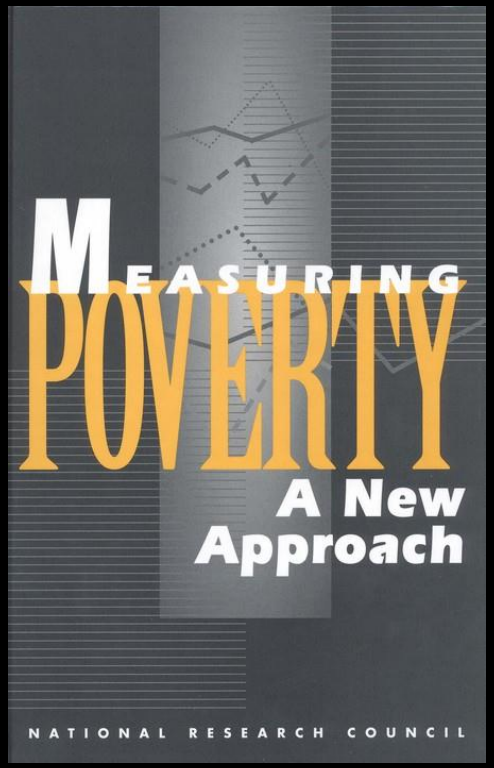
The Virginia Poverty Measure

An Alternative Poverty Measure for the Commonwealth

Qian Cai | Demographics Research Group | *University of Virginia*

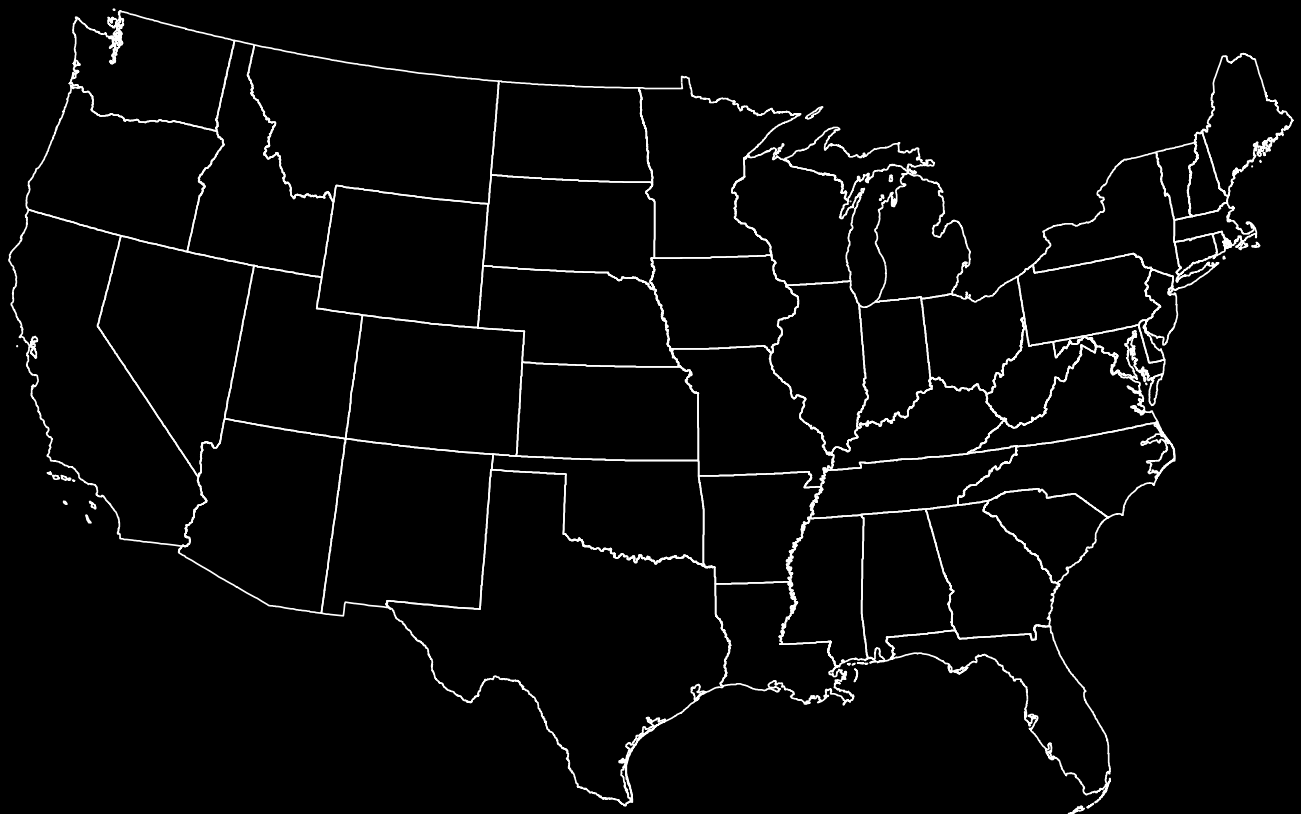
Measuring Poverty: A New Approach

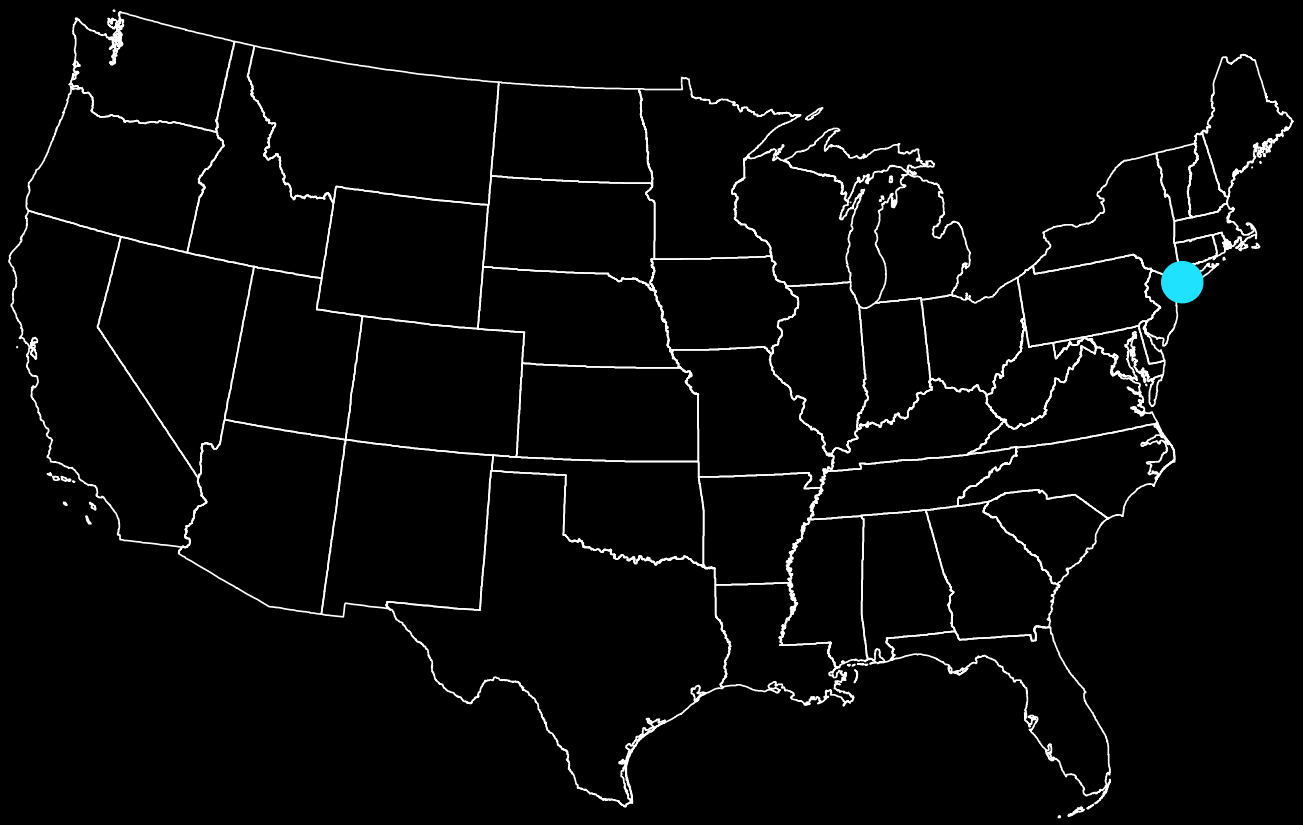
Recommendations from the National Academy of Sciences for improving the official U.S. Poverty Measure



Official Poverty Measure

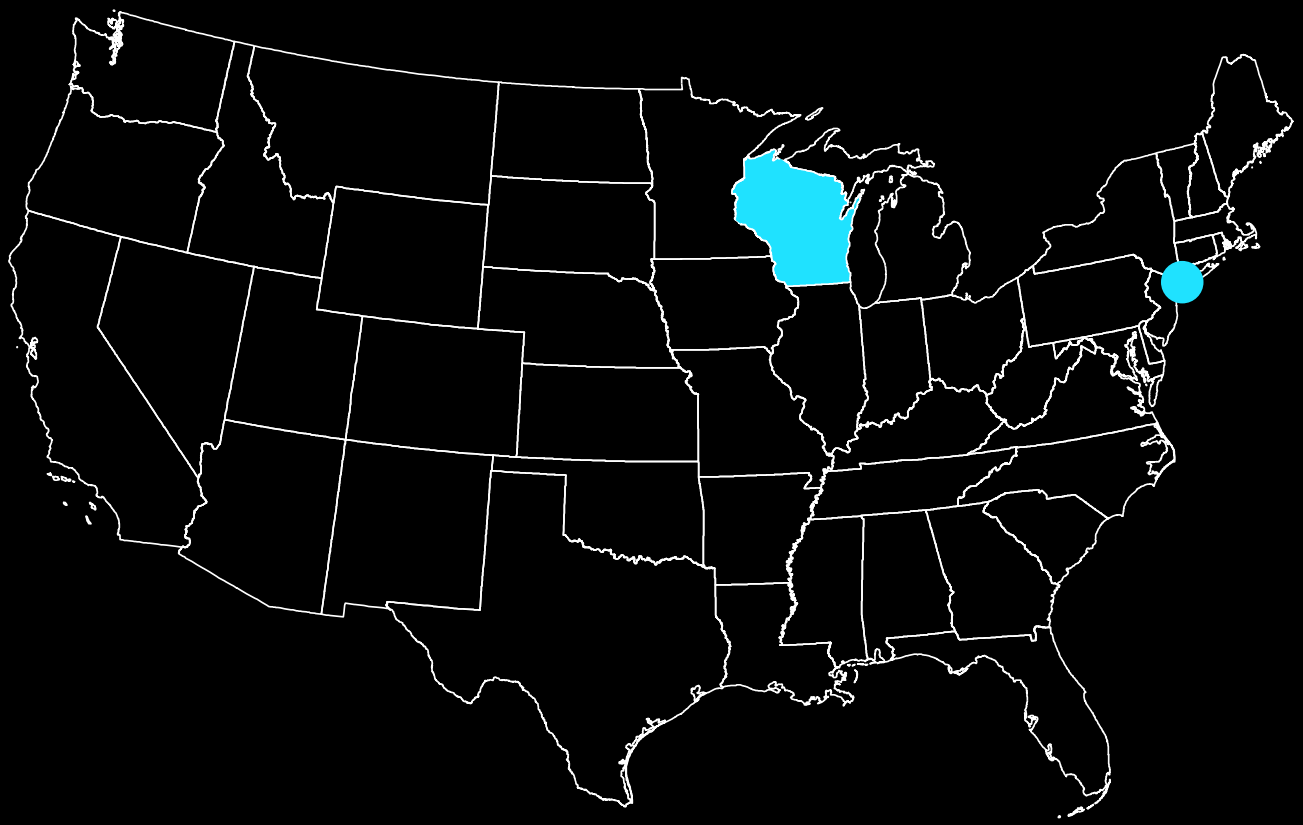
1. *No geographic adjustments.*
2. *Thresholds based on 1960s food costs.*
3. *No accounting for medical expenses, taxes, and in-kind assistance.*





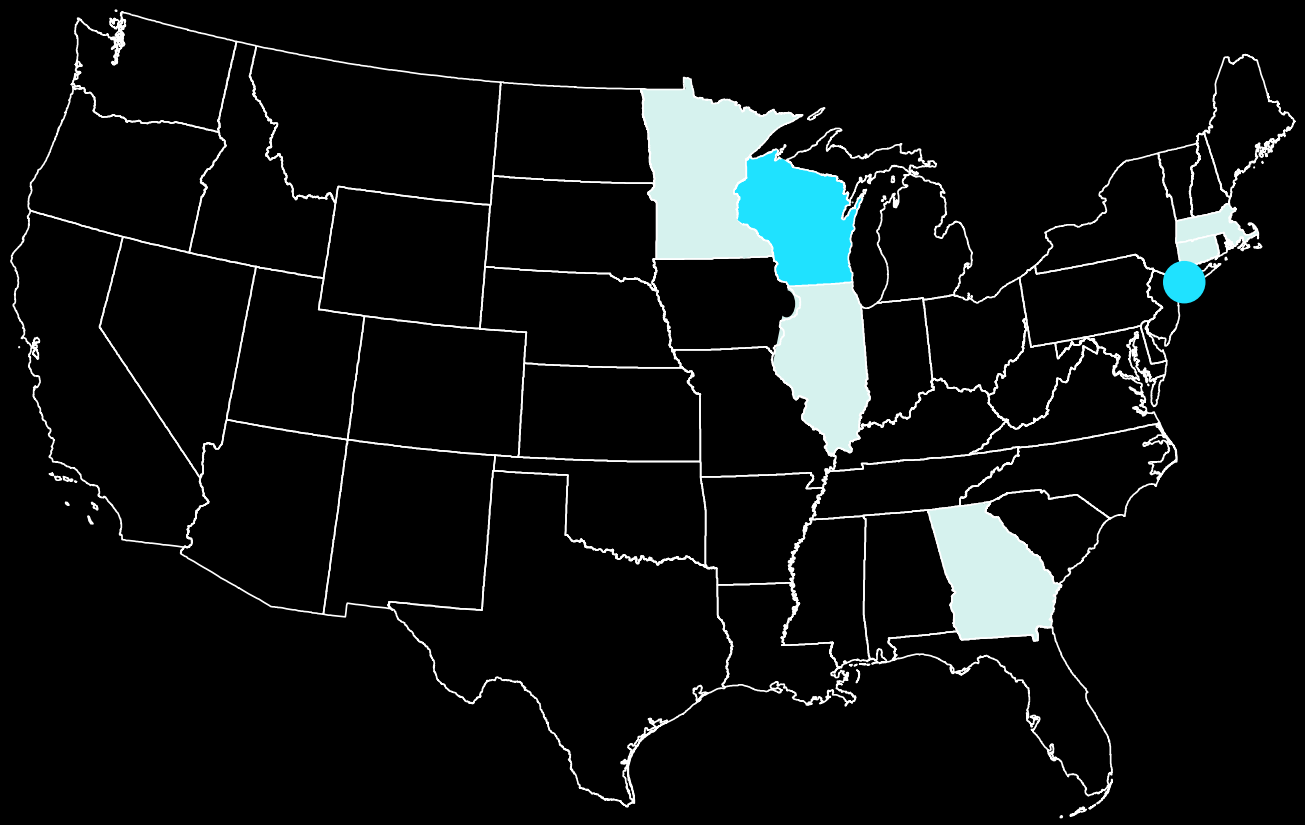
2008

The New York City Center for Economic Opportunity Publishes a NAS-style poverty measure for NYC.



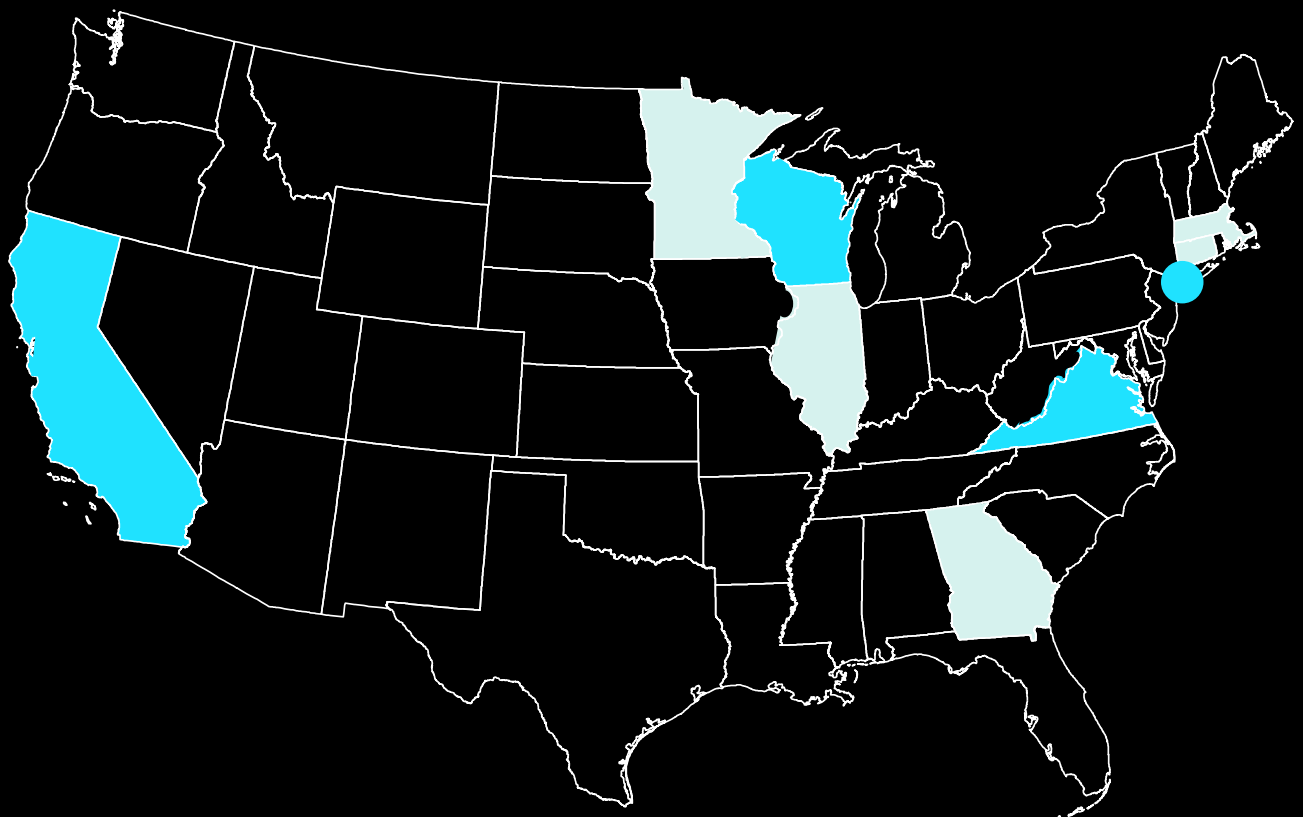
2009

The Institute for Research on Poverty
Publishes the "Wisconsin Poverty Measure."



2011

The Urban Institute conducts work for several states Using NAS-style poverty measures.



2013

The University of Virginia and Stanford University Publish measures for Virginia and California.

	SPM	VPM
1.	*Current Population Survey*	*American Community Survey*
2.	*ACS Median Rents*	*Regional Price Parities*
3.	*MOOP Subtracted From Income*	*MOOP in the Thresholds*

Current Population Survey

American Community Survey

4,000

70,000

Virginia One-Year Microdata Sample

Virginia One-Year Microdata Sample

Current Population Survey

80

Questions on Income And Income Sources

American Community Survey

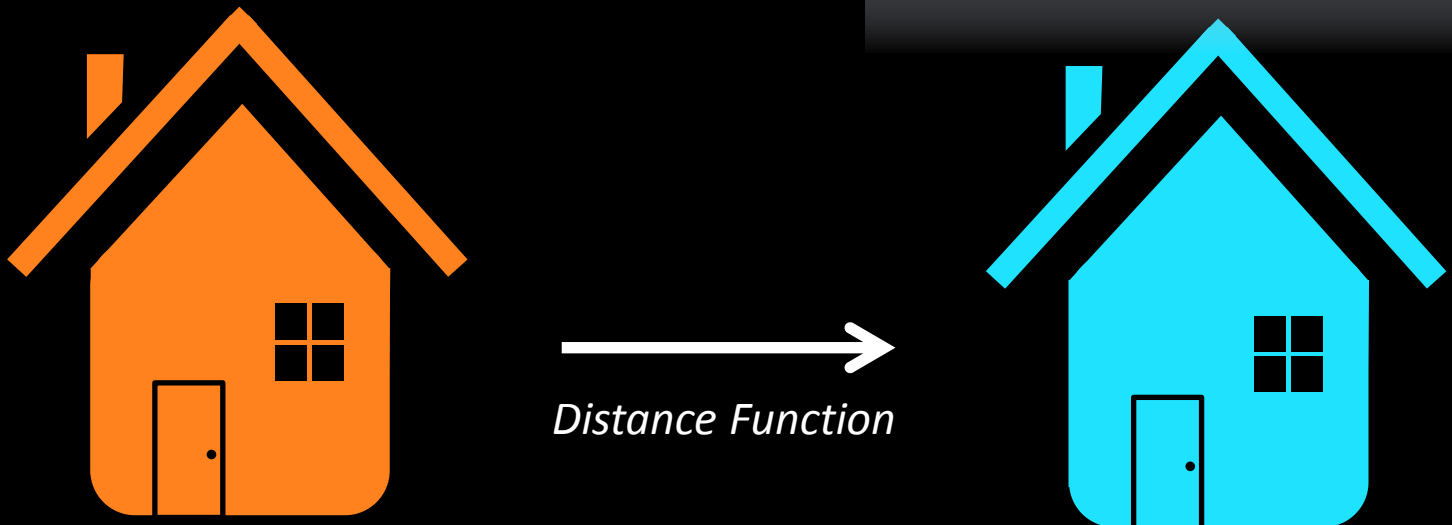
8

Questions on Income And Income Sources

Imputation

A SNAP Household in the ACS

A Similar Household in the CPS



$X

$1,234

In Virginia, the ACS only accounts for

62% of SNAP recipients

	2011 Virginia Poverty Rate
VPM	11.9
Uncontrolled VPM	12.6
SPM (2-year Avg.)	13.3

Variance Estimation

A SNAP Household in the ACS

$1,234

Distance Function

A Collection of Similar Households in the CPS

	Poverty Rate	MOE (95%)
Official Def.	11.6	0.4
VPM Estimate	11.9	0.7

	VPM	OPM
Richmond Area	12.0	12.2
Northern Neck	9.7	11.1
Northern VA Exurbs	9.4	6.5
Washington Beltway	12.3	7.4
Virginia Beach	9.7	9.0
North Valley	13.2	14.2
W. Hampton Roads	15.4	15.8
Fairfax	9.7	6.4
Southside	14.7	17.7
South Valley	11.7	13.8
Southwest	16.0	21.0

Contact

Qian Cai
Demographics Research Group
Weldon Cooper Center for Public Service
University of Virginia
qian.cai@virginia.edu