TAX AND INCOME SUPPORTS

Update 2023: Measuring the True Cost of Economic Security

What Does It Take to Thrive, Not Just Survive, In the US Today?

Created with ATTIS

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Executive Summary

Affordability has become a central issue in American political discourse and in the everyday lives of millions of Americans struggling to get by and get ahead. Political candidates as diverse as President Trump in 2024 and New York City Mayor Mamdani in 2025 focused on the high cost of necessities in their campaigns. The issue resonates with the public—as nearly four out of five Americans are pessimistic about economic conditions improving in 2026.[1]

Conventional measures of economic insecurity, like the poverty rate, only capture acute need and shed no light on the hardships of millions of people who struggle to pay their bills and save for the future—people who are economically insecure and not poised to thrive. Without adequate data, policymakers cannot develop effective solutions to help their constituents and communities meet their economic challenges.

To better understand the circumstances of families, we developed a true cost of economic security (TCES) measure (Acs et al. 2024). This measure considers the costs families must meet to fully participate in today's society and economy, and all the resources they have to meet those costs. This report updates and enhances the TCES for 2023. As before, we take a comprehensive view of families' costs, including paying for adequate food, clothing, housing, health care, child care, transportation, postsecondary education, debt service, savings for unexpected expenses and retirement, and additional miscellaneous costs.

This report updates and enhances the TCES measure first introduced in Acs and colleagues (2024). Using 2023 data, we extend the original framework to incorporate new cost and resource elements. While the conceptual foundation of the TCES remains consistent, this report reflects updated data, methodological refinements, and new insights into families' economic security. For 2023, we add in costs related to caring for someone with a disability as well as child care costs for 12-year-olds because the original TCES assigned child care expenses to children ages 11 and younger and thus underestimated child care expenses for a limited number of families. To obtain a complete picture of how many people can thrive, the TCES assessment of family resources is equally comprehensive, accounting for earnings, tax credits, all types of regularly received unearned income (including cash transfers), and the value of in-kind transfers and subsidies. For 2023, we include the value long-time homeowners derive from having no mortgage payments or payments below the cost of renting adequate housing. We built the TCES measure relying on the extensive poverty-measurement work and efforts of other organizations to develop self-sufficiency and cost-of-living measures. Our goal was to

develop a measure that sets a reasonable bar for being economically secure in the US today—not just getting by. We designed the TCES measure with accuracy and replicability in mind, using high-quality, publicly accessible data collected regularly to capture variations across states and metropolitan and rural areas, allowing us to explore differences by age, family structure, work and disability status, and race and ethnicity.

We find that 49 percent of all people lived in families below the TCES threshold in 2023. We refer to this as the TCES rate. Among the people in families below the TCES threshold, over 40 percent have resources between 75 and 100 percent of the threshold. On average, these families are coming close to economic security, largely getting by, and meeting most regular expenses, but they are not primed to thrive. In contrast, more than one in six people who fall below the TCES threshold (and about one in ten overall) have less than half of the resources they need to meet their true cost of economic security.

TCES thresholds vary by family, family composition, disability status, and location. These same characteristics, along with work status, race and ethnicity, and homeownership, affect the share of people living in families whose resources fall below the TCES:

- Among people in families with all adults under age 65 and with children present, 56 percent fall below the TCES threshold, compared with 44 percent of people in families with all adults under age 65 but without children, and 45 percent of people in families with at least one adult age 65 and older.
- Almost 90 percent of people in single-parent families fall below the TCES threshold, and 48 percent of all people living in families with two children and two or more adults under age 65 have resources that do not cover their costs.
- Nearly three out of five children live in families with resources below the TCES threshold, compared with 47 percent of adults ages 18 to 64 and 44 percent of adults ages 65 and older.
- People living in families in which someone has difficulty independently performing self-care tasks, like bathing and dressing, incur additional costs related to care and are unlikely to have the resources they need to meet all their costs. Three quarters of people in families with at least one adult over the age of 65 and at least one person with a self-care disability has resources below the TCES threshold; if all the adults present are under age 65, the share without adequate resources rises to 86 percent.
- Over 40 percent of people living in families with a full-time, full-year worker lack the resources to meet the TCES threshold. Although work alone is not enough to ensure families are poised to

thrive, people in families without a full-time, full-year worker in which all adults are under age 65 are likely to struggle as 84 percent fall below the TCES threshold.

- The share of people with resources below the TCES threshold varies by race and ethnicity, ranging from a low of 41 percent for white, non-Hispanic people to a high of 66 percent for Hispanic people.[2] The TCES rate for Black people is 64 percent, while the rate for Asian people and Pacific Islanders is 43 percent. These disparities likely reflect many differences between race and ethnic groups, including family size and composition, geographic concentration, and historic and ongoing challenges affecting certain groups' residential, educational, and employment opportunities.
- The chance that an individual falls below the TCES threshold is lower for those living in metro areas than for those in nonmetro areas (48 vs. 54 percent). Across regions of the country, the TCES rate ranges from a low of 46 percent in the Midwest to a high of 53 percent in the West.
- The TCES rate varies by homeownership status as well. Among homeowners, 43 percent of people in families with children and only working age adults (that is, adults under age 65) do not have enough resources to thrive, compared with 83 percent of people in similar families that do not own their homes. For working age adults without children, the TCES rate for homeowners is 30 percent as compared with 64 percent for non-homeowners. Among families with at least one adult age 65 or older, 39 percent of homeowners lack the resources to thrive as compared with 74 percent of non-homeowners.
- Low resources rather than high costs characterize the places with the largest shares of people falling below the TCES threshold). In places with the highest TCES rates (that is, the highest share of people with resources below the TCES threshold), people face somewhat similar costs compared with those in places where more people are thriving, but they have, on average, relatively low resources. The resource differences largely reflect higher earnings and other market income for those living in low TCES rate counties.[3]

The 2023 TCES measure is not strictly comparable with the 2022 measure as it includes additional costs (such as those related to caring for a person with a self-care disability) and additional resources (such as the value of having a low or no mortgage for homeowners). The enhancements lower the TCES rate for 2023 by about 2 percentage points. Comparing an unenhanced 2023 TCES rate to an updated 2022 rate shows that the TCES rate fell by about 1 percentage point. This suggests that the share of people struggling to achieve economic security fell between 2022 and 2023, a finding that is consistent with the growth in inflation-adjusted median income between the two years.

Policymakers, advocates, and the public must make choices on a range of policies affecting taxes, earnings, employment conditions, education, health care, and social insurance and public assistance programs that will all affect people's economic security and ability to thrive. The TCES measure can inform their discussions. That almost half of all people in the US are struggling to achieve economic security in 2023 illustrates the need for action, and the solutions will need to be as diverse as the challenges. Our TCES measure and the insights garnered from it can help guide the discussion.

Measuring the True Cost of Economic Security: What Does It Take to Thrive, Not Just Survive, in the US Today?

Millions of Americans struggle to pay their bills, fear unexpected expenses, and are ill-prepared to weather job losses, sickness, and hazardous climate and environmental events.[4] Many of these people are too often rendered invisible when narrow or inadequate measures of poverty drive public conversation and policy changes.

To better understand all the costs families must meet to be economically secure and poised to thrive, and the resources they have to meet those costs, we developed a true cost of economic security (TCES) measure focusing on 2022. Using 2023 data and an updated framework, this report reflects new data, methodological refinements, and insights into families' economic security, which was first introduced in Acs and colleagues (2024). As before, we take a comprehensive view of families' costs, including paying for adequate food, clothing, housing, health care, child care, transportation, postsecondary education, debt service, savings for unexpected expenses and retirement, and additional miscellaneous costs. For 2023, we add in costs related to caring for someone with a disability as well as child care costs for 12-year-olds. To obtain a complete picture of how many people can thrive, the TCES assessment of family resources is equally comprehensive, accounting for earnings, tax credits, all types of regularly received unearned income (including cash transfers), and the value of in-kind transfers and subsidies. For 2023, we include the value long-time homeowners derive from having no mortgage payments or payments below the cost of renting adequate housing.

We built the TCES measure relying on the extensive poverty-measurement work and efforts of other organizations to develop self-sufficiency and cost-of-living measures. Our goal was to develop a measure that sets a reasonable bar for being economically secure in the US today—not just getting by. We designed the TCES measure with accuracy and replicability in mind, using high-quality, publicly accessible data collected regularly to capture variations across states and metropolitan and rural areas, allowing us to explore differences by age, family structure, work and disability status, and race and ethnicity.

All measures of "need," whether to survive or thrive, are somewhat subjective and influenced by social context. For example, in 1925, fewer than half of residences in the US had electricity, but few people today would argue that families do not "need" electricity (Sablik 2020). With the understanding that needs and resources constantly evolve, we ground our TCES measure in the experiences of US families today. The costs and resources we consider go beyond the minimally adequate costs and cash incomes used to set various measures of poverty and include the costs of technology, civic participation, and savings, as well as the resources provided by noncash benefits.[5] Our TCES measure sets a threshold for economic security for families that would allow them to pay for all the goods and services necessary to fully participate in today's economy and society without undue restrictions or hardship, as well as save money for emergencies and the future.

In comparison with the 11.1 percent who fall below the official poverty measure in 2023 (Shrider 2024), we find that almost half of all people in the US (49 percent) lacked the resources to thrive in 2023's economy—with their resources falling below the TCES threshold. Most of these people are not poor, but they are struggling, unable to maintain a sense of financial security for their future and their children's.

The TCES measure explicitly divides costs and resources, making both visible in ways that may be surprising to some—but it emphasizes the importance and instability of both sides of a family's financial picture. For example, people who have employer-sponsored health insurance may only perceive their share of the premium, not the full cost of the insurance and their employers' contributions toward that cost. Similarly, people may only recognize their net taxes, while our measure captures tax liabilities as a cost and tax credits as a resource. As such, both the TCES thresholds we report and the resources available to families that we calculate are higher than those conventionally discussed. Fully appreciating all the costs families face and all the resources they have available to them should inform policymaking discussions about ways to help more families achieve economic security today and in the future.

Findings

We compute TCES thresholds and rates (the share of people whose resources are less than the TCES threshold) for 2023. The 2023 TCES measure is not strictly comparable with the 2022 measure because it includes additional costs (such as those related to caring for a person with a self-care disability) and additional resources (such as the value of having a low or no mortgage for homeowners). When we compute TCES rates for 2022 and 2023 using the same approach without the enhancements, we find

that the TCES rate fell by about 1 percentage point. Important insights from our analysis include the following:

Overall

Forty-nine percent of all people fall below the TCES threshold nationwide.

By Family Composition

TCES thresholds differed for families with and without children and for families that include older adults.

- **Families with children.** The national median annual TCES threshold for families with adults under age 65 and children is $144,700, and their median resources are $133,400. Overall, 56 percent of people in these families fall below the TCES threshold.[6]
- **Families without children.** The median TCES threshold for families with adults under age 65 without children is $95,900, and their median resources are $101,800; 44 percent of these people fall below the TCES threshold.
- **Families with older adults.** For families with at least one adult age 65 or older, the median TCES threshold is about $108,500 and median resources are about $117,300. 45 percent of people in these families fall below the TCES threshold.
- **Single parent and multi-parent families.** The median TCES threshold is $102,700 for a single parent under age 65 with two children and $149,600 for a family with two children and two or more adults under age 65. The vast majority of people in single-parent families fall below the TCES threshold, and about half of all people living in families with children and two or more adults under age 65 have resources that do not cover their costs.
- **Children.** Nearly three out of five children (59 percent) live in families with resources falling below the TCES threshold, compared with 47 percent of adults ages 18 to 64, and 44 percent of adults age 65 and older.

By Disability Status

More than three-quarters of people who live with someone with a self-care disability lack the resources they need to meet all the costs needed to achieve economic security.

By Work Hours

Over 40 percent of people living in families with a full-time, full-year worker in which all adults are under age 65 cannot meet the costs of economic security. If no full-time, full-year worker is present, over 80 percent of people in these families fall below the TCES threshold.

By Race and Ethnicity

The share of people of different races and ethnicities with resources below the TCES threshold ranges from a low of 41 percent for white, non-Hispanic people to a high of 66 percent for Hispanic people. The TCES rate for Black, non-Hispanic people is 64 percent, and the rate for non-Hispanic people who are Asian or Pacific Islanders is 43 percent. These disparities likely reflect many differences between race and ethnic groups, including family size and composition, geographic concentration, and historic and ongoing challenges differentially affecting the educational and employment opportunities of certain groups of people.

By Metropolitan Status

The chance that an individual falls below the TCES threshold is lower for those living in metro areas than for those in nonmetro areas (48 vs. 54 percent). Across regions of the country, the TCES rate ranges from a low of 46 percent in the Midwest to a high of 53 percent in the West.

By Homeownership Status

Homeowners tend to have more resources than non-homeowners but also face higher overall costs to achieve economic security. For example, among people in families with children in which all adults are under age 65, the TCES threshold for homeowners is $151,400 and $131,300 for non-homeowners. Nevertheless, at the median, homeowners have resources well over the cost of economic security while non-homeowners lack the resources to cover their costs. As such, for people in families with children and all adults under age 65, the TCES rate for non-homeowners is almost double the rate for homeowners (83 v. 43 percent).

By Geography

Low resources rather than high costs characterize the places with the highest TCES rates (the highest shares of people with resources falling below the TCES threshold). In places with the highest TCES

rates, people face similar and even somewhat lower overall costs in comparison with those in places where more people are thriving, but they have, on average, relatively low resources. For example, in the five counties (among the 100 most populous counties) with the highest TCES rate, the median TCES threshold for nonelderly adults with children is $168,100, compared with $164,100 for adults in counties with the lowest TCES rates. In contrast, the median resources for those families in the counties with the highest TCES rates are only $127,200, compared with $186,200 in the counties with the lowest TCES rates. The differences in resources largely reflect higher earnings and other market income for those living in low TCES rate counties.

Nuts and Bolts: Building a True Cost of Economic Security Measure

The 2023 TCES builds on our initial work to create the TCES, using reliable data on the costs families face as well as data on a large representative sample of families in the US and their available resources (Acs et al. 2024). Except where noted, we apply methods developed for the original 2022 TCES measure to data that represent families' costs and resources in 2023. The 2023 TCES incorporates an additional cost and two additional resources not captured by the original TCES. Specifically, the 2023 TCES measure is enhanced to capture the resources associated with homeownership, the costs of child care for 12-year-olds, and the costs and potential resources associated with caring for a person with a disability. (See appendix A for a summary of the methods and sources for all the cost elements.) These enhancements aim to create a fuller picture of families' total expenses and the resources available to them to offset these costs.

The 2023 TCES measure continues to use data from the American Community Survey (ACS) enhanced using the Urban Institute's Analysis of Transfers, Taxes, and Income Security (ATTIS) microsimulation model to capture the resources families have across the nation. The ACS provides detailed economic, demographic, and geographic information on US families that allows us to reasonably and reliably approximate the costs families face as well as the resources they have available to meet those costs. The ATTIS model allows us to adjust for resources that are not included in the ACS or that families tend to underreport in surveys like the ACS. Appendix B provides detailed information on the ATTIS model and how we used it to determine the TCES.

Setting the TCES Threshold

The cost elements that make up our TCES measure include what families must pay for reasonable levels of housing, food, health care, caregiving, transportation, technology, and debt service, as well as precautionary savings needs and federal, state, and payroll tax liabilities. Costs of basic utilities like gas, electric, and water, are captured as part of housing costs. Other essential costs like clothing, cleaning products, and spending on civic and social activities are captured in an omnibus "other costs" category. The explicit costs identified and included in the TCES measure reflect the costs included in the original 2022 TCES measure, as well as additional considerations raised by researchers and advocates for economic security.

We assign the costs based on a "family" concept, defining family in the same way as it is defined for the Supplemental Poverty Measure—as all people in a household related by blood, marriage, or adoption, plus cohabiters and their relatives. Most households (people living in one dwelling unit) include a single family for TCES purposes, but some contain more than one family—for example, three unrelated roommates are each their own TCES "family," and two unrelated families sharing the cost of a home are two separate TCES families.

Below, we briefly describe the data we use to measure each of these costs. Differences in methodology between the 2022 and 2023 TCES measures are noted.

Housing

The TCES measure uses the US Department of Housing and Urban Development's (HUD) 2023 Fair Market Rents (FMRs) to estimate housing costs for metropolitan and nonmetropolitan areas.[7] The FMRs are annual estimates of gross rent for unit sizes ranging from studio apartments to four-bedroom units and include the cost of basic utilities.[8] The sample used by HUD excludes new housing (two years old or less), substandard housing, and public housing. FMR estimates are calculated using the costs associated with two-bedroom units and are adjusted to reflect the rents for smaller and larger units.[9]

To use the FMRs in the context of the TCES, we first determine the number of bedrooms needed by each family.[10] We assume that no more than two people share a bedroom, children do not share a bedroom with their parents, children of opposite sexes do not share bedrooms, and a couple without children requires one bedroom. For families with children, we assume one bedroom is needed for every two children of the same sex under age 12 and children ages 12 and older require their own bedroom. For example, a family with five children—one girl and three boys under age 12 and one girl age 12 or

older—would require four bedrooms for their children, plus one for the parents. (See appendix B for more details on how we implemented this with the ACS data.)

FMRs are set to represent the cost of standard-quality housing, which allows for the TCES measure to estimate a reasonable cost of shelter beyond baseline survival. We use FMRs to capture the costs of housing for all families regardless of whether they own or rent their homes and regardless of their actual rental costs.

Food

Food expenses under the TCES are based on the June 2023 Food Plans from the US Department of Agriculture (USDA), which estimate the monthly cost of a healthy diet.[11] The TCES uses the Low-Cost Food Plan, which is designed to estimate the cost of a healthy diet at a modest budget. This plan represents the cost of food in the 25th to 50th percentile of food spending, meaning between 50 and 75 percent of food expenditures are higher than the costs reflected in the Low-Cost Food Plan. As such, it represents what a family must spend on food to meet its nutritional requirements without scrimping.[12]

We make two adjustments to the Low-Cost Food Plan to more accurately reflect differences in food costs across states and counties. First, because only the Thrifty Food Plan (TFP, the USDA's lowest-cost plan) is available for Alaska and Hawaii, the TCES estimates Low-Cost Food Plan amounts for these states by inflating the Low-Cost Food Plan amounts for the remainder of the country by the ratio of the Alaska and Hawaii TFP amounts to the TFP amounts for the remainder of the country. Second, for all states, the cost estimates are adjusted to the county level using Map the Meal Gap (MMG) data on the cost-per-meal in each county from Feeding America (Dewey et al. 2023).[13] We further adjust the FNS data by calculating the mean food plan costs across males and females and for four age groups: 0–5, 6–11, 12–18, and 19 and older. The total food costs for a TCES family are the sum of food costs across all individual family members, using the costs for the area where they live, adjusted by the USDA's recommended family-size adjustment factors.[14] (See appendix B for more details on how we implemented this in the ACS data.)

Health Care

There are two primary considerations when determining health-related expenditures: health insurance premiums and medical out-of-pocket (MOOP) expenses, including the costs of prescription drugs, over-the-counter medical supplies, copayments, and deductibles. The TCES measure estimates health insurance premiums and MOOP costs on an annual basis.

Insurance premiums. The TCES measure assumes that the cost of health insurance premiums is equal to the cost of the second-lowest-cost silver plan available through health insurance marketplaces established under the Affordable Care Act. This plan provides essential health benefits and is the standard against which premium subsidies are determined. The TCES varies premium costs by family composition and county using data on premium costs obtained from KFF's Health Insurance Marketplace Calculator.[15]

Health insurance costs also vary by age in nearly all states. In states that adjust premiums for age, the TCES assumes premiums for children ages 0–13 are equal to the cost of the second lowest cost silver plan for a 13-year-old, premiums for teens ages 14–17 are equal to the cost of a plan for a 17-year-old, and premiums for youth ages 18–20 are equal to the cost of a plan for a 20-year-old. For adults 21 and older, we base health insurance costs on the premiums for adults ages 20, 40, and 60 and adjust costs to reflect the costs at specific ages between those three ages.[16] For older adults, we assume that premiums for adults ages 61–74 increase 3.0 percent per year (starting from the age-60 premium), that premiums for adults ages 75–84 increase 2.5 percent per year, and that premiums for adults ages 85 and older are the same as for adults at age 84. (See appendix D for additional information on measuring premium costs for older adults in the 2022 vs 2023 TCES.) The total premium cost for families in these states is the sum of individual-level premium costs across the family members. New York and Vermont do not use age-rated premiums; therefore, the TCES assigns premium costs to families in these states based only on the composition of the family.[17] (See appendix B for more details on implementation in the context of the ACS data.)

Medical out-of-pocket (MOOP) costs. To capture MOOP costs, we use information reported in the Current Population Survey's Annual Social and Economic Supplement (CPS ASEC) to compute median out-of-pocket health spending (excluding medical premiums) by age range and state.[18] These costs are based on people who are not enrolled in Medicaid or CHIP and do not receive marketplace coverage with a subsidy, since those individuals might have lower MOOP (e.g., Medicaid beneficiaries may pay no or very low copays for doctor visits), and the intent is to capture the cost of MOOP prior to subsidies.[19] Thus, at the state level, we produce estimates of the typical MOOP spending for the following age ranges: 0–13, 14–20, 21–39, 40–59, 60–69, 70–79, and 80 years and older. We assign these costs to each person in the family, regardless of the presence or type of health insurance, adding up these amounts across the family unit. To adjust for within-state variation, we compute the median out-of-pocket spending for all families in a Public Use Microdata Area (PUMA) using the ACS research files produced by the Census Bureau (MOOP is imputed by the Census Bureau for the ACS as it is not asked

about directly) and take the ratio of the PUMA median to the state median.[20] We multiply the state-level medians for each age group by the PUMA-to-state ratio.

Using median spending levels by age range to establish the true cost of out-of-pocket spending (excluding people with means-tested coverage or a subsidy) implicitly assumes that families need to be spending that much money to adequately meet their health care needs. We believe this is superior to using estimates of families' actual spending, as some families may not purchase all the health items they need because of the high cost, while other families may spend well beyond what a typical family would need. We prefer median to the mean, as high-spending families would skew the mean upward. Note that we implicitly assume that 50 percent of families spend less than they need.

Caregiving

The TCES considers two caregiving expenses: child care, for children under age 13, and disability caregiving, for both children and adults with self-care limitations. We estimate the cost of care for full-time child care and full- or part-time disability-related caregiving.

Child care. The measure incorporates the cost of center-based child care using the Department of Labor (DOL)'s National Database of Childcare Prices.[21] The price information we obtained from the database reflects the median annual prices of child care for one child at market rate and the database provides data at the county level for most states. In instances for which no data are available for the entire state, data are obtained from state plans submitted under the federally funded child care subsidy program and from state market rate survey data and cost of care survey data.[22] When data are available for only some counties in a state, the TCES assumes the costs for counties with no data are equal to the median child care costs in counties with available data. The most recent substate data available from the database are for 2022. We use the Consumer Price Index for all urban consumers for tuition, other school fees, and child care to adjust the data to 2023 dollars.[23] (See appendix C for additional information on the differences in child care costs between the 2022 and 2023 TCES measures.)

The TCES measure assumes that families require child care for children ages 12 and younger and children ages 13–18 who have a disability.[24] The database (combined with the state-specific sources when needed) provides the estimated annual costs of child care for infants, toddlers, and preschoolers by age group, as well as the cost of care for school-age children of any age.[25] The TCES measure applies the cost of infant care to infants and 1-year-olds, the cost of toddler care to 2-year-olds, and the cost of preschool care for children age 3 or 4. For children age 5 or older who require child care, we assume that child care expenses are equivalent to the cost of care for school-age children. (See appendix B for more details on the implementation within the ACS data.)

Disability caregiving. The TCES also captures the cost of care for people with disabilities for the first time in 2023. While data on the hourly cost of caregiving is available at the state level, few sources provide a clear picture of the total care needs of specific individuals. One of the data sources underlying this analysis, the ACS, provides some information on the types of disability limitations, but the severity of their limitations is unknown and actual caregiving needs may vary among people with disabilities. Therefore, to estimate the cost of disability caregiving we must make several assumptions regarding who needs care, how much care they require, and the cost of care.

We first define the group most likely to need care using data on self-reported limitations in the ACS. Individuals with a self-care limitation, which reflects difficulty independently performing self-care tasks, like bathing and dressing, are identified as requiring caregiving support in the TCES. We then develop a two-tier care model to acknowledge that caregiving needs likely vary among this group. The two-tier care model is based on a review of literature describing care needs from the perspective of people with disabilities and data on the unpaid care provided by familial caretakers.[26] The two-tier approach allows us to model the higher level of care for some families, rather than applying the lower average hours of care to all people with disabilities. We estimate a majority of adults (60 percent) with self-care disabilities require a lower level of care (20 hours per week) and the remaining 40 percent of adults with self-care disabilities require a higher level of care (40 hours per week). We assume that all children with self-care disabilities require full-time care because both disabled and non-disabled children are unable to care for themselves. Some children may be assigned both full-time caregiving and standard child care expenses; in these cases, we cap total disability care and child care expenses at the cost of full-time caregiving.

Finally, we estimate the cost of care using data from Genworth's Cost of Care Survey on the hourly rate for home-health aides in each state.[27] The median hourly rate in 2023 was $33 per hour nationally and ranged from $22 to $42 per hour across the states. We then multiply the hourly cost of care by the estimated number of hours of care using the two-tier model. For example, in a state where the median hourly rate for a home health aide is $33 per hour, we estimate that 60 percent of adults with self-care disabilities have caregiving costs of about $34,000 a year and 40 percent of adults with self-care disabilities (and all children with self-care disabilities) have annual caregiving costs of about $69,000.

Transportation

The TCES assigns the cost of transportation based on the Center for Neighborhood Technology's Housing and Transportation (H+T) Affordability Index, which provides data at the national, state, and

substate levels.[28] The H+T Index estimates the annual cost of auto ownership, auto use, and transit use for US households.

Families require reliable access to transportation to maintain employment, travel to school or child care, access health care, and obtain basic necessities; therefore, we assume all families have transportation expenses. The TCES assumes that transportation costs are equal to the average annual costs in the H+T Index for households at 80 percent of the area median income. For each place, the transportation costs reflect a combination of auto ownership costs, auto maintenance costs, and transit costs for households at that income level; for example, the higher the transit usage, the higher the transit portion of the total.[29] The latest H+T data available reflects the costs in 2022. We use the Consumer Price Index for all urban consumers for transportation services to adjust the data to 2023 dollars.[30] (See appendix B for more implementation details.)

Technology

Cellphones and internet access are critically important for families' social and economic participation; therefore, the TCES measure factors in the costs for both services.

As with the 2022 estimates, pricing data on internet and phone expenses at the state or substate level remains limited. We rely on small sample size, consumer and provider surveys to estimate the cost of internet for US households. Based on a review of available data, the TCES measure sets internet expenses at $59.73 per month (after adjustments to 2023 dollars using the CPI) and assumes all families require internet services (Read 2022; Schwantes 2022).[31]

Cellphone expenses are based on the lowest cost plan using data from Consumer Reports (Fowler 2021).[32] We use the Consumer Price Index for communication to adjust the price of the lowest-cost 4 GB plan to 2023 dollars. We estimate the base cost of the cellphone plan is $64.70, and the cost for each additional cell phone plan is 50 percent of the base cost (e.g., a plan for two people is $97.05, three people is $129.40).[33] The TCES measure assumes every individual age 13 and older requires a cellphone.

Taxes Owed

Families generally face tax liabilities especially before tax credits are considered. The ATTIS model includes a tax calculator that computes federal income tax, state income tax, and payroll tax liabilities based on each ACS family's income. We use this ATTIS feature to assign tax costs (before credits) in constructing the TCES (see appendix B).[34] As income tax liabilities rise with income, tax costs will be higher for higher-income families, elevating their TCES threshold.[35]

Debt Service

The TCES measure uses the Urban Institute's Debt in America 2023 data to estimate student loan debt for adults (Braga et al. 2025). We use these data to impute the median monthly student loan payments onto a portion of individuals ages 19–45 with some college education (they do not need to have obtained a college degree to be assigned debt payments). The share of adults with monthly payments is equal to the number of student debt holders in a county as a percentage of adults with any college education in the county. All the adults selected randomly from the likely candidate pool considered to have student debt are assigned the median payments for their location. (See appendix B for more implementation details.)

We do not capture other sources of debt in our TCES cost measure. In some cases, those costs are implicitly captured elsewhere. For example, mortgage debt is related to housing, and we do capture housing costs. Similarly, auto loans are captured in transportation costs. However, other types of debt may have been incurred for necessary medical procedures or to purchase basic levels of other goods and services in the past and factor into family budgets. Incorporating these additional debts is not possible given data limitations. For example, the available medical debt data measures only debt that has gone to collection and these data would undercount the total medical debts owed by families. As such, we likely underestimate the overall costs of debt service.

Savings Targets

Few existing cost-of-living or self-sufficiency measures factor in savings as an expense in the family budget. As savings can provide families with the cushion they need to deal with unexpected expenses, the TCES continues to factor in savings as a basic cost in the family budget. We set the savings target at 10 percent of the total of all other costs, when the family includes at least one adult in the age range from 18 to 64. Families in which all adults are ages 65 and older are assumed to be dissaving so we do not include a savings target for them. This means that if a family's TCES for all included costs is $70,000, then their savings target would be $7,000, and their TCES threshold would be $77,000. If a family could meet this target for five years, they will have built up enough savings to cover six months of their expenses, a target commonly recommended in personal finance.

Miscellaneous

Families face numerous other costs not explicitly captured in any of the previously discussed cost categories. The TCES factors in these expenses using data from the 2023 Consumer Expenditure data for five separate categories of cost, including apparel and services, food away from home, housekeeping

supplies, personal care products and services, and civic engagement.[36] Costs are based on household size and are adjusted for regional differences in expenditures.[37]

Resources for the TCES Measure

To assess whether families can meet the True Cost of Economic Security, we consider the resources available to families. The following resources are obtained from a combination of information reported in the ACS data, information simulated by the ATTIS model, and estimates developed for the TCES calculations:

- annual earnings, which include wages, salary, commissions, bonus, or tips, from all jobs
- positive self-employment income (negative self-employment income represents a business loss and is not included)
- interest, dividends, rent, royalties, and income from estates or trusts
- pension income and distributions from retirement savings accounts
- cash transfers from social insurance and public assistance programs, including Social Security (for retirees, survivors, and people qualifying due to disability), unemployment compensation, income from the Temporary Assistance for Needy Families (TANF) program or from Supplemental Security Income (SSI), and other cash public assistance (in our implementation of the TCES, several underreported benefits are aligned with administrative data using ATTIS; see appendix B)
- cash value of in-kind public supports including nutrition assistance from the Supplemental Nutrition Assistance Program (SNAP) or Women, Infants and Children program (WIC), the value of public housing or housing vouchers, energy assistance, and the value of subsidized child care (these items are simulated by ATTIS for our computations with the ACS data; see appendix B)
- other cash income, including child support received, veterans' benefits, workers compensation, alimony, and any other regularly received cash income
- the value of employer-sponsored health insurance as well as subsidies to the cost of health insurance purchased through the health insurance marketplace and subsidies individuals may receive for copayments and out-of-pocket costs

- the value of parent or caretaker-provided child care (a parent who chooses not to work outside the home receives a resource credit equal to the cost of the child care they would otherwise need)
- the value of family-provided disability caregiving (a non-working adult within the household is considered available to provide care for a household member with a self-care disability)
- the implicit value of home ownership
- value of tax credits as part of the federal income tax system and also state income tax systems (many families receive tax credits that offset some or all of their tax liabilities captured in costs and may even generate positive income); in implementing the TCES concepts with the ACS data, the value of each family's tax credits is computed by ATTIS, based on the family's composition and income[38]

Most of the resources listed above are relatively straightforward to identify in the ACS data, either because they are directly reported or because we can use existing data from the ATTIS model. However, certain resources related to owner-occupied housing, child care, caring for persons with disabilities, and health care, including health insurance and MOOP costs, required additional considerations to best reflect the resources allotted to the families.

Housing

The TCES assumes that all families should be able to, at minimum, afford to rent standard and adequate housing in their area. Although we base the housing thresholds on rental costs, nearly two-thirds of households owned their homes in 2023.[39] These households are building equity—a resource unavailable to renters and previously unaccounted for in the TCES. Some of these households may be paying less in mortgage, taxes, and insurance than they would need to pay to rent adequate housing, therefore we apply a method for measuring the value of homeownership as a resource.

We use the ACS to identify the reported housing expenses for families that reside in owner-occupied housing. Housing costs include mortgage payments, utilities, taxes, insurance, and other related expenses. If a family resides in owner-occupied housing, we then determine whether their home provides adequate housing based on TCES standards (e.g., an owner-occupied two-bedroom unit would be inadequate for a family of five). If the family has adequate housing and their estimated TCES housing threshold exceeds the household's reported expenses, we credit the difference between their owner expenses and their TCES threshold to the household as a resource. Take, for example, a family with two parents and three children (one boy, age 6 and two girls, ages 8 and 10). The family owns their home, and

they also have "adequate" housing—they live in a three-bedroom home and the TCES for their family composition defines adequate housing as a home with at least three bedrooms (one for parents, one for the boy, and one for the girls to share). Their annual TCES housing threshold is $15,924, which exceeds their annual homeownership expenses of $12,000, therefore we credit $3,924 back to the family as a housing resource.

This method allows us to capture the potentially *lower* housing expenses for homeowners with considerable equity. To the extent that families have mortgage payments *higher* than their estimated rental expenses, we are unable to capture the value of homeownership as a resource.

Caregiving

Child care. For the TCES, we assume families require child care for all children age 12 or younger and children ages 13–18 who have a disability. However, parents or caretakers who choose to provide the care themselves or receive free care from a relative would not incur child care costs. Additionally, some families that require child care may receive child care subsidies that pay for all or part of the cost of care. To address this, we treat families in these situations as having resources that offset the costs of child care. We assign child care benefits for two different groups of families: those in which care was provided by parents or caretakers and those receiving child care subsidies.

We use the ACS data to identify families in which at least one parent or caretaker is available to provide child care. We determine parents and caretakers to be "available" if they are not working, they are neither looking for work nor attending school, and they do not have a disability. We assume these parents and caretakers are choosing to provide child care; we fully offset the cost of child care for the portion of the year that they appear to satisfy the criteria. However, no resource is assigned to reflect cases when care may be provided free from another relative because we would only observe that situation if the relative was living in the household; also, even if a relative in the household appeared to be providing care, the parents could be providing payment.

Although the ACS does not include information on child care subsidies, the ATTIS model can simulate the child care subsidies families may receive through the Child Care Development Fund (CCDF) program. For families simulated to receive CCDF benefits, we assume the value of the subsidy is equal to the difference between the full value of the care and their "copayment" (the amount the family is required to pay, if any).[40]

Disability caregiving. Families with a person with a self-care limitation may choose to provide care themselves or receive free support from friends or relatives. To account for the lower costs of families

who provide this care, we use the ACS to identify families in which there is an additional, non-working, non-disabled adult present in the family. We assume these adults are willing and able to provide care for the disabled family member if they are not disabled, they are not engaged in the labor force, and they are between ages 21 and 75. Families have their caregiving costs fully offset for the portion of the year in which they meet these criteria. As with child care, we are unable to capture the value of care provided by individuals living outside of the household, such as care provided by an adult child of an older adult where they live separately.

Health Care

Many families are eligible for resources that can substantially reduce their health care expenses. There are three types of health care resources we consider for the TCES: the value of employer-sponsored insurance or public coverage, the value of the premium tax credit, and cost-sharing that would result in a reduction in MOOP for some people. For example, families who cannot receive either employer-sponsored insurance or public coverage may be able to receive tax credits that offset their expenses if they purchase health insurance from a health insurance marketplace.

Insurance premium resources. Many families have health insurance coverage through employer-sponsored plans or public sources, including Medicaid, CHIP, Medicare, or health insurance for active-duty or retired military members. For individuals with these types of health insurance, we assume that their premium resources fully offset their costs (even though recipients may pay a portion of the premium). Some people may also receive services through the Indian Health Service (IHS). However, the Centers for Medicaid and Medicare Services (CMS) do not consider IHS resources to provide sufficient coverage and recommend that recipients obtain supplemental health coverage.[41] We assume uninsured individuals and individuals with only IHS coverage do not have any resources to offset premium costs.

Value of the premium tax credit. We assume any individuals with privately purchased (nonemployer) health insurance purchased their coverage through the federal or state marketplace, and we estimate if they are eligible for a premium tax credit based on the program's policies and the family's circumstances. We offset premium costs for those with private coverage by the value of their premium tax credit.[42] These credits were available in 2023, the year of this analysis; however, Congress allowed them to expire at the start of 2026.

MOOP resources. In addition to reduced premiums, people with coverage through the marketplace may qualify for cost-sharing reductions that reduce their deductibles and copays. People with Medicaid or CHIP are also likely to face lower copay costs. We estimate the value of resources for these individuals based on the reduction in the cost of doctor visits when people receive these benefits (at

different income levels) and an assumed number of doctor visits. We estimate that people with modified adjusted gross income (MAGI) less than 150 percent of the federal poverty guideline have a $40 reduction in cost per visit, and people with MAGI between 150 and 200 percent of poverty have a $25 reduction in cost per visit. We offset MOOP costs for all individuals with Medicaid/CHIP or private (nonemployer) health coverage by the value of their cost-sharing reduction.

Simplifications. Assigning a value to health insurance coverage is challenging, and we make many simplifying assumptions that may cause us to overestimate resources. First, we estimate health insurance coverage on an annual basis.[43] Many individuals may have partial year coverage, which would result in an overestimate of their resources if they were uninsured for part of the year. Our analysis also assumes that everyone with private coverage purchased it in the marketplace and that everyone found eligible for the premium tax credit receives this benefit. Finally, we assume that people receiving employer-sponsored health insurance, Medicaid/CHIP, Medicare, or military health care bear no additional premium costs. However, many employees are required to pay a portion of the premium, and public insurance beneficiaries may face some premium costs.

Several of our simplifications may also result in an underestimate of resources. To the extent that public health insurance is underreported in the ACS, we may be underestimating the total resources an individual receives. Also, several states offer additional premium assistance or cost-sharing reductions for out-of-pocket expenses. We do not capture the value of additional state subsidies or cost-sharing. As of 2024, nine states supplemented the Premium Tax Credit with additional subsidies. Finally, we assume that IHS coverage has no value. Although IHS services may be limited, recipients likely receive some cost savings from this benefit.

Other Resource Considerations

Some sources of funds are not captured as income by the ACS (the survey captures regularly received income) and are not computed by ATTIS. These include gambling winnings, capital gains, withdrawals from savings, inheritances, and loans.[44] As 90 percent of all capital gains are realized by families in the top 20 percent of the income distribution, omitting capital gains likely would not have noticeable effects on the share of families with incomes below the true cost of living (Enda and Gale 2020; Whelan 2023). Gambling winnings are a fairly rare source of income, reported on just over 1 percent of all tax returns. For the types of income intended to be captured in the ACS, some may be underreported, particularly for those types of income that the survey does not ask about individually (including child support, veterans' benefits, unemployment compensation, workers compensation, and others).

Another aspect of individuals' finances not captured in the ACS and not modeled by ATTIS is employer contributions to pension plans and retirement savings plans, which are not resources available to families today but do help families reach their savings targets. Consequently, on the cost side, we have set the savings targets at 10 percent of all other costs rather than the conventional guidance to save 20 percent of income.

Finally, while additional resources may be available to support people with disabilities, the value of these resources is not captured in the 2023 TCES. Some individuals may receive financial support for professional caregivers through Medicaid Home and Community Based Services (HCBS). Family members of Medicaid-eligible disabled individuals may also receive pay for in-home care through consumer-directed personal assistance programs (a type of HCBS). We do not have adequate data to reliably model the receipt of and value of these benefits in ATTIS.

Although trade-offs associated with the data and assumptions underlie any approach, the data sources and methodology we employ provide a strong basis for developing a cost-of-living measure that sufficiently captures the true costs a family must meet to maintain economic security.

True Cost of Economic Security Thresholds and Available Resources

The TCES threshold varies by family composition, place, and work status. The resources a family needs to be economically secure depend on the number of adults and children in the family and their ages, as well as where they live and other demographic characteristics. Families with young children will have child care costs, and adults with no children will not. Families with individuals with a disability will have additional caregiving costs. Larger families will need larger living spaces than smaller families. Health care costs are higher for older people than for younger people. And long-time homeowners with low or no mortgage payments implicitly have resources that defray housing costs. The TCES measure accounts for these differences.

The costs captured in the TCES are not the costs families actually incur. They are the costs associated with purchasing "adequate" housing, health care, food, transportation, and other goods and services where "adequate" is set at levels associated with baseline economic security. Families may be spending less than what we consider adequate, perhaps living in crowded housing or skipping meals. Their actual resources may meet their actual expenses, but they are clearly struggling and thus falling below the TCES threshold. Conversely, families may be spending more than what we consider adequate.

Given the costs of goods and services where they live, we believe they could spend less and still be economically secure.

True Cost of Economic Security Thresholds and Resources by Family Type

In 2023, families with only adults under age 65 (henceforth "adults") without children face a median TCES threshold of $95,900 per year (see table 1 and figure 1). The medians we report by family type are person-weighted, meaning they reflect the experience of the median or average person in that type of family. The median TCES threshold for people in families with adults under age 65 and children is far higher at $144,700, while the threshold for people in families with at least one adult age 65 or older (henceforth "older adults") is $108,500 a year to be economically secure.

TABLE 1

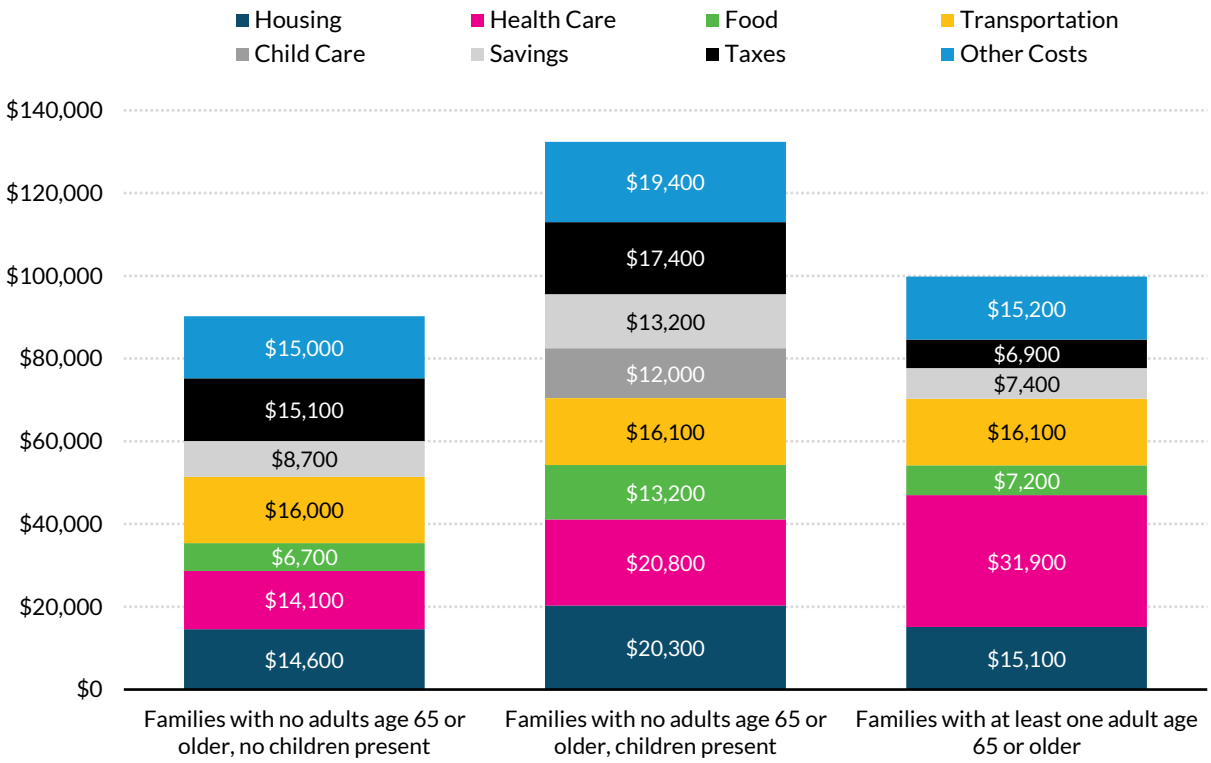
Median Costs and Resources by Select Costs and Resources for Persons by Family Type

	Families with No Adults Ages 65 and Older		Families with at Least One Adult Age 65 or Older ($)
Cost and Resource Categories	**No children ($)**	**Children present ($)**	
Total cost	95,900	144,700	108,500
Housing	14,600	20,300	15,100
Health care	14,100	20,800	31,900
Food	6,700	13,200	7,200
Transportation	16,000	16,100	16,100
Child care	0	12,000	0
Student debt	0	0	0
Disability costs	0	0	0
Savings	8,700	13,200	7,400
Taxes	15,100	17,400	6,900
Other costs	15,000	19,400	15,200
Total resource	101,800	133,400	117,300
Market resources	96,200	120,300	70,800
Market resources with Social Security and Medicare	97,700	120,900	109,900

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs and resources of each individual with a particular family type. The family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance.

FIGURE 1

Median Family-Level Costs for Select Costs, for Persons by Family Type



URBAN INSTITUTE

Source: Adapted from Acs et al. (2024). Urban Institute, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs of each individual with a particular family type. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses.

Adults with children have higher housing costs than adults without children and older adults, largely because families with children have more household members than families without children and require more bedrooms. On average, adults with children need to spend $20,300 a year for housing while adults without children and older adults need to spend $14,600 and $15,100 a year, respectively. Again, these are median costs across the country.

Health care costs are particularly high for older adults—with a median family cost of $31,900 a year across all individuals in older-adult families. This level reflects both their out-of-pocket costs and the

costs they would have to pay for health insurance. Most older adults, however, have health insurance through Medicare, which we capture in their resources. Again, the TCES measure explicitly breaks out costs and resources. For adults without children, median health care costs run about $14,100, while adults with children have health care costs of $20,800.

Food costs vary largely based on the number of people in a family and range from $13,200 for adults with children to $6,700 for adults without children and to $7,200 for older adult families. Transportation costs are roughly the same regardless of family type and are about $16,100. Only families with children have child care costs, and adults with children would need to spend $12,000 to meet the median child care needs. The median family has no student-debt payments or disability costs. Other costs, such as technology, clothing, cleaning products, and civic engagement, vary largely with the number of people in a family and are thus higher for adults with children. The total of other costs ranges from $19,400 for adults with children to $15,000 for adults without children. Savings targets are simply 10 percent of the costs directly captured for all families with at least one person under age 65. Finally, tax liabilities vary between family types largely because of differences in taxable income—families with higher incomes will have higher tax liabilities.

The median resources available to families exceed the TCES thresholds for older adult families as well as adult families without children, while the median resources for adult families with children fall below their TCES threshold.[45] On average, adult families without children have $101,800 in resources, which is more than their median TCES threshold of about $95,900. Similarly, older adult families have median resources of $117,300, higher than their TCES threshold of $108,500. In contrast, adult families with children have median total resources of $133,400, which is less than their TCES threshold of about $144,700. Recall that the total resources for families include offsets for certain costs. For example, if a family has employer-sponsored health insurance or Medicaid coverage, our measure credits them with resources that fully offset the health insurance costs we include in the TCES threshold computation.

True Cost of Economic Security Thresholds and Resources by Number of Children and Adults

The resources a family needs to be economically secure vary by the number of adults and children in the family—more people means higher resource needs. A single adult under age 65 with no children needs $63,700 to reach the TCES threshold, while a single adult with three or more children needs $128,900 (table 2).[46] The median resources for people in these types of families fall well below their TCES thresholds. The median resource amount for a single-adult family without children is $48,000, while the median resource amount for a single adult with three or more children is $73,500.[47] Two or more adults

under age 65 with one child need $129,900 a year to be economically secure, while those with three or more children need almost $169,300 a year. For families with two or more adults and one child, their median resources ($138,000) slightly exceed their TCES threshold, while for families with two or more adults and three or more children, median resources ($144,800) fall below their TCES threshold. Adults ages 65 and older need marginally less in resources than younger adults in similar family circumstances. For example, a single older adult without children needs $62,700 to reach the TCES threshold, about $1,000 less than a single younger adult. That difference largely reflects differences in taxes and savings. Median resources for older adults without children are $51,900, about $4,000 more than the resources for one-adult families without children but well below their median TCES threshold. The differences in resources largely reflect the impact of Social Security and Medicare on the resources of older adults.

TABLE 2

Median Costs and Resources of True Cost of Economic Security by Family Type, for All Individuals in the US

Family composition	Median costs ($)	Median resources ($)
Families with no adults age 65 or older		
One adult, no children	63,700	48,000
One adult, 1 child	84,100	56,700
One adult, 2 children	102,700	65,300
One adult, 3+ children	128,900	73,500
One adult, 1+ children	103,600	65,300
Two or more adults, no children	111,300	132,600
Two or more adults, 1 child	129,900	138,000
Two or more adults, 2 children	149,600	149,900
Two or more adults, 3+ children	169,300	144,800
Two or more adults, 1+ children	150,000	144,600
Families with at least one family member age 65 or older		
One adult, no children	62,700	51,900
Two adults, no children	97,600	111,900
One adult, 1+ children	87,600	63,300
Two adults, 1+ children	130,800	110,400
Three or more adults	167,800	175,900

Sources: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs and resources of each individual with a particular family type. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters.

A family's unique circumstances affect the level of resources they need to meet their true cost of economic security. Consider persons living in three-generation families. On average, these families need $184,300 to be economically secure (table 3). Their costs to achieve economic security are high because they have relatively high housing and food costs (based on the number of people in the family) and incur child care costs for the children and higher health care costs due to the presence of members over age 65. Their median resources ($177,200), however, come close to meeting their costs on average due largely to the availability of Medicare and Social Security for the older adults in the household. Families carrying student debt carry extra costs associated with their loan payments. A family with student debt and children requires an average of about $153,600 to meet their true cost of economic security, and their student loan payments make up $2,100 of that expense. But student debt may also enable adults to earn a postsecondary degree or credential, which can raise their earnings and thereby increase their resources to meet all their costs. As previously noted, however student debt does not necessarily indicate attainment of a postsecondary degree or credential. The median level of resources for adults with children and student debt is $155,100, about the same as the costs they must meet.

TABLE 3

Median Costs and Resources by Select Costs and Resources for Persons in Two Family Types

Cost and resource categories	Person in three-generation families ($)	Person in families with student debt with children ($)
Total cost	184,300	153,600
Housing	27,200	20,000
Health care	42,100	21,200
Food	17,400	13,500
Transportation	16,100	16,100
Child care	9,900	12,500
Student debt	0	2,100
Disability costs	0	0
Savings	16,700	14,000
Taxes	16,100	22,100
Other costs	21,200	19,600
Total resource	177,200	155,100
Market resources	129,200	142,000
Market resources with Social Security and Medicare	158,100	144,500

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs and resources of each individual with a particular family type. The family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in

nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance. Three-generation families are those with more than one adult, at least one child, and at least one adult age 65 years or older, and in which the age difference between adults is 15 years or greater. For people in families with student debt with children, there must be at least one adult between the ages of 19 and 45 with some post-secondary education or training (they do not need to have obtained a degree).

Families that include someone with a disability face additional costs to maintain economic security. These costs vary by the type of disability and the resulting care required as well as the age of the individual with a disability. For persons living in families with someone with a disability and only adults under age 65 (with or without children), the median total cost of economic security for their families is $126,500, or about $20,000 more than if there is at least one older adult present ($105,500; table 4). This difference largely reflects the fact that families with adults over the age of 65 are less likely to need to save for the future, face lower tax bills, and tend to be smaller so they have lower food and housing costs. We see a similar pattern among persons in families in which someone has a self-care disability which requires care. People in families with no adults 65 or older face a median total cost of $176,200, and people in families with at least one older adult face a total cost of $164,500. The cost of disability care drives the higher cost for a person in a family with a self-care disability compared with a person in a family with any disability, as the median cost, regardless of age, is $0 for those with any disability but $52,000 for those in a family with a self-care disability with only adults under age 65 and $41,600 for those with at least one family member age 65 or older.

The resources available to families with someone with a disability also vary by type of disability and whether an older adult is present. The median person in a family with someone with a disability and at least one person age 65 or older has enough resources ($114,200) to meet their costs. However, the median total resources fall more than $20,000 short for persons in families with someone with a disability and with only adults under age 65 ($103,600). For people in a family with a self-care disability with no adults age 65 or older, their available resources ($107,300) fall under their cost by around $68,900. Due to Medicare and Social Security, a family with someone with a self-care disability and an older adult receives more resources ($125,400) yet still is unable to meet their TCES threshold by around $39,100.

TABLE 4

Median Costs and Resources by Select Costs and Resources for Persons in Families with Someone with a Disability

Cost and Resource Categories	People in Families with Someone with a Disability		People in Families with Someone with a Self-Care Disability	
	Families with no adults age 65 or older ($)	Families with at least one family member age 65 or older ($)	Families with no adults age 65 or older ($)	Families with at least one family member age 65 or older ($)
Total cost	126,500	105,500	176,200	164,500
Housing	17,100	15,000	17,500	16,500
Health care	20,800	31,400	22,100	36,400
Food	10,700	7,000	11,100	7,900
Transportation	16,100	16,100	16,100	16,100
Child care	0	0	0	0
Student debt	0	0	0	0
Disability costs	0	0	52,000	41,600
Savings	11,500	0	16,000	13,400
Taxes	10,300	6,300	7,300	3,700
Other costs	18,600	15,200	18,800	17,400
Total resource	103,600	114,200	107,300	125,400
Market resources	84,000	67,400	80,200	73,500
Market Resources with Social Security and Medicare	87,500	107,400	87,000	114,900

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs and resources of each individual with a particular family type. The family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance. Disability is defined as being eligible for the Supplemental Security Income (SSI) program or having any limitation captured in the ACS (hearing, vision, cognitive, ambulatory, self-care, or independent-living difficulty). Self-care disability includes having difficulty getting dressed or bathing independently.

People in families with at least one full-time, full-year worker (i.e., someone who works at least 50 weeks a year and 35 or more hours per week) have higher median resources than those in families without full-time, full-year workers (table 5). Among those in families with no adults age 65 or older, median resources are $136,400 for those with full-time, full-year work and $58,300 for those without. Costs are also higher for those with full-time, full-year workers, in part because these families tend to be larger and also face higher tax costs (because they have higher earnings). Median costs for people in families with no adults over age 65 and a full-time full-year worker are $132,400 as compared with

$97,300 for those without such a worker. Nevertheless, median resources are higher than median costs for people in families with a full-time, full-year worker, but not for people in families without full-time, year-round work.

TABLE 5

Median Costs and Resources by Select Costs and Resources for Persons in Working Family Types

	People in Families with No Adults Age 65 or Older		People in Families with at Least One Adult Age 65 or Older	
Cost and Resource Categories	**Persons in families with a full-time, full-year worker ($)**	**Persons in families without a full-time, full-year worker ($)**	**Persons in families with a full-time, full-year worker ($)**	**Persons in families without a full-time, full-year worker ($)**
Total cost	132,400	97,300	148,400	92,300
Housing	17,600	16,500	19,300	13,600
Health care	19,600	15,600	35,000	30,000
Food	10,900	7,800	10,900	6,700
Transportation	16,100	16,000	16,100	16,200
Child care	0	0	0	0
Student debt	0	0	0	0
Disability costs	0	0	0	0
Savings	12,000	8,800	13,100	0
Taxes	20,200	2,100	18,900	1,100
Other costs	18,600	16,200	19,000	15,000
Total resource	136,400	58,300	168,300	90,700
Market resources	127,600	32,400	129,700	39,600
Market resources with Social Security and Medicare	128,300	36,100	159,100	84,600

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs and resources of each individual with a particular family type. The family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance. Persons are a full-time, full-year worker if they work at least 35 hours per week, 50 weeks per year.

True Cost of Economic Security Thresholds and Resources by Place for Selected Families

The resources families need to meet the TCES vary from place to place. Families in metro areas face higher costs than those in nonmetro areas. The TCES threshold for adults without children is $97,700 in

metro areas and $89,300 in nonmetro areas (table 6). For families with adults and children, the metro/nonmetro TCES thresholds are $149,000 and $129,500, respectively, while for families with older adults, the thresholds are about $113,000 and $96,500, respectively (table 6).[48] For all types of families considered, housing costs are far higher for those in metro areas than those in nonmetro areas, while other cost items differ by far less, and in some cases, like health care, are lower in metro areas. (For families with children, child care costs are notably higher in metro than in nonmetro areas.) Although costs are higher in metro areas, family resources available to meet those costs are also higher. For adult-only families, the metro/nonmetro median resources are $105,000, compared with $89,500; for adults with children, the resources are $138,300 in metro areas and $117,900 in nonmetro areas. For families with older adults, the resource levels are $122,800 (metro) and $100,800 (nonmetro).

TABLE 6

Median Costs and Resources for Persons by Family Type by Metro Status

	Families with No Adults Age 65 or Older				Families with at Least One Adult Age 65 or Older	
	No children		Children present			
Cost and Resource Categories	Metro ($)	Nonmetro ($)	Metro ($)	Nonmetro ($)	Metro ($)	Nonmetro ($)
Total cost	97,700	89,300	149,000	129,500	113,000	96,500
Housing	15,700	9,200	22,100	14,000	16,900	9,500
Health care	13,400	16,900	20,600	21,900	31,600	33,400
Food	6,800	6,300	13,400	12,400	7,400	6,500
Transportation	15,600	17,200	15,900	17,300	15,700	17,200
Child care	0	0	12,500	9,900	0	0
Student debt	0	0	0	0	0	0
Disability costs	0	0	0	0	0	0
Savings	8,900	8,100	13,500	11,800	8,200	0
Taxes	16,100	11,800	18,500	14,000	8,100	3,000
Other costs	15,000	13,700	19,400	19,200	17,100	15,000
Total resource	105,000	89,500	138,300	117,900	122,800	100,800
Market resources	99,700	82,300	125,500	103,400	77,200	51,200
Market resources with Social Security and Medicare	101,100	85,000	126,100	104,200	115,100	94,500

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: The unit of analysis consists of individuals who are classified by their family composition and by metropolitan status. The medians are based on the family-level costs and resources of each individual. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance. Metro areas must have at least one urban area with a population of 50,000 people.

Both costs and resources are, on average, higher in the Northeast and West regions of the country than in the Midwest and South regions.[49] For example, among people in families with adults and children, median TCES thresholds in the Northeast and West range above $160,000, while TCES thresholds in the Midwest and South hover around $135,000 (table 7). Differences in housing and child care costs account for most of the regional variation in TCES thresholds. Median resources for these families are highest in the Northeast ($150,400) followed by the West ($144,500), the Midwest ($132,400), and the South ($122,200). For families with older adults (at least one adult over age 65), the median TCES threshold for those living in the West ($128,800) is markedly higher than for those living in the Northeast ($112,900), South ($104,500), and Midwest ($94,000). For people in families with older adults, housing and health care costs in the West account for the bulk of the differences between regions.[50] But again, resources are also higher in the regions with higher costs.

TABLE 7

Median Costs and Resources of Persons by Family Type by Region

Cost and Resource Categories	People in Families with No Adults Age 65 or Older								People in Families with at Least One Adult Age 65 or Older			
	No children present				Children present							
	Northeast ($)	Midwest ($)	South ($)	West ($)	Northeast ($)	Midwest ($)	South ($)	West ($)	Northeast ($)	Midwest ($)	South ($)	West ($)
Total cost	**106,900**	**88,800**	**90,400**	**106,600**	**163,000**	**136,400**	**132,800**	**164,000**	**112,900**	**94,000**	**104,500**	**128,800**
Housing	17,000	10,800	13,600	19,500	24,300	15,900	18,800	28,700	18,200	10,900	14,200	21,000
Health care	15,400	13,000	14,400	13,300	22,100	19,600	20,900	20,900	28,500	29,600	33,800	33,400
Food	7,100	6,500	6,500	6,900	13,900	12,900	12,600	13,900	7,500	6,700	7,000	7,800
Transportation	15,300	15,800	15,900	16,700	15,500	16,100	16,000	16,800	15,600	16,100	16,000	16,800
Child care	0	0	0	0	15,400	11,600	9,700	14,500	0	0	0	0
Student debt	0	0	0	0	0	0	0	0	0	0	0	0
Disability Costs	0	0	0	0	0	0	0	0	0	0	0	0
Savings	9,700	8,100	8,200	9,700	14,800	12,400	12,100	14,900	7,700	0	7,500	9,800
Taxes	19,300	14,700	13,100	16,700	22,000	18,400	14,800	18,800	9,200	5,000	5,600	9,400
Other costs	17,500	15,000	13,700	17,400	24,300	20,400	18,600	23,700	17,500	15,000	13,700	17,400
Total resource	**115,300**	**96,500**	**95,000**	**109,300**	**150,400**	**132,400**	**122,200**	**144,500**	**121,300**	**104,500**	**113,600**	**134,800**
Market resources	109,400	91,600	89,600	103,300	136,600	121,400	109,100	129,300	77,000	57,600	66,500	87,200
Market resources with Social Security and Medicare	110,900	93,300	91,400	104,500	137,300	121,800	109,900	129,900	112,800	99,200	106,500	125,200

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs and resources of each individual. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance. The Northeast region includes people in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont; the Midwest region includes people in Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin; the South region includes people in Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia; and the West region includes people in Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

True Cost of Economic Security Thresholds and Resources by Homeownership Status

An enhancement for 2023 involves considering the value of long-term homeownership as a resource for families. If a family has no or a very low mortgage relative to the cost of renting adequate housing, we consider the difference between mortgage costs and what they would need to pay in rent as a resource for those families.

Across the three basic family types considered, homeowners have both higher costs and higher resources than renters (table 8).[51] For homeowners, median resources exceed median costs, but for renters, median costs exceed resources. People in families with only adults under age 65 and children present living in homes they own have a total cost of over $150,000, around $20,000 more than non-homeowners ($131,300). For people in families with only adults under age 65 and no children present, the difference in cost between homeowners ($107,900) and non-homeowners ($79,700) is the largest among our three family types at nearly $30,000. The smallest difference of a little over $10,000 is for people in families with adults age 65 or older, with the cost for homeowners at $110,500 and non-homeowners at $98,800. The higher costs for individuals in families owning a home stem from the taxes, as the median cost of taxes for people in families with only adults under age 65 with and without children are over $20,000 compared with the non-homeowners with taxes under $9,000. The tax difference reflects the higher earned income of homeowners as compared with renters. (We do not measure property taxes explicitly.) People in families with older adults who own their home see a tax nearly fourfold ($8,200) compared with those who do not own their home ($2,100). While the total cost for those who own their home is higher across all family types, the resources are able to meet and exceed these costs by around $7,000 for people in families with only adults under age 65 and children present, by $24,000 for people in families with only adults under age 65 and no children present, and by around $16,000 for people in families with adults ages 65 and older. However, this is not the case for those that do not own their home, as people in families with only adults under age 65 and children present, people in families with only adults under age 65 and no children present, and people in families with adults ages 65 and older all fall short, by $39,200, $14,000, and $21,100, respectively.

TABLE 8

Resources and Costs of Persons' Family Type and Home Ownership

Cost and Resource Categories	All Family Types	People in Families with No Adults Age 65 and Older				People in Families with at Least One Adult Age 65 or Older	
		Children Present		No Children Present			
		Home-owners	Non-homeowners	Home-owners	Non-homeowners	Home-owners	Non-homeowners
Total cost	122,500	151,400	131,300	107,900	79,700	110,500	98,800
Housing	16,900	19,600	21,500	14,200	15,000	15,100	16,800
Health care	21,300	21,500	19,100	18,900	9,800	32,900	26,600
Food	9,700	13,400	12,700	6,900	6,000	7,200	6,900
Transportation	16,100	16,200	15,900	16,200	15,600	16,200	15,600
Child care	0	11,500	12,800	0	0	0	0
Student debt	0	0	0	0	0	0	0
Disability costs	0	0	0	0	0	0	0
Savings	10,900	13,800	11,900	9,800	7,200	7,700	0
Taxes	13,900	23,800	8,200	20,800	8,900	8,200	2,100
Other costs	17,500	19,600	19,200	15,000	13,700	15,200	15,000
Total resources	120,200	158,500	92,100	131,900	65,700	126,300	77,700
Market resources	100,200	148,400	69,500	126,800	60,600	79,300	35,700
Market Resources with Social Security and Medicare	110,900	148,900	70,200	128,300	61,300	119,300	67,200

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.

Notes: The unit of analysis consists of individuals who are classified by their family compositions and their household's homeownership status. The medians are based on the family-level costs and resources of each individual. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance.

True Cost of Economic Security Rates

When comparing available resources to the costs families must meet to be economically secure, we find that 49 percent of all people lived in families below the TCES threshold in 2023 (see table 9 and figure 2). In other words, the TCES rate is 49 percent. Again, this is a point-in-time estimate and does not allow us to make inferences about recent or longer-term trends in the share of people failing to thrive economically. More than one out of five people (22 percent overall) live in families with resources between 75 and 100 percent of the TCES threshold. Hence, 45 percent of the people in families who fall below the TCES threshold (22 percent/49 percent) are nearing economic security; their resources are about $15,400, or 13 percent, short of the TCES threshold. Note that the TCES measure includes a savings target of 10 percent of all other costs for families with no adults ages 65 and older. These families can afford most regular expenses, but they are not primed to thrive. In contrast, more than one in six people who fall below the TCES threshold (and about one in ten overall) have less than half of what they need to meet their true cost of economic security.

TABLE 9

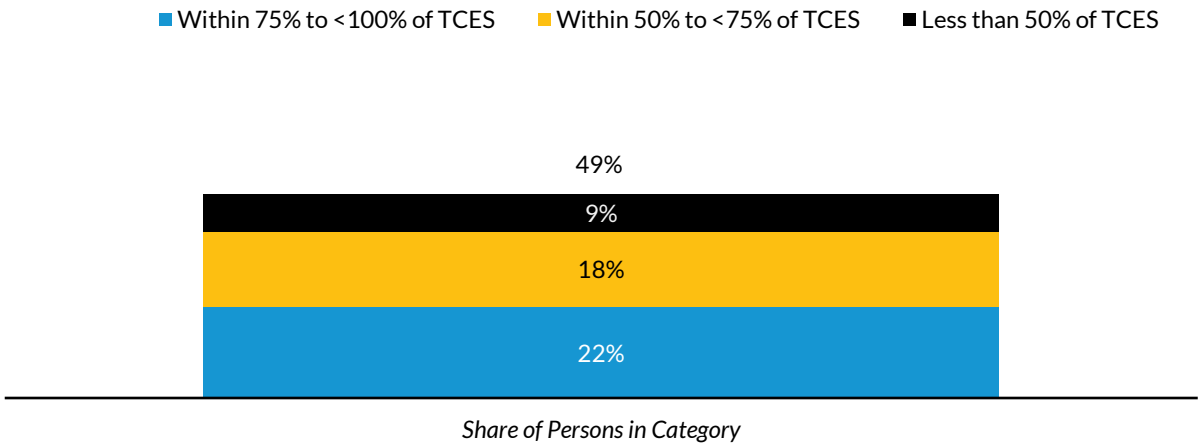
Distributional Analysis of Persons in Families with Resources below Their True Cost of Economic Security

TCES categories	Share of persons in category (%)	Average percent below TCES (%)	Average family resource gap ($)	Median total family costs ($)	Median total family resources ($)
Total Below TCES	49	31	34,200	110,000	76,300
Within 75% to <100% of TCES	22	13	15,400	117,800	102,100
Within 50% to <75% of TCES	18	36	42,000	109,400	68,800
Less than 50% of TCES	9	65	64,400	89,600	32,500

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. The average percent below TCES reflects the size of the gap between families' costs and resources relative to their total costs (e.g., people in families with resources below the TCES have resources X percent below the TCES threshold, on average). The determination of whether resources are above or below the TCES threshold is made at the family level, not the person level. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. The average family resource gap is the mean difference between families' costs and resources. Estimates do not include unhoused people or people living in nursing homes, homeless shelters, or other group quarters.

FIGURE 2

Distribution of People by their Family Resources as a Percent of the True Cost of Economic Security Threshold



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Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters.

Children are more likely to fall under the TCES threshold than adults. Nearly three out of five children live in families whose resources fall below the amount needed to be economically secure (table 10). In comparison, 47 percent of adults ages 18 to 64 and 44 percent of adults age 65 and older fall below the TCES threshold. That children are the most likely age group to fall below the TCES threshold reflects the fact children bring only limited resources to a family (for example, by way of tax credits), while they contribute to higher housing, food, insurance, child care, and other costs.

TABLE 10

Share of People with Resources below the True Cost of Economic Security and Resource Gap by Age and Family Type

Categories	Percent below TCES (%)	Average family-level resource gap of people in families with a gap ($)
All	49	34,200
By age range		
Children (under age 18)	59	41,700
Adults ages 18-64	47	32,700
Adults ages 65 and older	44	26,800
By family type		
Families with no adults ages 65 and older, no children present	44	27,700
Families with no adults ages 65 and older, children present	56	39,700
Families with at least one adult age 65 or older	45	30,700

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. The determination of whether resources are above or below the TCES threshold is made at the family level, not the person level. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. The average family resource gap is the mean difference between families' costs and resources.

Across family types, the TCES rate for people in families with adults and children is 56 percent, while the rate for adults without children is 44 percent, and the rate for people in families with older adults is 45 percent (table 10). Families with more children are more likely to fall below the TCES threshold. For example, the TCES rate for families with two or more adults under age 65 and one child is 42 percent, but for people in families with two or more adults and three or more children, it is 66 percent (table 11). Single-adult families with children—mostly female-headed families—struggle to achieve economic security. More than four out of five people in single-adult one-child families fall below the TCES threshold, and virtually all (96 percent) of those in single-adult families with three or more children are economically insecure.

TABLE 11

Share of People with Resources below the True Cost of Economic Security and Resource Gap by Family Type

Categories	Percent below TCES (%)	Average family-level resource gap of people in families with a gap ($)
Families with no adults ages 65 and older		
One adult, no children	68	26,800
One adult, 1 child	81	32,500
One adult, 2 children	87	41,200
One adult, 3+ children	96	60,500
One adult, 1+ children	88	44,100
Two or more adults, no children	33	28,600
Two or more adults, 1 child	42	31,800
Two or more adults, 2 children	48	35,800
Two or more adults, 3+ children	66	46,100
Two or more adults, 1+ children	51	38,600
Families with at least one family member age 65 or older		
One adult, no children	65	23,200
Two adults, no children	36	27,100
One adult, 1+ children	82	33,400
Two adults, 1+ children	66	40,600
Three or more adults	43	39,700

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. The determination of whether resources are above or below the TCES threshold is made at the family level, not the person level. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. The average family resource gap is the mean difference between families' costs and resources.

As noted above, certain families, like those that span three generations and those in which adults with children are carrying student debt, face relatively higher costs to achieve economic security. For people in three-generation families, we find that 53 percent fall below the TCES threshold (table 12), just slightly higher than the overall average of 49 percent. For people in families with children and an adult under age 65 carrying student debt, we find that 47 percent have resources below the TCES threshold. Although student debt is a cost to these families, credentials and degrees contribute to higher resource levels.

TABLE 12

Share of People with Resources below the True Cost of Economic Security and Resource Gap for Two Family Types

Family category	Percent below TCES (%)	Average family-level resource gap of people in families with a gap ($)
Persons in three-generation families	53	23,200
Persons in families with student debt with children	47	16,900

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Three-generation families are those with more than one adult, at least one child, and at least one adult age 65 years or older, and in which age difference between adults is 15 years or greater. For people in families with student debt with children, there must be at least one adult between the ages of 19 and 45 with some post-secondary education or training (they do not need to have obtained a degree). The average family resource gap is the mean difference between families' costs and resources.

Families that include someone with a disability also struggle to achieve economic security. Nearly two out of three people living in families that include someone with a disability and only working-age adults lack the resources needed to thrive (table 13). The share increases to 86 percent if the disability is related to self-care—the ability to get dressed or bathe independently. People in families with at least one adult over age 65 and a family member with a disability fare a bit better than families without older adults. Among those living with an older adult, 45 percent of people in families that include someone with a disability and 75 percent of those including someone with a self-care limitation fall below the TCES threshold.

TABLE 13

Share of People with Resources Below the True Cost of Economic Security for Families with Someone with a Disability

Family categories	Percent below TCES (%)	Average family-level resource gap of people in families with a gap ($)
Persons in families with someone with a disability		
Families with only adults under age 65	65	28,500
Families with at least one family member age 65 or older	45	13,600
Persons in families with someone with a self-care disability		
Families with only adults under age 65	86	63,600
Families with at least one family member age 65 or older	75	43,400

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is any person over age 17 or older, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include unhoused people or people living in nursing homes, homeless shelters, or other group quarters. The average family resource gap is the mean difference between families' costs and resources. For people in families with someone with a disability, disability is defined as being eligible for the Supplemental Security Income (SSI) program or having any limitation captured in the ACS (hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, or independent living difficulty). For people in families with someone with a self-care disability, self-care disability includes having difficulty getting dressed or bathing independently.

Families that do not contain a full-time, full-year worker are more likely to fall below the TCES threshold. This is largely attributable to resource disparities; although families that include a full-time, full-year worker have higher costs than those without a full-time, full-year worker, they also have a higher level of resources. Families without a full-time, full-year worker and only adults under age 65 are the most economically insecure; more than 80 percent of people in these families are below the TCES threshold, compared with families with a full-time, full-year worker and adults in the same age range (43 percent; table 14). Persons in families with a full-time, full-year worker and at least one member age 65 or older are the least likely to fall below the TCES threshold (33 percent), while many people in families without a full-time, full-year worker and at least one member age 65 or older (53 percent) lack the resources needed to thrive. Persons in families with at least one adult age 65 or older generally have a smaller gap between their costs and resources than people in families with younger adults. This is in part due to the benefits older adults receive through Medicare and Social Security (see table 5).

TABLE 14

Share of People with Resources Below the True Cost of Economic Security for Working Family Types

Categories	Percent below TCES (%)	Average family-level resource gap of people in families with a gap ($)
Families with only adults under age 65		
Persons in families with a full-time, full-year worker	43	13,200
Persons in families without a full-time, full-year worker	84	38,100
Families with at least one family member age 65 or older		
Persons in families with a full-time, full-year worker	33	10,900
Persons in families without a full-time, full-year worker	53	15,800

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is any person over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include unhoused people or people living in nursing homes, homeless shelters, or other group quarters. The average family resource gap is the mean difference between families' costs and resources. Persons are a full-time, full-year worker if they work at least 35 hours a week, 50 weeks per year.

The share of people with resources below the TCES threshold varies considerably by race and ethnicity. About two in five white people and 43 percent of people of Asian or Pacific Island descent fall below the TCES threshold; their TCES rates are below the overall average of 49 percent (table 15). In contrast, 64 percent of Black people, 66 percent of Hispanic people, and 54 percent of people identifying with multiple races or with a race not specified above have resources below the TCES thresholds. Myriad factors influence the racial and ethnic differences in TCES rates. Historical structural factors have limited the residential choices and educational and employment opportunities of Black, Hispanic, Asian, and Native people, which in turn also influences their living arrangements, family structure, and family size. Also, within racial and ethnic groups, considerable variation exists in people's experiences based on their country of birth, legal status, and how long they and their ancestors have lived in the US.

TABLE 15

Share of People with Resources below the True Cost of Economic Security and Resource Gap by Race and Ethnicity

Race and ethnicity	Percent below TCES (%)	Average family-level resource gap of people in families with a gap ($)
All Persons	49	34,200
Asian and Pacific Islanders	43	38,500
Black people	64	35,600
Hispanic people	66	41,600
White people	41	28,900
People identifying with racial and ethnic groups not listed above	54	36,100

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. The determination of whether resources are above or below the TCES threshold is made at the family level, not the person level. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. We use the term "Hispanic" because this is the primary terminology used by the US Census Bureau in the American Community Survey, which is the source of household data for this analysis. The average family resource gap is the mean difference between families' costs and resources. Estimates do not include unhoused people or people living in nursing homes, homeless shelters, or other group quarters.

As living costs vary by place, so does the share of people whose resources fall below the TCES threshold. People living outside of metro areas are slightly more likely to fall below the TCES threshold than metro residents (54 vs. 48 percent; table 16). Residents of the Midwest are the least likely to fall below the TCES threshold (46 percent), and residents of the West are the most likely to fall below the TCES threshold (53 percent). Within regions, residents of metro areas are more likely to have resources to meet the true cost of economic security compared with residents of nonmetro areas. Residents of the nonmetro West have the highest TCES rate at 57 percent.

TABLE 16

Share of People with Resources below the True Cost of Economic Security and Resource Gap by Region and Metro Status

Geography categories	Percent below TCES (%)	Average family-level resource gap of people in families with a gap ($)
All persons	49	34,200
Lives in metro area	48	35,200
Lives outside metro area	54	30,300
Northeast	48	36,100
Metro	48	37,100
Non-metro	52	29,200
Midwest	46	29,100

Geography categories	Percent below TCES (%)	Average family-level resource gap of people in families with a gap ($)
Metro	45	29,800
Non-metro	50	27,700
South	50	32,600
Metro	48	33,300
Non-metro	55	30,600
West	53	39,200
Metro	52	39,900
Non-metro	57	34,700

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. The determination of whether resources are above or below the TCES threshold is made at the family level, not the person level. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. Metro areas must have at least one urban area with a population of 50,000 people. The average family resource gap is the mean difference between families' costs and resources. Estimates do not include unhoused people or people living in nursing homes, homeless shelters, or other group quarters. The Northeast region includes families in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont; the Midwest region includes families in Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin; the South region includes families in Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia; and the West region includes families in Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

The TCES rate varies by homeownership status as well. Families who own their home are less likely to fall below the TCES threshold, regardless of the presence of children or the age of household members (table 17). Among those in homeowner families, 30 percent of people in families with working age adults and no children do not have enough resources to thrive, compared to 43 percent of families with working age adults and children and 39 percent of families with someone age 65 or older. These shares increase for all family types that do not own their home. Among those in renter families, more than four out of five people in families with working age adults and children are economically insecure, followed by 74 percent of families with older adults and 64 percent of non-homeowners with working age adults and no children.

TABLE 17

Share of People with Resources below the True Cost of Economic Security and Resource Gap by Family Type and Home Ownership

Homeowner categories	Percent below TCES (%)	Average Family-Level Resource Gap of People in Families with a Gap ($)
All persons	49	16,900
People in families with no adults age 65 or older		

Children present, homeowners	43	14,200
Children present, non-homeowners	83	38,200
No children present, homeowners	30	7,900
No children present, non-homeowners	64	18,500
People in families with at least one adult age 65 or older		
Homeowners	39	11,200
Non-homeowners	74	26,300

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. The determination of whether resources are above or below the TCES threshold is made at the family level, not the person level. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. The average family resource gap is the mean difference between families' costs and resources. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters.

Factors Driving Families below the TCES Threshold

To better understand the factors contributing to families falling below the TCES threshold, we focus on the five counties with the lowest and highest TCES rates among the 100 most populous counties. We restrict our assessment to the 100 most populous counties to ensure we have a large sample of families. The five counties with the lowest TCES rates (indicating higher rates of economic security) are Williamson County, TX (33.2 percent), Montgomery County, PA (33.1 percent), Monmouth County, NJ (32.8 percent), Oakland County, MI (32.8 percent), and Collin County, TX (32 percent), and the average share of people with resources below the TCES threshold is 32 percent (see table 18). The five counties with the highest TCES rates (the highest fraction of people struggling to achieve economic security) are Bronx, County, NY (78.5 percent), Hidalgo County, TX (66.4 percent), Kern County, CA (61.8 percent), Kings County NY (61.4 percent), and Queens County NY (61.1 percent), and the average share of people with resources below the TCES threshold is 67 percent. Generally, populous counties with low TCES rates are affluent suburbs of urban areas, while counties with the highest TCES rates are a mix of urban and ex-urban areas.[52]

TABLE 18

Median Costs and Resources for Individuals in High and Low TCES Rate Counties (out of 100 Largest Counties) by Family Type

	Highest TCES Rate Counties				Lowest TCES Rate Counties			
		Families with no adults age 65 or older		Families with at least one adult age 65 or older ($)		Families with no adults age 65 or older		Families with at least one adult age 65 or older ($)
	Overall	No children present ($)	Children present ($)		Over-all	No children present ($)	Children present ($)	
Average percent below TCES	67%				32%			
Total cost		126,300	168,100	172,400		121,500	164,100	143,600
Housing		26,000	36,900	36,900		16,600	22,500	18,100
Health care		19,900	28,000	38,100		19,400	21,200	35,700
Food		7,900	15,500	14,900		7,700	13,800	10,500
Transportation		12,200	12,200	12,200		15,900	15,900	15,900
Child care		0	14,800	0		0	15,300	0
Student debt		0	0	0		0	0	0
Disability costs		0	0	0		0	0	0
Savings		11,500	15,300	15,600		11,000	14,900	12,400
Taxes		17,000	12,300	13,300		27,200	31,000	16,300
Other costs		17,500	24,300	24,500		15,200	19,600	17,500
Total resource		119,700	127,200	152,200		161,400	186,200	171,100
Market resources		106,700	96,300	104,100		157,500	178,400	123,800
Market resources with Social Security and Medicare		108,100	96,900	127,600		158,200	178,800	160,700

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. Among the most populated counties, the five highest TCES rate counties are Bronx County, New York, Hidalgo County, Texas, Kern County, California, Kings County, New York, and Queens County, New York. The five lowest TCES rate counties are Williamson County, Texas, Montgomery County, Pennsylvania, Monmouth County, New Jersey, Oakland County, Michigan, and Collin County, Texas. The computations of costs, resources and whether resources are above or below the TCES threshold are made at the family level, not the person level. However, the unit of analysis for computing the medians is individuals. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance.

Differences in TCES rates reflect modest differences in costs and large differences in resources between high and low TCES rate counties. First, consider families with adults (under age 65) and no children. The total cost measured by the TCES threshold is about $5,000 lower in the five low TCES counties (low levels of economic insecurity) than in the five high TCES counties (high levels of economic insecurity), and housing costs are more than $9,000 lower. On the other hand, taxes owed are higher in the low TCES counties but that is driven by higher resources (because taxes are progressive, people with higher incomes carry higher tax liabilities). In contrast to the modest differences in overall costs, the resource differences are stark: adults without children in counties with low TCES rates (i.e., where more people are thriving) have median resources of more than $161,400, compared with about $119,700 in counties with high TCES rates.

For families with adults (under age 65) and children, most itemized cost items are higher for those living in counties with higher levels of economic insecurity (high TCES rates). Housing and health care both cost substantially more in counties with high TCES rates than in counties with low TCES rates ($36,900 vs. $22,500 for housing $28,000 vs. $21,200 for health care). Overall, however, costs for families in counties with high TCES rates (counties where fewer people are thriving) are only slightly higher than for those in counties with low TCES rates. The differences in TCES rates between high and low TCES counties instead arise from differences in available resources. Indeed, the resources for adult families with children in low TCES rate counties far exceed those of similar families in high TCES rate counties ($186,200 vs. $127,200). Those differences largely reflect differences in the market-generated resources of those families rather than in social supports. In other words, families with adults and children in counties where families are poised to thrive (i.e., counties with low TCES rates) receive higher compensation from their jobs and have higher levels of investment and interest income, on average, than similar families in counties with high TCES rates.

Among families with adults age 65 and over, we see that costs are notably lower and that resources are higher in counties with low TCES rates than in counties with high TCES rates. In the counties with the most economic insecurity (highest TCES rates), the median TCES threshold is $172,400, higher than the $143,600 threshold in counties with the lowest TCES rates. The difference in resources between families with adults age 65 and older in counties with low TCES rates (where more people are poised to thrive) and those in counties with high TCES rates is also large ($171,100 vs. $152,200).

Trends and the Impact of Enhancements

The 2023 TCES measure includes additional costs and resources not captured by our original 2022 measure. Specifically, the enhancements for 2023 add in costs associated with caring for a person with

disability related to the activities of daily living, potential offsets to those costs stemming from the presence of potential caregiver in the home, child care costs for 12 year olds, and the implicit resources long-time homeowners derive from having no or very low mortgage costs relative to the rental cost of adequate housing.[53]

To assess the importance of these enhancements, we compute an unenhanced version of the TCES for 2023 and compare it to our enhanced measure (see table 19). For our three focal family types, median costs are unaffected by the enhancements, but median resources are consistently higher. Median annual enhanced resources for 2023 are $1,700 higher than unenhanced resources for people living in families with only adults under age 65 and no children. They are $2,200 higher for people in families with children and all adults under age 65 and $5,100 higher people in families with adults ages 65 and over. These additional resources largely reflect the value of owner-occupied housing, and older adults are more likely than younger adults to be long-time homeowners.

TABLE 19

Difference Between 2023 Enhanced and 2023 Unenhanced Measure for Median Costs and Resources by Select Costs and Resources for Persons by Family Type

	Families with No Adults Age 65 or Older		Families with at Least One Adult Age 65 or Older ($)
Cost and Resource Categories	**No children ($)**	**Children present ($)**	
Total cost	0	0	0
Housing	0	0	0
Health care	0	0	0
Food	0	0	0
Transportation	0	0	0
Child care	0	0	0
Student debt	0	0	0
Disability costs	0	0	0
Savings	0	0	0
Taxes	0	0	0
Other costs	0	0	0
Total resource	1,700	2,200	5,100
Market resources	1,600	2,200	5,600
Market resources with Social Security and Medicare	1,600	2,200	5,200

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs and resources of each individual with a particular family type. The family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased

away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance.

With resources somewhat higher and costs largely similar for most families, it is not surprising that enhanced TCES rates are lower than unenhanced TCES rates (table 20). Overall, the enhancements lower the TCES by 2 percentage points. Across the three focal family types, enhancements lower the TCES rate by 1 percentage point for people in families with all adults under age 65 both with and without children and by 4 percentage points for people in families with adults ages 65 and older.

TABLE 20

Difference Between 2023 Enhanced and 2023 Unenhanced Measure, Share of People with Resources below the True Cost of Economic Security and Resource Gap by Family Type

Family categories	Difference in percent below TCES (percentage points)	Change in average family-level resource gap of people in families with a gap ($)
All	-2	-1,800
By family type		
Families with only adults under age 65, no children present	-1	-1,000
Families with only adults under age 65, children present	-1	-1,400
Families with adults ages 65 and older	-4	-3,500

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. The determination of whether resources are above or below the TCES threshold is made at the family level, not the person level. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. The average family resource gap is the mean difference between families' costs and resources. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters.

Because our enhanced TCES measure for 2023 is not strictly comparable to the unenhanced measure for 2022, we cannot make strong statements regarding changes in the TCES thresholds and rates; however, we can compare the unenhanced TCES measure for 2023 with a comparable measure for 2022 (table 21).[54] Median costs and resources in nominal dollars rose for people in all three of the focal family types, with resources rising faster than costs. This is consistent with the real income growth observed over those two years as inflation abated a bit and the economy continued to recover from COVID-19 pandemic disruptions. As such, in 2023, the overall unenhanced TCES rate fell by 1

percentage point, with rates declining by 2 percentage points for people in families with all adults under age 65 with children and by 1 percentage point for people in families with all adults under age 65 without children. For people in families with adults ages 65 and older, the unenhanced TCES rate increased by about 1 percentage point in 2023.

TABLE 21

Difference Between 2023 Unenhanced and 2022 Adjusted Measure Share of People with Resources below the True Cost of Economic Security and Resource Gap by Family Type

Family categories	Difference in percent below TCES (percentage points)	Change in average nominal family-level resource gap of people in families with a gap ($)
All	-1	4,300
By family type		
Families with only adults under age 65, no children present	-1	3,500
Families with only adults under age 65, children present	-2	2,400
Families with adults ages 65 and older	1	9,500

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS model to the 2018 American Community Survey, IPUMS USA, University of Minnesota, www.ipums.org, projected to 2022. Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.

Notes: TCES = true cost of economic security. The determination of whether resources are above or below the TCES threshold is made at the family level, not the person level. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. The average family resource gap is the mean difference between families' costs and resources. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters.

Discussion

According to the TCES measure, almost half of US residents lived in families not primed to thrive in 2023. It is not a measure of poverty or extreme need, and many families with resources below the TCES threshold make ends meet by cutting back in certain areas (e.g., living in cramped quarters, making do without paying for formal child care) and by forgoing saving for the future. But it is a measure that captures the experience of people who often slip through the cracks of traditional measures of well-being, and our TCES shows the share of people for whom the promise of economic security and a better future is just out of reach.

The measure explicitly considers most of the significant costs a family must meet and takes a similarly comprehensive view of all the resources families have to meet those costs. The costs and resources may seem high, as some costs and benefits are hidden and others are "netted out." For example, a family may not know how much their employer-sponsored health insurance costs or how much their employer pays toward their premiums. Similarly, families generally know their net tax liability but may not know how much tax credits supplement their resources. By making costs and resources explicit and visible, the TCES can help policymakers better understand the barriers families face in striving for economic security and the supports that would be most useful for them.

Families of every kind in all corners of the US struggle for economic security. In particular, families with children and one adult under age 65 (e.g., single-parent families) and large families (those with three or more children) are likely to have resources below the TCES threshold. Those types of families face higher housing costs and higher child care costs than smaller families. In the case of single-parent families, they have fewer potential means to gain resources.

When we focus on the places with the highest TCES rates—the highest shares of people whose resources fall below the TCES threshold—we find that a lack of resources rather than unusually high costs is the driving factor behind economic insecurity. Although people in high-cost areas are struggling, their resources come closer to meeting their higher costs than in lower-cost and lower-resource areas.

Our assessment of the true cost of economic security reflects circumstances in 2023. Our enhanced 2023 TCES measure is not strictly comparable to our original measure for 2022. However, when we compare an unenhanced measure for 2023 with a comparable measure for 2022, we find that the share of people struggling economically fell from 52 percent in 2022 to 51 percent in 2023. This improvement is consistent with the slowing inflation rate between 2022 and 2023 as well as growth in inflation-adjusted median family income.

Nevertheless, nearly half of all people in the US live in families that are struggling economically and not poised to thrive. Enhancements to the TCES show that families caring for someone with a self-care disability face additional costs and that more than three out of four people in those families lack the resources to be economically secure. In addition, more than four out of five people living in families without adults ages 65 and older and without a full-time, full-year worker fall below the TCES threshold. Full-time, full-year work greatly reduces the chances of economic insecurity, but it offers no guarantee that families are poised to thrive. Among people in families with working age adults and no members over the age of 65, 43 percent fall below the TCES threshold.

Although our enhanced TCES captures many of the costs families must cover to be poised to thrive and the resources they have to meet them, there are important factors to keep in mind. First, our data on people come from the ACS, and the ACS excludes people living in shelters and temporary housing. People in those situations are likely to be struggling economically and perhaps farthest away from economic security. Second, some families struggle with medical debt stemming from the cost of necessary medical care. We do not have reliable data on this debt cost. Third, our data on resources likely undercount support received from pensions and retirement accounts. And finally, we do not measure inter-family supports—for example, a grandparent providing child care or an adult child providing elder care, when those relatives live in a separate household. As we continue to update and enhance the TCES, we hope to better capture these costs and resources.

As concerns over "affordability" rise, the TCES can be a useful tool to measure the extent of the challenges and help policymakers formulate policy responses. The government generally has used its power more to expand family resources than to lower the costs of goods and services. For example, over the last decade, the government has increased tax credits for many families with children and increased the subsidies families purchasing health insurance on market exchanges can receive (Congressional Research Service 2024).[55] Examples of the government explicitly reducing costs are more limited. For example, it has reduced student debt burdens for some borrowers.[56] Federal efforts are also underway to lower the cost of certain prescription drugs.[57]

The TCES can also help us measure the effect of federal and state policy maker decisions on families' economic security over time. For example, the enhanced health insurance premium tax credits expired at the end of 2025 and this change will likely result in both higher health care costs and lower resources for families previously eligible for subsidies (Lo et al. 2025). Other legislation made substantial cuts to SNAP and Medicaid and instituted additional restrictions that may reduce benefits and the number of people participating in these programs (Wheaton et al. 2025).[58] The TCES can provide insight on the impact of these policy changes, once they are fully implemented, on the gap between families' costs and resources and overall rates of economic security.

Federal, state, and local governments have various options for helping families move toward and achieve economic security. However, we must be mindful that the challenges vary from place to place and family to family. On the resource side, governments can take steps to help families earn more market income through policies like increasing minimum wages and increasing employment stability through paid leave. Families can also garner more income if they have more in-demand skills. Expanded apprenticeship programs and community college curricula developed with local employer needs in mind can help families earn more. A more long-term solution includes improving K-12 education, which

boosts skills and earnings potential of children as they grow into adulthood. Governments can also provide more direct aid to families by expanding tax credits to those with children and working families with low to moderate incomes, increasing subsidies and tax credits for child care, and offering generous subsidies to families purchasing health insurance. On the cost side, governments can work to reduce costs in various ways. For example, they can use its market leverage to negotiate with pharmaceutical companies to reduce medical costs, lower transportation costs by reducing public transportation costs and the taxes and fees related to car ownership, and lower housing costs by encouraging the expansion of housing options through changes in zoning and permitting policies. Some options are best pursued at the federal level, while many will work at the state and local levels.

These options involve important trade-offs. A higher minimum wage may reduce job opportunities for younger workers. Financing tax credits and subsidies may strain government budgets and require tax increases on higher-income families. Increasing housing opportunities may lead to more congestion. These are just a few examples of the many potential concerns. But these steps will put economic security within reach of millions of families, and more families will have the resources to invest in themselves, their children, and their communities, with benefits unfolding through future generations.

Policymakers, advocates, and the public must make these choices, and the TCES measure can inform their debates. That almost half of all people in the US are struggling to achieve economic security illustrates the need for action. The explicit consideration of the costs and resources families face and how those costs and resources vary between family types and by place allows us to understand the nature of the challenges—where are struggles driven by low resources, where are they driven by high costs, and which costs place the greatest burdens on families? The solutions will need to be as diverse as the challenges, and our true cost of economic security measure and the insights garnered from it can help guide the discussion.

Appendix A. Sources and Methods for Cost Elements

TABLE A.1

Sources and Methods for Cost Elements

Element of costs	Sources of data used to estimate costs	Methods for estimating costs for the families in the ACS data[a]
Housing	■ Fair market rent (FMR) values from the Department of Housing and Urban Development (include utilities) ■ FMR values vary by number of bedrooms and geographic area (metropolitan area or nonmetropolitan county).	■ For each family, the required number of bedrooms is estimated (1 for a couple, 1 for each person 12 or over; up to 2 people ≤ 11 of same sex are assumed to share a bedroom). ■ The family's housing cost is the FMR for that number of bedrooms in the family's geographic location.[b]
Food	■ Low-Cost Food Plan from USDA; varies by age group and, for ages ≥ 12, by sex ■ For Alaska and Hawaii, we computed the ratio of the Thrifty Food Plan (TFP) cost for 2 adults and 2 children to that plan's cost in the other 48 states and DC. ■ USDA estimate of adjustment to family-level costs for family sizes larger or smaller than 4 people ■ Feeding America's "Map the Meal Gap" (MMG) data on per-meal costs, nationally and by county	■ The Low-Cost Food Plan amounts are averaged across detailed age groups and across men and women to create four values: ≤ 5, 6–11, 12–18, ≥ 19. Low-Cost Food Plan amounts for Alaska and Hawaii are estimated using the ratio of the TFP cost in those states to the 48-state TFP cost. ■ County-level values are estimated as the Low-Cost Food Plan amount times the ratio of a county's MMG meal cost to the national meal cost. County-level values are converted to Public Use Microdata Area (PUMA) level. ■ For each family, total food cost equals the sum of individual person-level costs in that family's PUMA, multiplied by the family-size adjustment.
Health Care (insurance)	■ Full (unsubsidized) premium costs for the second-lowest-cost "silver" plan in the health insurance marketplace, obtained from Kaiser Family Foundation's Health Insurance Marketplace Calculator ■ Premiums vary by county ■ In most states, premiums were obtained for ages 13, 17, 20, 40, and 60. In New York and Vermont, premiums were obtained by type of health insurance unit—individuals or couples, with or without children.	■ County-level premium amounts were converted to PUMA-level.[c] ■ In states where premiums vary by age, the family's insurance cost is the sum of person-level premium costs in their PUMA. People ≤ 13 use age-13 premium; people 14–17 use age-17 premium; people 18–20 use age-20 premium. For people 21–60, the premium is interpolated using premiums for ages 20, 40, and 60. Premiums are assumed to increase by 3.0% per year starting at age 61, and by 2.5% per year starting at age 75; premiums for ages 85 and older are assumed to be the same as for age 84. ■ For New York and Vermont, families are divided into health insurance units (HIUs,

Element of costs	Sources of data used to estimate costs	Methods for estimating costs for the families in the ACS data[a]
		defined as individuals or married couples and their children ≤ 25). For each HIU, health insurance cost is based on type of HIU and PUMA. The family's cost is the sum of the HIU costs.
Health care (MOOP)	■ Data on medical out-of-pocket (MOOP) spending from the Current Population Survey's Annual Social and Economic Supplement (CPS ASEC); we computed median MOOP spending (excluding premiums and people enrolled in Medicaid or CHIP or with marketplace subsidies) by state and by age group (0–13, 14–20, 21–39, 40-59, 60–69, 70–79, 80 and older). ■ Data on total MOOP imputed to the ACS by the Census Bureau; we computed each PUMA's median relative to the state's median.	■ For each family, we assigned the MOOP value based on age group and state (the CPS ASEC data) and adjusted the total based on the ratio of PUMA-level MOOP to state-average MOOP from the Census Bureau's ACS imputations.
Caregiving (Child care)	■ Median prices of center-based child care, obtained from DOL's National Database of Childcare Prices, for most states and counties ■ Prices vary by age group; we obtained values for infants, toddlers, preschoolers, and school-age children. ■ State-specific surveys of "market rates" were used when data in the DOL database were missing for a particular place.	■ County-level prices were converted to PUMA level.[c] ■ In each family, a child care cost was assigned for each child age 12 or younger, and for each child aged 13–18 receiving Supplemental Security Income. Costs were based on PUMA and by age. The infant value was used for children ≤ age 1, the toddler value was used for children age 2, the preschool value was used for children ages 3–4, and the school-age value was used for children age 5 and older.
Caregiving (Disability)	■ Hourly cost of care for a home health aide by state, obtained from Genworth's Cost of Care Survey ■ Prices vary by level of need based on information derived from a literature review; 20 hours per week for 60 percent of people with a self-care disability and 40 hours per week for 40 percent of people with a self-care disability ■ All children with a self-care disability require the higher level of care (40 hours)	■ We identify families with a person with a self-care disability. All children in these families with self care disabilities are assigned the higher level of care. ■ Adults with a self-care disability are randomly selected to receive 40 hours or 20 hours of care. ■ For each individual, the number of hours of care is multiplied by the state-wide hourly rate to estimate the weekly cost of care.
Transportation	■ Average annual costs of auto ownership, auto maintenance/usage costs, and transit costs, at 80% of the area median income, obtained from Center for Neighborhood Technology's Housing and Transportation (H+T) Affordability Index.[d]	■ County-level transportation costs were converted to PUMA-level.[c] ■ Each family's transportation cost is set to the average for their PUMA.

Element of costs	Sources of data used to estimate costs	Methods for estimating costs for the families in the ACS data[a]
	■ Data are provided at the national, state, and county levels.	
Technology	■ Broadband: A review of consumer and provider survey data, which suggests a cost of approximately $60 per month ■ Cellphones: Data from Consumer Reports, which suggest a cost of approximately $65/month for the first phone, with reduced costs for additional phones on the same plan.	■ Broadband: Each family is assigned a cost of about $60 per month. We assume the cost of equipment is included in the monthly service cost. ■ Cellphones: Each person age 13 and older is assumed to have a cellphone. The cost of the first phone is about $65 per month; the cost of additional phones is 50 percent of the base cost. We assume the cost of a phone is captured in the monthly service cost.
Taxes owed	■ Tax liabilities simulated by the ATTIS model, including federal income taxes, state income taxes, and payroll taxes.	■ Each family's tax costs are assigned as their tax liabilities as simulated by ATTIS (prior to any credits) based on their *current* level of income. ■ Other types of taxes (sales tax, property tax, city or local taxes) are not included.
Debt service	■ Data from the Debt in America tool, providing the share of people with student loan debt and their median monthly payments on that debt, by county, among people with credit records. ■ Estimate from the Consumer Financial Protection Bureau that 11 percent of adults do not have a credit record	■ We converted the percentage with debt to numbers, using county population and the estimated portion of all adults without a credit record. ■ For areas of states not identified in the ACS, we converted county-level numbers of student debt holders and median payment amounts to balance-of-state weighted averages. ■ For each county or balance-of-state area, we assigned the estimated number of student debt holders among all people ages 19–45 with any postsecondary education (including those without a degree). Each person assigned to have debt was assigned the median payment for the applicable county or balance-of-state area.
Miscellaneous	■ Consumer Expenditure (CE) Survey data for five categories of spending: apparel and services, housekeeping supplies, personal care products and services, food away from home, and civic engagement. (Civic engagement expenses are made up of multiple additional CE cost categories.) ■ Data vary by family size (1, 2, 3, 4, and 5 or more people) and by 4 regions: Northeast, Midwest, South, West	■ For each family, the cost is assigned based on family size and region of the country.
Savings targets	■ N/A	■ Each family with at least one member in the age range of 18–64 is assigned a savings target equal to 10 percent of the sum of all other costs assigned to the family.

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS model to the combined 2023 American Community Survey (ACS) data, and 2022 ACS data reweighted to reflect 2023 population and income characteristics. ACS data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.

[a] Costs are established for each family, defined as all related people plus unmarried partners and their families. Unrelated individuals and unrelated families within a household (who do not have cohabitor relationships with other household members) are treated as separate families.

[b] If a family's county or metropolitan area is identified in the American Community Survey, the applicable FMR is used. If that information is not provided but the location is identified as either metropolitan or nonmetropolitan, a weighted average of metropolitan or nonmetropolitan FMRs is used. If metropolitan status is not identified, a weighted average across all the state's FMRs is used.

[c] For these cost values, when a PUMA includes more than one county, the PUMA's cost value is a weighted average of the applicable county-level values, based on the portion of the PUMA's population living in each county. Population data for counties and PUMAs were obtained from the GeoCorr tool.

[d] The averages include zeroes; thus, the average in a place reflects not only the cost for households paying that expense but the relative portion of families in that area who have that type of expense.

Appendix B. ATTIS Methodology

This technical appendix describes how we use the Urban Institute's Analysis of Transfers, Taxes, and Income Security (ATTIS) microsimulation model to produce the TCES. First, we briefly describe the underlying data source, key features of ATTIS, and modifications made to the data.[59] We then discuss how we use external cost data and the estimates from ATTIS to produce the TCES.

The American Community Survey

The data source underlying the ATTIS estimates is the American Community Survey (ACS) data. The ACS is a nationally representative survey conducted by the US Bureau of the Census. The version of the survey available for public use includes information on over one million households, allowing detailed national and state-level analysis. For this analysis, we use a combined 2022 ACS and 2023 ACS data file (almost doubling the sample size), which a group of Urban Institute staff previously adjusted to better represent the population and economic conditions of 2023 (described later in this appendix).

The ACS includes detailed demographic and economic information on US households. This includes information on the demographic characteristics of each person in the household and the composition of the household. It also includes information on various sources of income, employment status of adults in the household, and health insurance status.

Estimating Taxes and Program Eligibility and Benefits Using ATTIS

We produce TCES estimates using a combination of data in the adjusted ACS data file (data reported for 2022 and 2023 with some adjustments to better represent 2023), and data simulated by ATTIS, a comprehensive microsimulation model used to study the US social safety net and the economic well-being of families and individuals. Developed with initial funding from the Casey Foundation and the Robert Wood Johnson Foundation, ATTIS uses data from the ACS to apply policy and program rules at individual and household levels to help answer detailed policy questions related to program eligibility, enrollment, and benefits. ATTIS includes representations of payroll taxes, state income taxes, and federal income taxes, as well as all the key benefits supporting families with lower incomes, including cash assistance programs, nutrition programs, and programs that make housing, utilities, or child care

more affordable. For each program and each family included in the survey data, the model goes through the same steps that a caseworker would follow to determine whether that family is eligible for a benefit in each month of the year. The eligibility modeling is detailed, capturing national- and state-level policies to the greatest extent possible given the information available in the survey data.

Before ATTIS can be used to determine each sampled household's total resources and whether they are eligible for and receive each safety net program, Urban Institute researchers augment the data in various ways. Although the ACS includes substantial information on family relationships, work activity, and sources and amounts of income, some key information is missing from the survey. To address these data limitations, we make the following adjustments:

- allocating survey-reported earnings across the months of the year based on the number of weeks a person reported working (to allow assessment of monthly program eligibility)
- imputing whether each noncitizen is a lawful permanent resident, refugee or asylee, temporary resident, or unauthorized immigrant (as those distinctions are important for determining eligibility for benefit programs)
- imputing whether a parent's unmarried partner is also the second parent of one or more of the children (as parentage affects whether the unmarried partner is considered in determining the family's eligibility for TANF or CCDF)
- estimating what portion of a person's survey-reported "other" income is unemployment compensation, and adjusting for underreporting of unemployment compensation
- estimating what portion of a person's survey-reported "other" income is child support, as some benefit programs treat child support differently from other types of income

The version of the ACS data we use, from the University of Minnesota's Integrated Public Use Microdata (IPUMS) project, also includes highly validated imputations of some detailed household relationships not collected in the survey (Ruggles et al. 2020).

For this analysis, we use ACS data collected in 2022 and 2023 that had been adjusted by a group of Urban Institute researchers to represent households and economic conditions in 2023. Adjusting the data ensures they reflect the population size and characteristics, state minimum wage levels, employment rates, and income levels as of 2023. In addition to our standard imputations, we modify the data file in a few key ways to represent 2023.

- **Population adjustments.** The adjusted file has a set of modified population weights reflecting a total of 327 million people living in households in 2023.[60] The weights are adjusted using a variety of demographic factors to capture the changes in the population size and composition as of 2023.
- **Employment adjustments.** The employment data in the two-year ACS file are adjusted to come close to actual employment data at the start of 2023 and to approximate a combination of actual and projected data for increased employment through the remainder of the year.
- **Wage and salary adjustments.** The reported earnings are adjusted to capture nominal increases in overall earnings between the two years to capture higher minimum wages in some places in 2023 compared with 2022**.**
- **Adjustments to unearned income.** Several sources of unearned income are adjusted to capture nominal increases between 2022 and 2023. This includes, but is not limited to, adjustments to Social Security income, pension income, and child support income.

These adjusted ATTIS data are then used to determine eligibility and participation in each key program in the safety net, one by one, reaching the actual 2023 caseloads for each program. The simulation of each program identifies who is eligible for that program, how much they received, and each program's total caseload. The ATTIS simulations are internally consistent, with the simulated caseload in one program affecting the simulation of subsequent programs. For example, whether someone is eligible for SNAP depends in part on how much of the applicant's gross income is disregarded because their rent is a high portion of their income, and that "excess shelter expense" is likely to be higher for households that do not receive a housing subsidy; therefore, the simulation of which households benefit from public or subsidized housing occurs before the simulation of the SNAP program.

One caveat regarding the ATTIS estimates is that they do not include people living in either institutions or other group quarters (e.g., a nursing home, homeless shelter, or residential treatment facility). Although the ACS surveys people in group quarters and some may be eligible for some benefits, we cannot assess eligibility for those individuals because the public-use ACS does not provide information on the type of group quarters. Thus, our estimates are restricted to people living in households.

Geographic Information Available in the ACS

A primary goal of the TCES analysis is to determine families' cost of living at a local level. Some costs, like housing and child care, can vary substantially even within a state, and many of the cost data sources used to determine the TCES provide detail at the county level.

The ACS also includes information on households' geographic location. The smallest geography available in the public use file is a Public Use Microdata Area (PUMA). PUMAs are contiguous geographic areas with a population of at least 100,000. A PUMA may contain the entirety of a single county (and no other counties), a portion of a single county (and no other counties), or all or parts of multiple counties. When a household is in a PUMA that has the same borders as a single county, or that contains a part of one county (and no other county), then knowing the household's PUMA means we also know the household's county of residence. However, if a PUMA consists of all or parts of multiple counties, then the survey data do not identify the household's county of residence. In the ACS data used for this analysis, the specific county is unavailable for 40 percent of the sampled households. However, the survey always identifies a household's PUMA and may also identify whether the PUMA is metropolitan or nonmetropolitan or the PUMA's core-based statistical area (CBSA, a core urban area with which the area is closely integrated).

When our source data for a **cost element** varies by county, we use the data for a household's specific county when it is identified, but if it is not, we address the limitation in different ways for different cost measures.

In the case of **housing costs**, we assign fair market rents based on a combination of information. First, if the county is identified, we use the FMR for the appropriate number of bedrooms for that county. Next, if the county is not identified by CBSA, we used the FMRs for the county where that place was located. We also develop weighted averages of FMRs across metropolitan and nonmetropolitan areas in the state, and for the state as a whole. If neither county nor CBSA is identified, but the household's metropolitan status is provided, we assign the FMR based on the appropriate average; if that status is not available, we assign the FMR for the appropriate number of bedrooms using the weighted average data for the state as a whole.

In the case of **student debt**, we use the source data to estimate total student debt holders in each county identified in the ACS and, for each state, across all the counties in that state that are not identified in the ACS. We then assign student debt to reach the targeted numbers in each identified county and in the balance of each state.

For the remaining cost elements with county-level variation in the source data—**food, health insurance premiums, child care, and transportation costs**—we use the county-level data to develop weighted-average costs for each PUMA that includes households from more than one county. Our procedure requires first understanding the relationship between PUMA borders and county borders. We obtain this information from the GeoCorr system developed and made publicly available by the Missouri Census Data Center.[61] These data show the portion of each PUMA's population in each county. Using this information, for each PUMA, we weight each county's costs by the percentage of each PUMAs population that resides in each county. For PUMAs made up entirely of a single county, the PUMA's costs are equal to the county costs with no adjustment applied. For PUMAs made up of several counties, the PUMAs costs are equal to the weighted average determined using this method. For example, if 40 percent of a PUMA's population resides in county A and 60 percent resides in county B, the cost of a particular need in that PUMA is estimated at 40 percent of the amount for county A from the source data and 60 percent of the amount for county B.

Measuring the True Cost of Economic Security

Using ATTIS, we create a data file for our TCES analysis, combining information on each family's demographic characteristics, location, reported health insurance status, earned and unearned income, tax liability, resources from each safety-net program, and tax credits. We then use the demographic, financial, and geographic information for each family to determine each element of the TCES cost measure, and to estimate the resource elements not already determined within ATTIS (the assignments of parent-provided child care and the assumed values of health-related resources).

Finally, we compare each family's resources against their costs. For some resources, we consider the full monetary value of a family's resources against the cost. For example, a family that receives $1,400 annually in SNAP benefits would have the full value of the benefit compared to their total annual food expenses. However, some resources, such as Medicaid benefits, do not have a clear dollar value. Rather than attempt to assign a value to these benefits, we assume a family receiving Medicaid does not require additional health insurance; therefore, their premium costs are fully offset by receipt of Medicaid. Families whose costs exceed their resources are determined to be below the true cost of economic security level.

Appendix C. Explaining the Apparent Decline in Child Care Costs

The median child care costs for people in families with children and no older adults decreased from $12,300 in the 2022 TCES to $12,000 in the 2023 TCES (unenhanced), appearing to indicate that median child care costs were actually lower in 2023 than 2022. However, the raw National Database of Childcare Prices (NDCP) data, which are used to estimate child care expenses in the TCES, reveal that child care prices actually increased, on average, over the years of available data. This discrepancy does not reflect an error in the TCES estimates and is instead attributed to a few factors—the use of more recent data, a disconnect between the inflation factors used to estimate costs in the 2022 and 2023 TCES measures, and changes to the methodology used in the underlying source data.

The TCES uses the most recent available data to estimate families' total costs. During development of the original 2022 TCES, the most recent county-level data on child care expenses was the Department of Labor's 2018 NDCP. The original 2022 TCES adjusted the 2018 data to 2022 dollars using the Consumer Price Index for tuition, other school fees, and child care. NDCP released child care price data for 2022 prior to development of the 2023 TCES measure, therefore this measure uses the newer 2022 NDCP data adjusted to 2023 dollars.

The raw (unadjusted) 2018 and 2022 NDCP data show that child care prices increased, on average, between 2018 and 2022. Take, for example, Sussex County, Delaware, where the price of child care increased slightly between the two years of available NDCP data. Infant care in this county was about $182 per week in the raw 2022 data, about $2 higher than in 2018. After inflation adjustments, however, infant care in Sussex amounted to about $196 per week in the original 2022 TCES measure, compared to $187 per week in the 2023 TCES. This indicates that even though prices did increase over time, the actual percent increases from the 2018 to 2022 raw data (across the counties) were lower than the presumed increase embedded in the 2018-to-2022 inflation factor.

In some cases, the larger than expected differences may also be due in part to methodological changes in the primary sources. The NDCP primarily obtains child care price data through the most recent state market rate surveys. The survey data underlying the NDCP may change from year to year as primary sources become unavailable or as states make changes to how they capture market rate data from child care providers. These changes may impact the costs modeled in the TCES measure and paired

with the inflation discrepancy noted above, artificially exacerbate the difference in child care costs between the 2022 and 2023 TCES measures.

One potential example of this is child care pricing in New York. Sufficient market rate survey data were not available during the development of the 2018 NDCP, therefore DOL used complex modeling and imputations to estimate 2018 child care prices in New York counties. In 2022, New York child care prices were instead obtained using market rate survey data from the state, but the counties were newly organized into county clusters rather than individually reporting rates in each county. These two factors—updated methodology and new geographic groupings—may have an impact on the observed changes in child care prices between 2022 and 2023. In Bronx County, New York, the price of infant care was $398 per week in the raw 2018 data. In the raw 2022 data, the cluster that includes Bronx County (among other counties) was $300 per week, much lower than in the 2018 NDCP. Once adjusted for inflation, we observe an even larger difference in estimated weekly costs; the hourly rate for infant care in the Bronx is estimated to be about $125 lower in the 2023 TCES than in the 2022 TCES.

Appendix D. Adjustments to the 2022 TCES

One benefit of a TCES measure is the ability to compare families' economic circumstances over time. To analyze trends in financial security, we must employ consistent methodology across each TCES edition. Here, we discuss two adjustments made to the 2022 TCES to better align with the 2023 methodology and the impact of these adjustments on overall findings.

Health Insurance Costs

We overestimated premium costs and resources for adults over age 75 in states with age-rated premiums. We reran the analysis to correct their health insurance expenses and resources in alignment with the methodology described in the 2022 report—premiums for adults ages 75 through 84 increase 2.5 percent per year (relative to the premium for a 74-year-old) and premiums for adults ages 85 and older are the same as for adults at age 84.

Table D.1 compares the median costs, resources, and TCES rates for families with older adults in the original 2022 TCES and the adjusted 2022 TCES. We observe no differences for families without older adults because the health insurance adjustment was limited to those ages 75 and older. This adjustment also results in almost no change to the TCES rates; the overall rate decreased by 0.1 percentage points. However, both overall costs and resources are somewhat lower in the adjusted 2022 TCES. The median TCES threshold among people in families with adults age 65 and older was about $105,000 in the original 2022 TCES. The adjusted 2022 TCES shows the true median threshold was somewhat lower, at $97,300, once health insurance premiums were corrected for older adults. The differences in median TCES thresholds are driven by the reduction in health care premium expenses, but we also observe changes in the overall savings targets for families with older adults, as savings are a function of families' total costs.

TABLE D.1

Comparing Original and Adjusted Estimates of TCES Rates and Median Costs and Resources for Families with Adults Ages 65 and Older

Cost and resource categories	Original (2022)	Adjusted (2022)	Difference
Percent below TCES	48%	48%	-0.1
Total cost ($)	105,100	97,300	-7,800
Housing	13,300	13,300	0
Health care	34,100	31,200	-2,900
Food	7,000	7,000	0
Transportation	15,400	15,400	0
Child care	0	0	0
Student debt	0	0	0
Savings	7,000	7,000	0
Taxes	5,300	5,300	0
Other costs	15,400	15,400	0
Total resource ($)	109,200	102,800	-6,400
Market resources	60,500	57,500	-3,000
Market resources with Social Security and Medicare	102,000	95,400	-6,600

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS model to the 2018 American Community Survey, projected to 2022. ACS data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: TCES = true cost of economic security. The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs and resources of each individual with a particular family type. The family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, and employer-sponsored health insurance.

We also observe a reduction in the total resources available to families with older adults. Total median resources are about $6,000 lower in the adjusted 2022 TCES. Most adults ages 75 and older are Medicare eligible, therefore their health insurance expenses are directly offset by the value of the premium.

Child Care Costs

The original 2022 TCES assigned child care expenses to children ages 11 and younger rather than assigning child care to children ages 12 and younger, thereby underestimating child care expenses for a limited number of families. For consistency across 2022 and 2023, we update the 2022 TCES to assign child care costs to all children ages 12 and younger.

Table D.2 compares median costs, median resources, and TCES rates among families with children and no older adults. Using the adjusted data, we find that 59 percent of people in families with children had resources below the TCES in 2022. The median TCES threshold is about $1,100 higher for people in families with children and no older adults. Median total resources remain unchanged for this family type because child care resources were allocated to families with children ages 12 and younger in the original 2022 TCES (through parent-provided care or receipt of child care subsidies).

TABLE D.2

Comparing Original and Adjusted Estimates of TCES Rates and Median Costs and Resources for Families with Children and Only Adults under Age 65

Cost and resource categories	Original (2022)	Adjusted (2022)	Difference
Percent below TCES	58%	59%	0.7
Total cost ($)	134,800	135,900	1,100
Housing	18,200	18,200	0
Health care	20,400	20,400	0
Food	12,800	12,800	0
Transportation	15,500	15,500	0
Child care	11,400	12,300	900
Student debt	0	0	0
Savings	12,300	12,400	100
Taxes	15,700	15,700	0
Other costs	18,700	18,700	0
Total resource ($)	121,000	121,000	0
Market resources	108,000	108,000	0
Market resources with Social Security and Medicare	108,900	108,900	0

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS model to the 2018 American Community Survey, projected to 2022. ACS data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.

Notes: The unit of analysis consists of individuals who are classified by their family composition. The medians are based on the family-level costs and resources of each individual with a particular family type. The family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17, or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include people who are unhoused or living in nursing homes, homeless shelters, or other group quarters. Other costs include miscellaneous expenses, such as food purchased away from home, apparel and services, personal care products and services, housekeeping supplies, and civic engagement expenses. Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, and employer-sponsored health insurance.

Appendix E. Shares of All People in the Data

These tables detail the share of the total population that is represented within each family type or characteristic. The ACS data file used for this analysis represents 327 million people.

Table E.1 presents the share of people by age and three family types. About 22 percent of the total population are children under age 18, 60 percent are adults ages 18 to 64, and the remaining 18 percent are adults ages 65 and older. Looking across family types, 31 percent of people live in families with no children and with only adults under age 65, 43 percent live in families with children and only adults under age 65, and 26 percent live in families with adults ages 65 and older.

TABLE E.1

Share of People by Age and Family Type in 2023

Categories	Percent of total population
By age range	
Children (under age 18)	22%
Adults ages 18–64	60%
Adults ages 65 and older	18%
By family type	
Families with only adults under age 65, no children present	31%
Families with only adults under age 65, children present	43%
Families with adults ages 65 and older	26%

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: Total population is 327 million. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family, and some families may consist of a single individual. An adult is over age 17 or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include unhoused people or people living in nursing homes, homeless shelters, or other group quarters.

Table E.2 shows the share of the population residing in families of different sizes and compositions. About 21 percent of people live in families with two or more adults under age 65 and no children, and 37 percent of people live in families with at least two adults under age 65 and at least one child. Eleven percent of people live in a family with two adults (at least one adult age 65 or older) and no children.

TABLE E.2

Shares of People by Family Type in 2023

Categories	Percent of total population
People in families with only adults under age 65	
One adult, no children	10%
One adult, 1 child	2%
One adult, 2 children	2%
One adult, 3+ children	1%
One adult, 1+ children	5%
Two or more adults, no children	21%
Two or more adults, 1 child	12%
Two or more adults, 2 children	14%
Two or more adults, 3+ children	11%
Two or more adults, 1+ children	37%
People in families with at least one family member ages 65 or older	
One adult, no children	5%
Two adults, no children	11%
One adult, 1+ children	0.1%
Two adults, 1+ children	1%
Three or more adults	8%

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: Total population is 327 million. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17 or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include unhoused people or people living in nursing homes, homeless shelters, or other group quarters. The family types presented in this table are not mutually exclusive and therefore do not sum to 100 percent.

Table E.3 presents the share of the population that resides in additional family types, including those in three-generation families, families with student debt, families with a person with a disability, and families by worker status. Four percent of people live in three-generation families and 18 percent live in families with student debt and children. Nearly two fifths of people live in a family in which someone has any disability and about 5 percent of people live in families with someone with a self-care disability. Most people (70 percent) live in families with a full-time, full-year worker.

TABLE E.3

Shares of People by Family Type, Disability Status, and Worker Status in 2023

Categories	Percent of total population
Persons in three-generation families	4%
Persons in families with student debt with children	18%
People in families with someone with a disability	
Families with only adults under age 65	13%
Families with at least one family member ages 65 or older	25%
People in families with someone with a self-care disability	
Families with only adults under age 65	2%
Families with at least one family member ages 65 or older	3%
Persons in families with a full-time, full-year worker	
Families with only adults under age 65	60%
Families with at least one family member ages 65 or older	10%
Persons in families without a full-time, full-year worker	
Families with only adults under age 65	14%
Families with at least one family member ages 65 or older	16%

Source: Adapted from Acs et al. (2024). Authors' analysis, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to combined 2022 and 2023 American Community Survey data, reweighted to reflect 2023 population and income characteristics. American Community Survey data were obtained from IPUMS USA, University of Minnesota, www.ipums.org.
Notes: Total population is 327 million. Family is defined as all related persons in a household, plus cohabiters and their relatives, and any unrelated children in the household who are cared for by the family. Households may include more than one family and some families may consist of a single individual. An adult is over age 17 or a person under age 18 who is the head (or spouse of head) of a family. Estimates do not include unhoused people or people living in nursing homes, homeless shelters, or other group quarters. The family types presented in this table are not mutually exclusive and therefore do not sum to 100 percent.

Notes

[1] Lindsay Ellis and Aaron Zitner, "Americans Lose Faith That Hard Work Leads to Economic Gains, WSJ-NORC Poll Finds," The Wall Street Journal, September 1, 2025, https://www.wsj.com/economy/wsj-norc-economic-poll-73bce003.

[2] We use the term "Hispanic" because this is the primary terminology used by the US Census Bureau in the American Community Survey, which is the source of household data for this analysis. Analysis of people who are white, Black, and Asians and Pacific Islanders includes only people who do not identify as Hispanic, and who report a single race.

[3] Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, homeownership, and employer-sponsored health insurance.

[4] According to the Federal Reserve, 63 percent of Americans do not have enough in savings to cover an unexpected $400 expense. See "Adults Who Would Cover a $400 Emergency Expense Using Cash or Its Equivalent," Chart from Report on the Economic Well-Being of US Households, May 22, 2023, https://www.federalreserve.gov/consumerscommunities/sheddataviz/unexpectedexpenses.html. In contrast, the official poverty rate for 2022 (the most recent data available) was 11.5 percent, and the 2022 poverty rate according to the Supplemental Poverty Measure was 12.4 percent. See Shrider and Creamer (2023).

[5] "The History of the Official Poverty Measure," Census Bureau, last updated May 24, 2022, https://www.census.gov/topics/income-poverty/poverty/about/history-of-the-poverty-measure.html.

[6] Median values represent the midpoint in the distribution of costs (resources) for people in the group considered. For example, half of all people in families with children and all adults under age 65 face a true cost of economic security threshold above $144,700 and half face a threshold below that level. Thus the typical person in this type of family lives in a family that needs $144,700 to live with dignity in 2023.

[7] See US Department of Housing and Urban Development, "Fair Market Rents (40th Percentile Rents)," accessed January 25, 2025, https://www.huduser.gov/portal/datasets/fmr.html, and US Department of Housing and Urban Development, "Small Area FMRs," accessed January 25, 2025, https://www.huduser.gov/portal/datasets/fmr/smallarea/index.html.

[8] Gross rents include the cost of utilities, excluding broadband, telephone, and cable service.

[9] "Fair Market Rents for the Housing Choice Voucher Program, Moderate Rehabilitation Single Room Occupancy Program, and Other Programs Fiscal Year 2023," Federal Register, March 20, 2023, https://www.federalregister.gov/documents/2023/03/20/2023-05630/fair-market-rents-for-the-housing-choice-voucher-program-moderate-rehabilitation-single-room.

[10] In households with more than one family, we estimated number of bedrooms separately for each family unit.

[11] "USDA Food Plans," US Department of Agriculture, last updated July 31, 2025, https://www.fns.usda.gov/cnpp/usda-food-plans, and "USDA Food Plans: Monthly Cost of Food Reports," US Department of Agriculture, Center for Nutrition Policy and Promotion, last updated November 21, 2025, https://www.fns.usda.gov/cnpp/usda-food-plans-cost-food-monthly-reports.

[12] The Low Cost Food Plan factors in the cost of food prepared at home and excludes the cost of take-out, fast food, and restaurant meals. Additional expenses for families (like meals purchased outside of the home) are factored into the family budget through a miscellaneous cost category.

[13] See Dewey and colleagues (2023). We adjust the costs based on the Low-Cost Food Plan (the USDA amounts applying to the 48 contiguous states and DC, as well as the estimated amounts for Alaska and Hawaii) using a

county-level multiplier. The multiplier is equal to the ratio of the average cost per meal for food secure individuals in each county to the national average cost per meal for food-secure individuals.

[14] The base food plans estimate costs for individuals in four-person households. USDA refers to "household" to refer to the SNAP assistance units (people sharing and preparing food together). We use the term "family." Costs for additional household sizes can be calculated using USDA's recommended adjustment factors: one-person household—add 20 percent; two-person household—add 10 percent; three-person household—add 5 percent; four-person household—no adjustment; five- or six- person households—subtract 5 percent; seven- (or more) person households—subtract 10 percent. The TCES assumes that costs vary within all household sizes based on the age of individual members.

[15] We begin with data on 2024 premiums. We then use the Consumer Price Index for all urban consumers for medical care to adjust the data to 2023 dollars. See "Health Insurance Marketplace Calculator," KFF, accessed April 17, 2024, https://www.kff.org/interactive/subsidy-calculator, and "Consumer Price Index for All Urban Consumers (CPI-U): Health insurance in U.S. city average, All urban consumers, Not seasonally adjusted," US Bureau of Labor Statistics, accessed April 17, 2024, https://beta.bls.gov/dataViewer/view/timeseries/CUUS0000SEME.

[16] For people ages 21 through 39, we determine the premium through interpolation between the age-20 premium and the age-40 premium. For example, for a person age 25, premium = (age 18-20 premium) + 0.25 * (age-40 premium minus age 20 premium). For people ages 41 through 59, we determine the premium through interpolation between the age-40 premium and the age-60 premium.

[17] In New York and Vermont, there are separate premiums for four types of health insurance units: individual adults with no children; couples with no children; individual adults with at least one child; couples with at least one child. In these states, the family's total premium cost equals the sum of premium costs for the health insurance units in the family.

[18] The original 2022 TCES uses a single year of CPS-ASEC data to calculate the state level medians. Initial analysis of the 2023 CPS-ASEC data revealed substantial differences in MOOP spending, suggesting the year-to-year differences by state and age group are due in part to sampling variability, rather than true changes in MOOP expenses. The 2023 TCES measure accounts for this by pooling two years of CPS-ASEC data (2022 and 2023) to calculate the median MOOP expenses. The medians reflect all medical out-of-pocket spending other than premiums, including both over-the-counter (OTC) items (e.g., items purchased at a drug store without a prescription) and non-OTC items (including copayments and deductibles).

[19] People enrolled in Medicare were included in the group for determining median MOOP amounts by age group. Almost all individuals ages 65 and over are enrolled in Medicare. Although some Medicare plans (e.g., Medicare Advantage Plans) may limit MOOP, the ACS data do not indicate type of Medicare plan. The computed medians at older ages could somewhat underestimate what must be paid by individuals with types of Medicare plans that do not limit MOOP.

[20] U.S. Census Bureau, "American Community Survey Supplemental Poverty Measures (SPM) Research Files: 2009 to 2019, 2021," June 13, 2023, https://www.census.gov/data/datasets/time-series/demo/supplemental-poverty-measure/acs-research-files.html.

[21] National Database of Childcare Prices, Women's Bureau, Department of Labor, accessed August 12, 2025, https://www.dol.gov/agencies/wb/topics/childcare/price-by-age-care-setting.

[22] For Connecticut, we use a 2023 market rate survey study: Lee, Jane, Heather Hutchison, Samantha E. Lawrence, Margo Candelaria, Juliany Polar, Aaron Isiminger, and Bonnya Mukherjee. 2024. "2023 Connecticut Child Care Market Rate Survey and Methodology Report." University of Connecticut School of Social Work in partnership with the Office of Early Childhood and United Way of Connecticut. For DC, we use the 2023 cost of care report: Office of the State Superintendent of Education. 2023. "Modeling the Cost of Child Care in the District of

Columbia 2023." Washington, DC: Office of the State Superintendent of Education. For Missouri, we use a 2024 market rate survey: Missouri Department of Elementary and Secondary Education, Office of Childhood. 2025. "2024 Child Care Market Rate Survey." Jefferson City, MO: Missouri Department of Elementary and Secondary Education, Office of Childhood. For New Mexico, we use a 2024 cost of care report: Capito, Jeanna, Jessica Duggan, Katie F. Kenyon, and Simon Workman. 2024. "Understanding the Cost of Quality Child Care in New Mexico." P-5 Fiscal Strategies.

[23] "Consumer Price Index for All Urban Consumers (CPI-U): Tuition, Other School Fees, and Child Care in U.S. City Average, All Urban Consumers, Not Seasonally Adjusted," US Bureau of Labor Statistics, August 2025, https://beta.bls.gov/dataViewer/view/timeseries/CUUR0000SEEB.

[24] We use receipt of Supplemental Security Income (SSI) as a proxy for determining whether a child has a disability.

[25] "National Database of Childcare Prices Technical Guide," National Database of Childcare Prices, Women's Bureau, Department of Labor, accessed December 8, 2025, https://www.dol.gov/agencies/wb/topics/featured-childcare.

[26] Care estimates varied substantially across the available literature. The AARP and National Alliance for Caregiving (2020) estimated that caregivers provided an average of 24 hours of care per week in 2020. About 68 percent of caregivers provided up to 20 hours of care and 32 percent provided over 20 hours of care per week. Other analyses indicate that care needs may be even higher. According to a 2002 report, older recipients of unpaid help averaged 155 hours of assistance per month (about 35 hours per week), and recipients of paid help averaged 138 hours of assistance (about 31 hours per week; Johnson and Weiner 2006). See "Caregiving in the US," AARP and National Alliance for Caregiving, 2020, https://www.aarp.org/pri/topics/ltss/family-caregiving/caregiving-in-the-united-states/.

[27] Genworth, "Cost of Care Survey 2024: Median Cost Data Tables." December 9, 2025, https://assets.carescout.com/55da049c1f/282102.pdf.

[28] "H+T Index Methods," Center for Neighborhood Technology (CNT), November 2022, https://htaindex.cnt.org/about/method-2022.pdf; "Housing and Transportation Affordability Index," Center for Neighborhood Technology (CNT), accessed August 13, 2025, https://htaindex.cnt.org/.

[29] In many places, there is very limited spending on transit on average. Even in places with substantial transit use, many families own vehicles. Therefore, for all places, we use the typical total cost, which can be considered an average across households using transit and automobiles to different degrees.

[30] "Consumer Price Index for All Urban Consumers (CPI-U):Transportation Services in U.S. City Average, All Urban Consumers, Not Seasonally Adjusted," US Bureau of Labor Statistics, August 2025 https://beta.bls.gov/dataViewer/view/timeseries/CUUS0000SAS4.

[31] Nick Cellucci and Timothy Moore, "How Much Does Internet Cost Per Month?" Forbes Home, June 13, 2024, https://www.forbes.com/home-improvement/internet/internet-cost-per-month/; Bobbi Dempsey, "US News & World Report Internet Cost, Speed, and Value Consumer Survey 2023," US News & World Report, September 19, 2023, https://www.usnews.com/360-reviews/services/internet-providers/internet-cost-speed-value-survey; Jonathan Schwantes, "Consumer Reports Survey of American Consumers on Cost and Accessibility of Broadband Internet Services," Consumer Reports, December 11, 2023, https://advocacy.consumerreports.org/press_release/consumer-reports-survey-of-american-consumers-on-cost-and-accessibility-of-broadband-internet-services/.

[32] Bree Fowler, "Best Low-Cost Cell Phone Plans," Consumer Reports, accessed October 3, 2024, https://www.consumerreports.org/electronics-computers/cell-phones-services/best-low-cost-cell-phone-plans-a8977819742/.

[33] Estimated technology costs decline slightly between the 2022 and 2023 TCES measures.

[34] The TCES does not reflect other types of taxes, including sales taxes or local taxes. Property taxes may be reflected as a homeownership expense when determining resources for owner-occupied households.

[35] Unlike other cost components of the TCES threshold, tax costs are based on each family's current circumstances. Areas with many high-income individuals will have somewhat elevated TCES thresholds because taxes owed are included in the overall threshold. Conversely, in areas with many families with lower incomes, median TCES thresholds will reflect their lower tax liabilities. When comparing thresholds between areas, it is important to consider both the overall threshold as well as each cost component.

[36] "Table 1400. Size of Consumer Unit: Shares of Annual Aggregate Expenditures and Sources of Income, Consumer Expenditure Surveys, 2023," US Bureau of Labor Statistics, accessed August 11, 2025, https://www.bls.gov/cex/tables.htm.

[37] "Table 1800. Region of Residence: Annual Expenditure Means, Shares, Standard Errors, and Relative Standard Errors, Consumer Expenditure Surveys, 2023," US Bureau of Labor Statistics, accessed August 11, 2025, https://www.bls.gov/cex/tables.htm.

[38] As we are computing the TCES measure for 2023, the pandemic era expansions of tax credits, stimulus payments, and enhanced unemployment are no longer resources available to families. Enhanced SNAP benefits were still in effect as of February 2023, but we excluded them from the computations for the TCES.

[39] U.S. Census Bureau, Homeownership Rate in the United States [RHORUSQ156N], retrieved from FRED, Federal Reserve Bank of St. Louis, December 9, 2025, https://fred.stlouisfed.org/series/RHORUSQ156N.

[40] The amount of care received by the family is valued using each state's "maximum reimbursement rates"—the maximum full cost of care that will be considered by the program, which varies across states, by age of child, and sometimes by the amount of care needed.

[41] "10 Important Facts about Indian Health Service and Health Insurance," HealthCare.gov, August 2016, https://www.cms.gov/outreach-and-education/american-indian-alaska-native/aian/outreach-and-education/pdf/10-important-facts-about-ihs-and-health-insurance_909322.pdf.

[42] For each health insurance unit (individuals or couples and their children) that includes people with insurance assumed to have been purchased through the Marketplace, we estimate the unit's Modified Adjusted Gross Income (MAGI), determine the MAGI as a percentage of the poverty threshold, and then estimate the premium tax credit subsidy based on the MAGI relative to poverty. The subsidy equals the estimated total cost of the premium (as established in determining the TCES threshold) minus the portion of the cost that is the unit's responsibility. The family's responsibility ranges from 1 percent of their MAGI (if MAGI is greater than 150 and less than or equal to 199 percent of the poverty guideline) to 8.5 percent of their MAGI (if the ratio is 400 percent or higher). Families with MAGI through 150 percent of poverty do not owe any premium. Families with MAGI below 100 percent of poverty are generally ineligible for Marketplace subsidies, and unauthorized immigrants are ineligible for subsidies.

[43] The ACS asks about coverage as of the point of the survey but does not ask how long the coverage has been in place.

[44] "Get Help Responding to the ACS," Census Bureau, accessed October 3, 2024, https://www.census.gov/programs-surveys/acs/respond/get-help.html.

[45] Market resources include the value of earnings, interest and dividends, pensions, child support, child care provided by parents or caretakers, disability-related caregiving provided by other adults, and employer-sponsored health insurance.

[46] The vast majority of adults in single adult families with children are women—about 80 percent.

[47] Differences in resources by the number of children in a family size may reflect differences in the ages of adults in those families (as adults in their 30s and 40s have higher earnings than younger adults and they also have had time to have more children. Also, adults with fewer resources may choose to have fewer children.

[48] Metro areas must have at least one urban area with a population of 50,000 people.

[49] The Northeast region includes people in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont; the Midwest region includes people in Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin; the South region includes people in Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia; and the West region includes people in Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

[50] The results could be affected to some extent by differences in family size, for families of the same type across regions. For example, the data show that in the west, people ages 65 and older live in larger families, on average, than people ages 65 and older in other regions. All else equal, larger families have higher costs.

[51] The differences in TCES resources and rates between homeowners and non-homeowners are attributable to several factors. Homeowners have additional resources measured against the TCES threshold to account for the potentially lower housing expenses for people with considerable equity. They are also more likely than renters to be older, have higher income, and have obtained a bachelor's degree – all characteristics associated with higher resources (Thompson 2023).

[52] Because of relatively small sample sizes in less populous counties, it is difficult to draw broad conclusions about the interplay between costs and resources. Recall that the TCES rate is slightly higher and both costs and resources are lower in nonmetro areas than in metro areas. Thus, it is challenging to make broad inferences about the extent to which high costs and low resources account for the economic struggles of families in nonmetro and rural areas.

[53] The original 2022 TCES report captured child care costs for children through age 11. However, the 2022 figures shown in this report are adjusted to include child care costs for children through age 12 in alignment with the 2023 TCES. The differences in table 20 reflect changes due to only two enhancements (1) the disability costs and resources and (2) home ownership resources. See appendix D for additional information on the child care adjustments and differences between the original 2022 TCES and the adjusted 2022 TCES.

[54] For comparison purposes, we compute an unenhanced version of the 2022 TCES but capture child care costs and potential resource offsets for families with children up through age 12 and corrected health insurance costs and potential resource offsets for adults over age 75. We do not compute an enhanced version of the 2022 TCES as it would require obtaining additional data.

[55] "Treasury and IRS Announce New Online Tool to Help Families Register for Monthly Child Tax Credit," US Department of the Treasury, https://home.treasury.gov/news/press-releases/jy0227.

[56] "Federal Student Loan Debt Relief," US Department of Education, accessed August 10, 2024, https://studentaid.gov/manage-loans/forgiveness-cancellation/debt-relief-info.

[57] "HHS Announces Savings for 41 Prescription Drugs Thanks to Inflation Rebates from the Biden-Harris Administration's Lower Cost Prescription Drug Law," US Department of Health and Human Services, March 26, 2024, https://www.hhs.gov/about/news/2024/03/26/hhs-announces-savings-41-prescription-drugs-thanks-inflation-rebates-from-biden-harris-administrations-lower-cost-prescription-drug-law.html.

[58] One Big Beautiful Bill Act, H.R. 1, 119th Cong. (2025). https://www.congress.gov/bill/119th-congress/house-bill/1; Amelia Coffey and Heather Hahn, "Proposed Medicaid Cuts Could Jeopardize Health Care Access for 3 in

10 Young Adults," *Urban Wire* (blog), Urban Institute, May 23, 2025, https://www.urban.org/urban-wire/proposed-medicaid-cuts-could-jeopardize-health-care-access-3-10-young-adults.

[59] This appendix draws in part from material in Giannarelli and Werner (2022).

[60] See "ATTIS Microsimulation Model," Urban Institute, https://www.urban.org/tags/attis-microsimulation-model, for information on the ATTIS model. Forthcoming reports featured on this page will provide detailed information on the 2-year data file. For discussion of the preparation of the ACS data used in this analysis, see "Access to Three Key Safety Net Programs Among Young Adults: Technical Appendix" (Giannarelli et al. 2026).

[61] "GeoCorr Applications," Missouri Census Data Center, accessed October 2025, https://mcdc.missouri.edu/applications/geocorr.html.

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