



# **Measuring the True Cost of Economic Security**

## **What Does It Take To Thrive in the US Today?**

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# Why is a TCES Measure important?

- Many families are not in poverty but are still struggling to get ahead.
- A TCES measure can
  - Assess **why families fall below the TCES level** and whether those reasons vary by place and family type.
  - Capture all the costs a family needs to be **financially resilient** and measure **all the resources available to families** to meet those costs.
  - **Identify** federal, state, and local **policies and practices** that can support and empower families and **help them meet the true cost of economic security**.

# Top Line Findings

- *52% of people in the US are economically insecure* and not poised to thrive.
- 9% of people fall between the TCES threshold and 90% of it, meaning they can meet all costs except for savings targets.
- 61% of children are in families with resources below the TCES threshold, a higher proportion than working age and older adults.

# Nuts and Bolts: How We Developed the TCES

- Costs – various sources
- Thresholds by family type and place
  - Thresholds are specific to each family and reflect total expenses.
- Resources – 2018 ACS, projected to 2022
  - Enhanced using Analysis of Transfers, Taxes, and Income Security (ATTIS) model
- TCES rates for people in different circumstances.

# Cost Elements

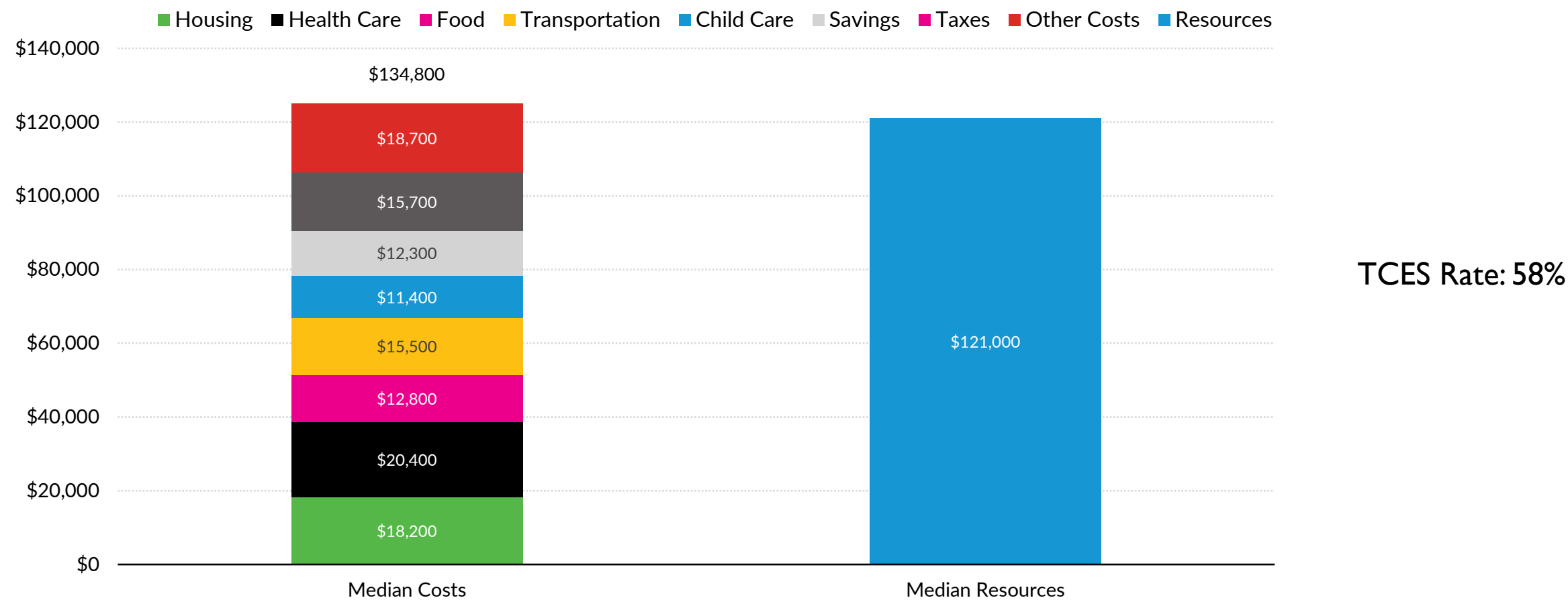
- Housing
- Food
- Health care – premiums and medical out of pocket (MOOP)
- Childcare
- Transportation
- Technology
- Taxes owed
- Student debt payments
- Miscellaneous
- Savings targets

# Resource Elements From American Community Survey

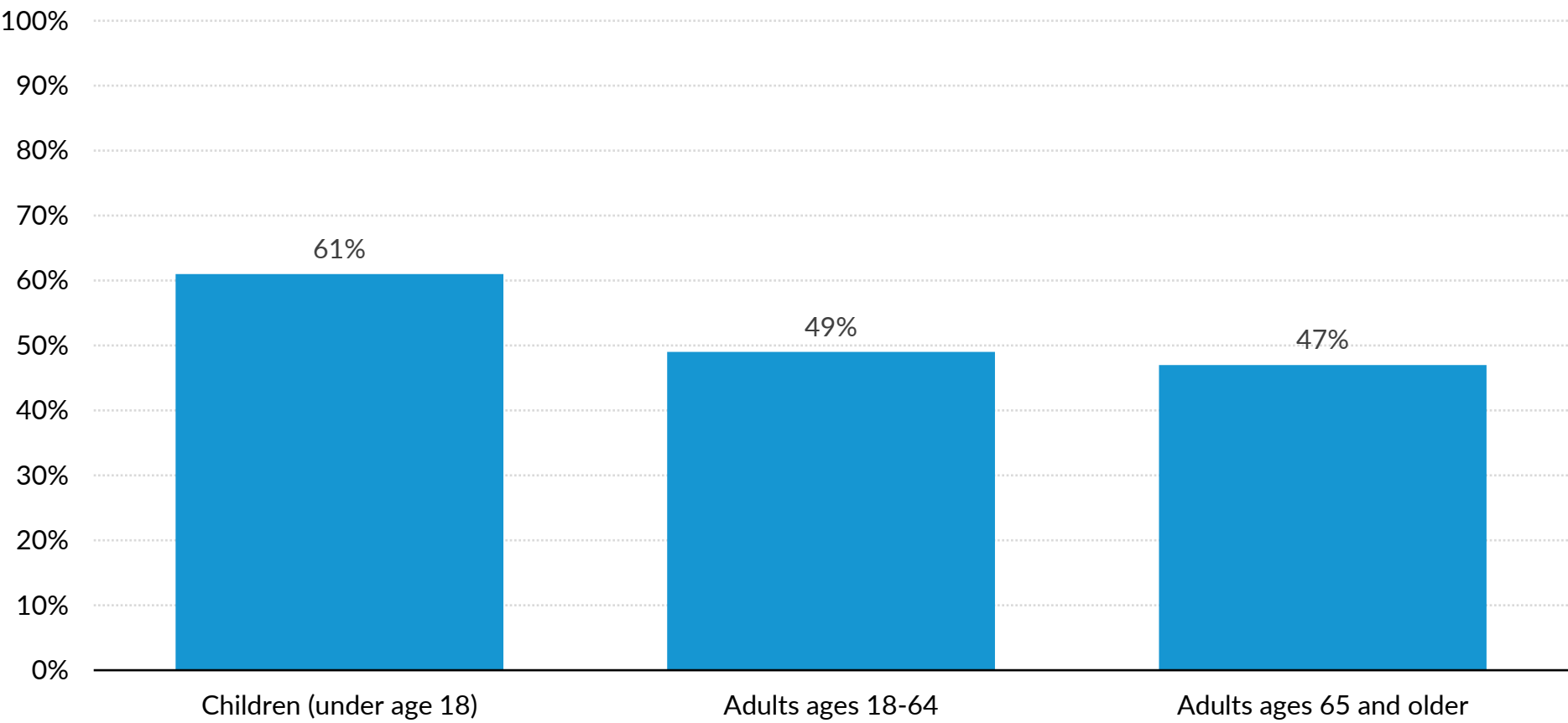
(with adjustments and assignments)

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

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

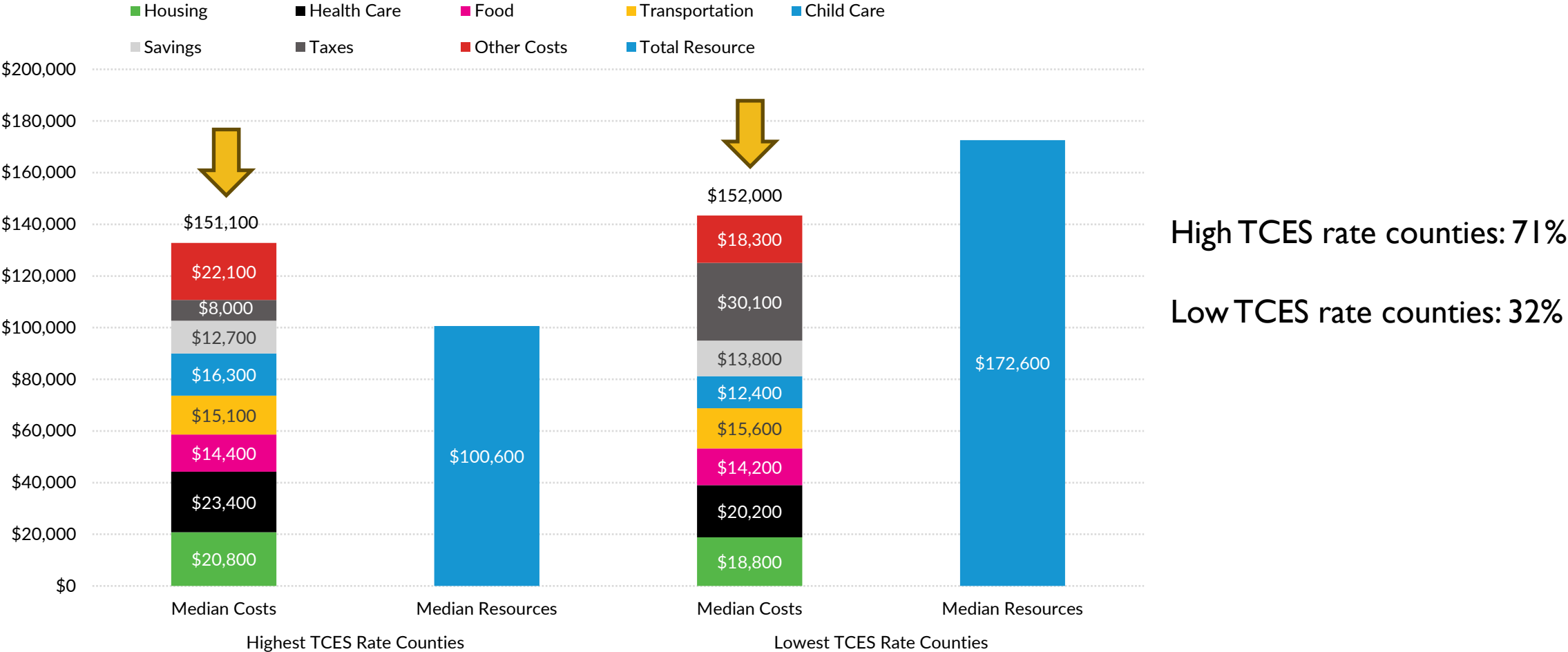


# TCES Rates by Age Group





# Thresholds and Resources in High and Low TCES Rate Counties (families with children (no adults over age 65))



# Key Takeaways...

- Half of all people in the US are economically insecure based on our TCES measure.
- Families with children are particularly vulnerable.
- Places with higher proportions of people struggling do not have particularly high costs, rather the resources of residents are low.
- Bringing costs down, particularly higher cost items like housing, will help reduce struggles and make more areas affordable for more people, but helping to increase families' resources is crucial to helping people become poised to thrive.

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