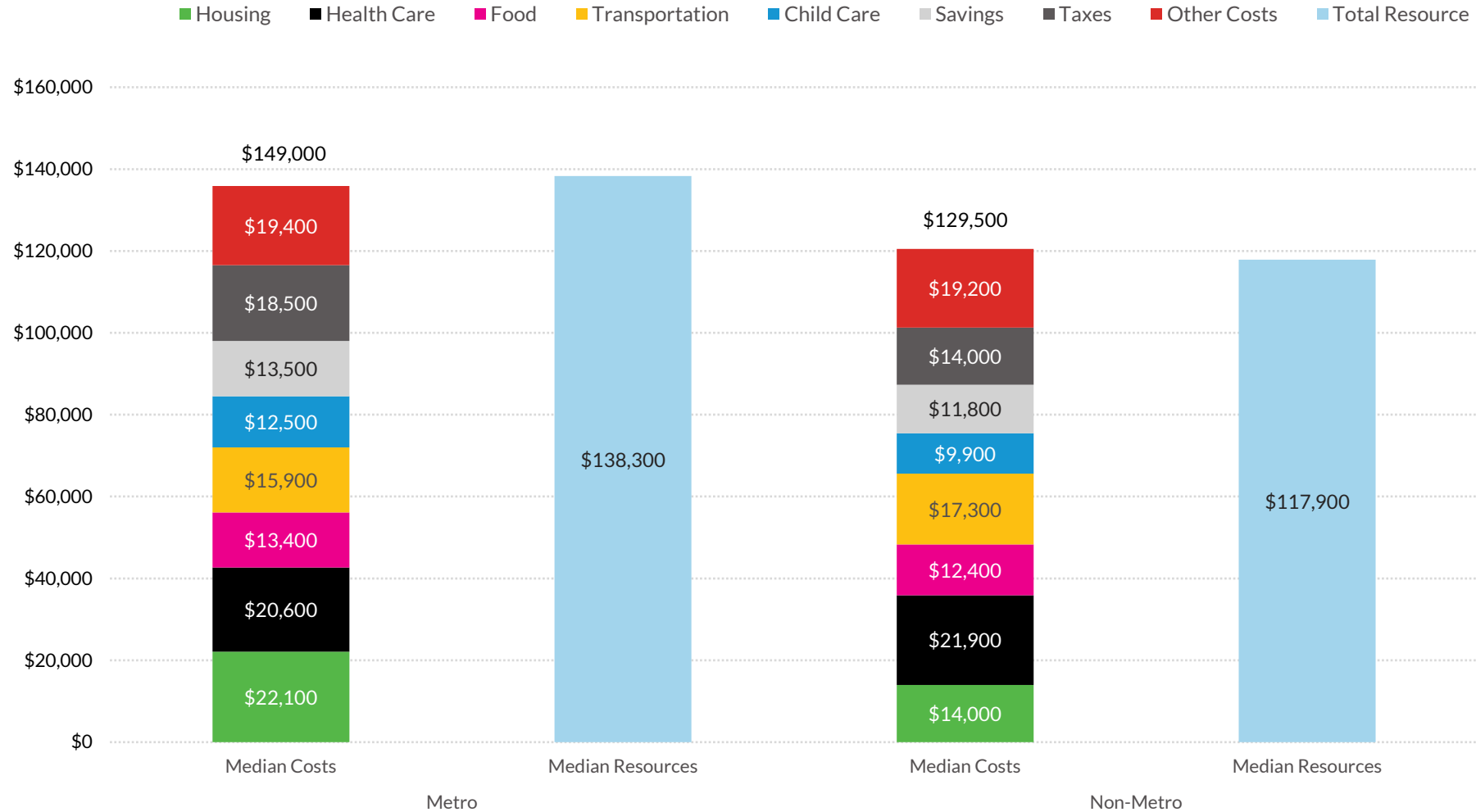
TCES Threshold and Resources by Homeownership Status, for Families with Children (no adults ages 65 or older)



TCES rates:
homeowners
43 percent

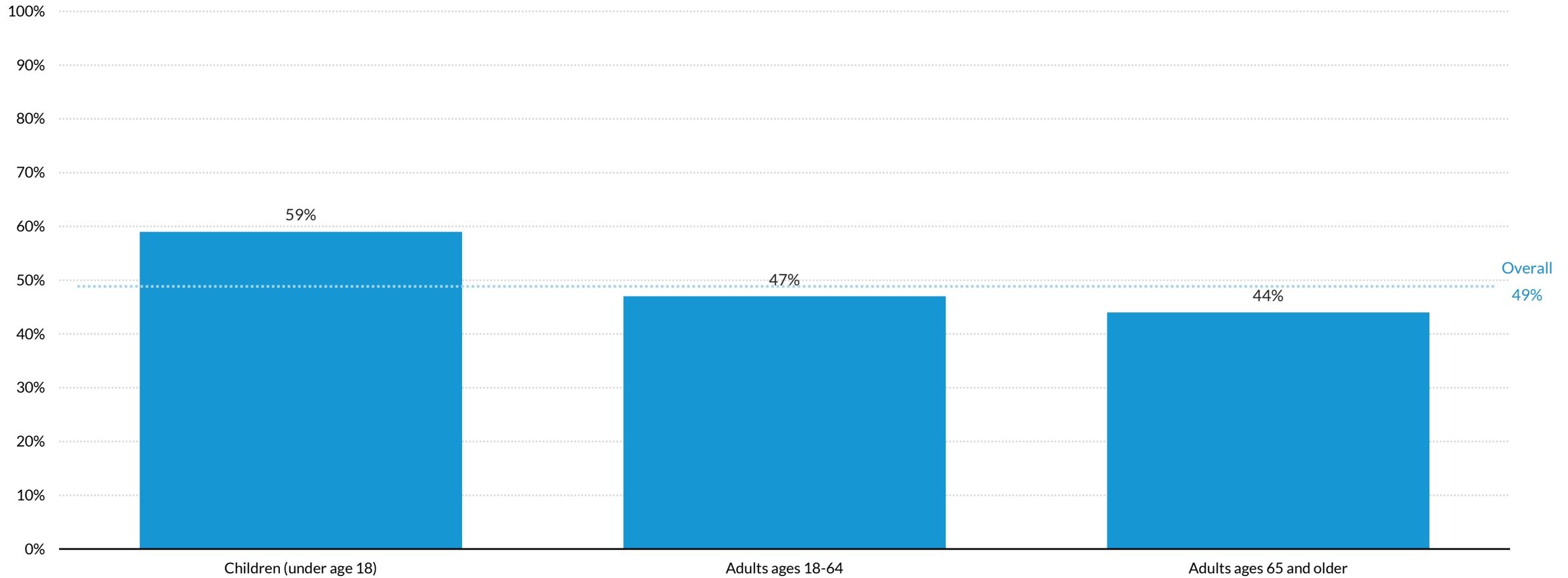
non-homeowners
83 percent

TCES Threshold and Resources by Metro Status, for Families with Children (no adults ages 65 or older)

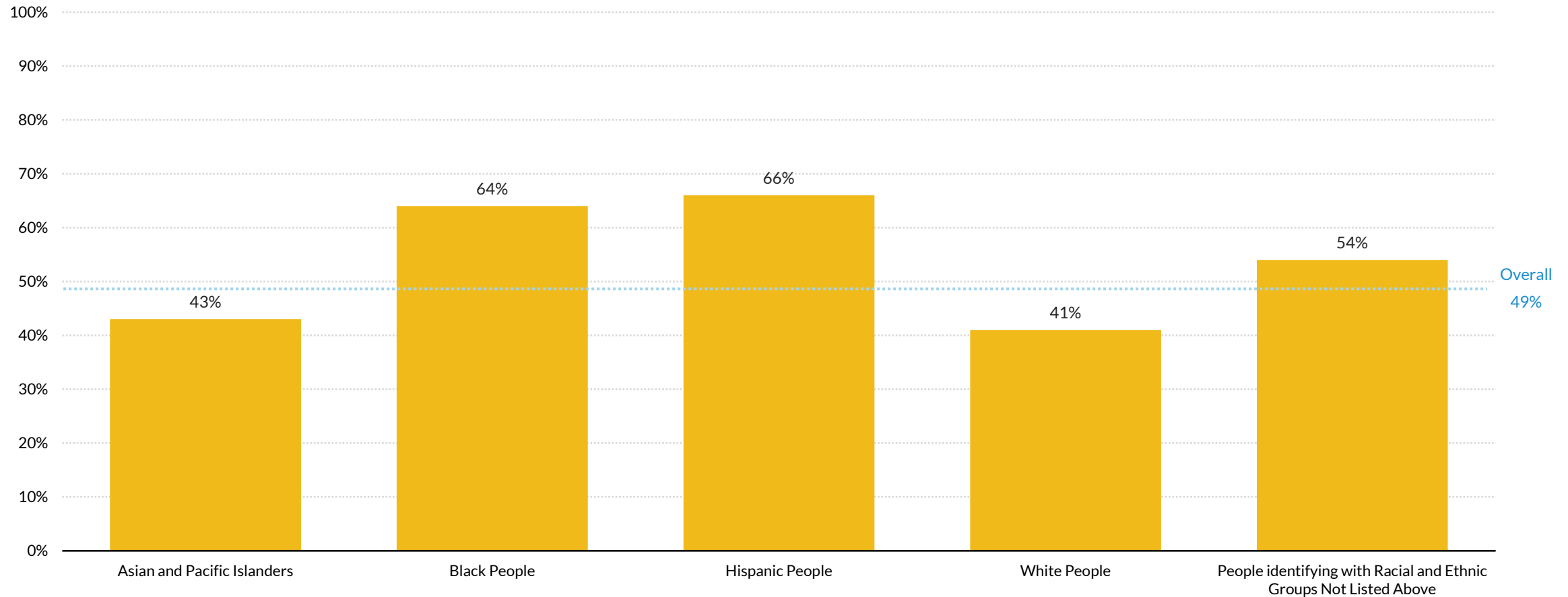


TCES rates:
metro area
48 percent
non-metro area
54 percent

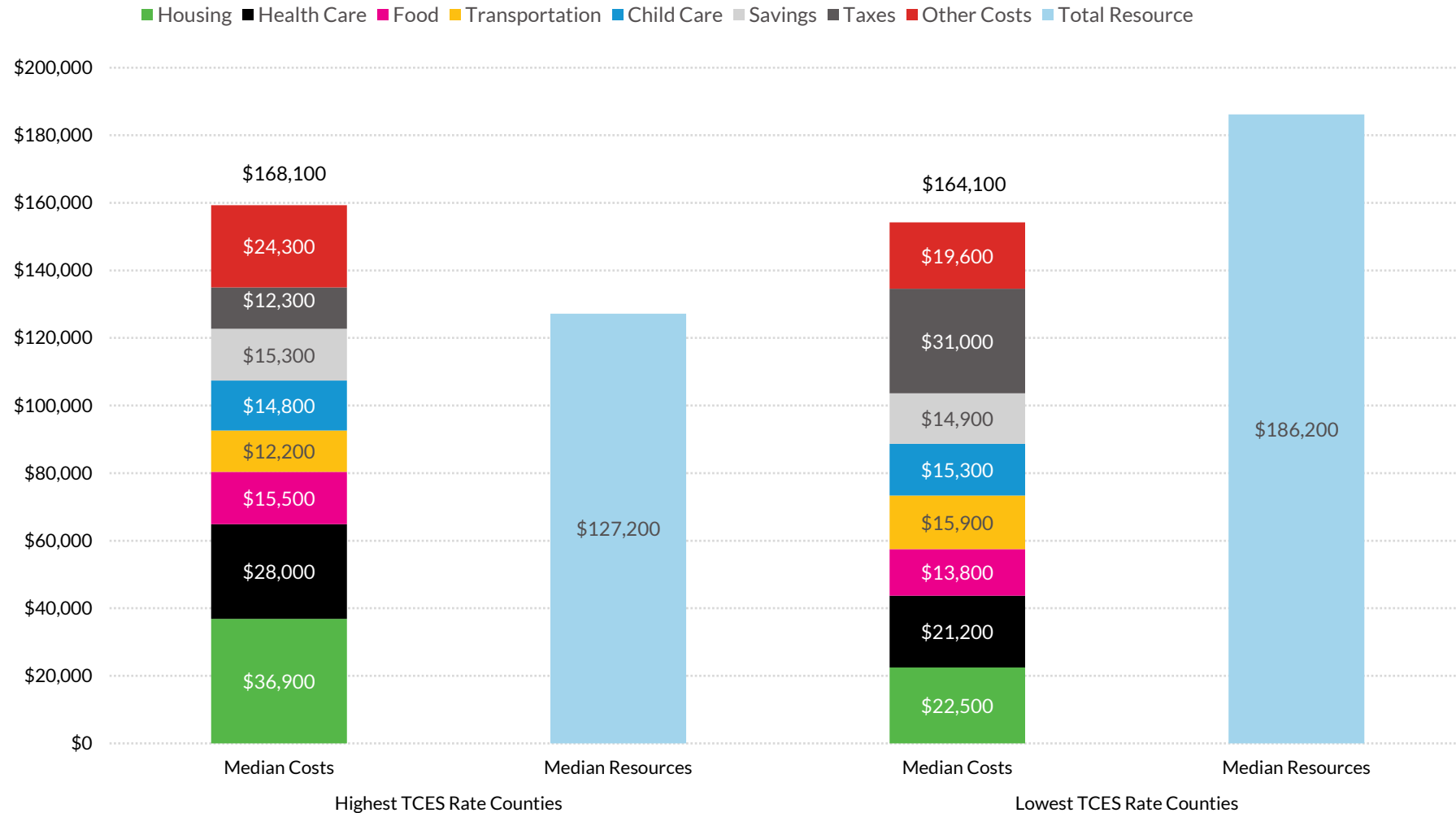
TCES Rates by Age Range



TCES Rates by Race and Ethnicity



TCES Threshold and Resources in High and Low TCES Rate Counties for Families with Children (no adults ages 65 or older)



TCES rates:
high TCES counties
67 percent
low TCES counties
32 percent

Key Takeaways

- About **half of all people in the US are economically insecure** based on our TCES measure.
- **Economic security improved only slightly** between 2022 and 2023.
- Families with **children and people with disabilities are particularly vulnerable**.
- **Full time work is not sufficient for many families** – lower costs, higher wages, or supplemental resources are needed to meet the TCES.
- Places with higher proportions of people struggling **do not have particularly high costs**, rather the **resources of residents are low**.
- **Bringing costs down**, particularly higher cost items like housing, **will help reduce struggles** and make more areas affordable for more people, **but helping to increase families' resources is crucial to helping people become poised to thrive**.

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