Appendix D

Technical Notes

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Age Categories

Most of the indicators are shown by age categories, generally children ages 0-15, adults 16-64, and adults 65 and older. Youth 17 and 18 years of age are often classified with adults because they are considered potential members of the labor force in many labor force statistics. Many of the risk factors, however, use published data that define "children" to include all individuals less than 18 years of age.

Annual and Monthly Measures

There are differences between monthly and annual observation of benefit receipt. The measures of annual recipiency (that is, any receipt over the course of a year) shown in Figure and Table SUM 1 are higher than the more traditional measures of recipiency in an average month, as shown in several other indicators.

Note that annual measures are for calendar years except where explicitly noted as fiscal years.

Family Structure Categories

For the primary measure of dependency in this 2004 report, estimates are provided for individual persons by family structure (see SUM1 and IND1). For these measures, the entire population is subdivided into the following four groups:
- individuals in married-couple families
- individuals in female-headed families, no spouse present
- individuals in male-headed families, no spouse present
- unrelated individuals.

Race and Ethnicity

Most of the data sources allow analysis of the indicators and predictors of welfare dependence across several age and racial/ethnic categories. Where the data are available, statistics are shown for three racial/ethnic groups – Non-Hispanic white, Non-Hispanic Black, and Hispanic. Due to small sample size, American Indians/Alaska natives, Asians, and Native Hawaiians/Other Pacific Islanders are included in the totals for all persons but are not shown under separate race categories. In some instances, however, data are shown for "Whites" and "Blacks," rather than for "Non-Hispanic Whites" and "Non-Hispanic Blacks;" in such cases these racial categories include individuals of Hispanic Origin. Footnotes to the tables provide further documentation of issues related to race and ethnicity.

Estimates based on 2002 CPS data are affected by a change in the CPS questionnaire that allows individuals to report one or more races (see ECON 1, ECON 9, WORK 1, WORK 2, and WORK 3). This change was implemented to comply with the *1997 Standards for Federal Data on Race and Ethnicity*. In 2000, the Office of Management and Budget published guidelines for implementing these new standards. To accommodate the race categories under the new standards, CPS estimates for racial/ethnic categories beginning in 2002 are for persons who are non-Hispanic white (and no other race), non-Hispanic black (and no other race) and Hispanic (of any race). Persons who reported more than one race are included in the total for all persons but are not shown under any race category.

Spells

Spells of dependency (Indicator 7) and recipiency (Indicator 8) are limited to those spells that begin during the SIPP panel of observation. Spells separated by only 1 month are not considered separate spells. If an individual has 2 or more spells of dependency or receipt, each is counted separately in the analysis.

Unit of Analysis

The individual, rather than the family or household, is the unit of analysis for most of the statistics in this report. The individual's dependency status, however, is generally based on total family income, taking into account means-tested assistance, earnings and other sources of income for all individuals in the family.[1] This chapter, for example, has reported the percentage of individuals that are dependent (in SUM 1) or poor (in SUM 2) according to annual total family income. Recipiency status is also based on total annual family income in some instances; in SUM 1, for example, recipients are individuals in families receiving assistance at some point in the year. In most other indicators, recipiency is measured as the direct receipt of a benefit by an individual in a month. The difference between an individual and a family measure of recipiency is largest in the SSI program, which provides benefits to individuals and couples, not to families.

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1 Family is generally defined as following the broad Census Bureau definition of family – all persons residing together that are related by birth, marriage, or adoption.