



THE 2003 HHS POVERTY GUIDELINES

One Version of the [U.S.] Federal Poverty Measure

There are two slightly different versions of the federal poverty measure:

- The poverty thresholds, and
- The poverty guidelines.

The **poverty thresholds** are the original version of the federal poverty measure. They are updated each year by the **Census Bureau** (although they were [originally developed by Mollie Orshansky](#) of the Social Security Administration). The thresholds are used mainly for **statistical** purposes — for instance, preparing estimates of the number of Americans in poverty each year. (In other words, all official poverty population figures are calculated using the poverty thresholds, not the guidelines.) [Poverty thresholds since 1980](#) and [weighted average poverty thresholds since 1959](#) are available on the Census Bureau's Web site.

The **poverty guidelines** are the other version of the federal poverty measure. They are issued each year in the *Federal Register* by the **Department of Health and Human Services** (HHS). The guidelines are a simplification of the poverty thresholds for use for **administrative** purposes — for instance, determining financial eligibility for certain federal programs. (The full text of the *Federal Register* notice with the 2003 poverty guidelines is [available here](#).) (see below)

The poverty guidelines are sometimes loosely referred to as the "federal poverty level" (FPL), but that phrase is ambiguous and should be avoided, especially in situations (e.g., legislative or administrative) where precision is important.

A more extensive [discussion of poverty thresholds and poverty guidelines](#) is available on the Institute for Research on Poverty's Web site.

2003 HHS Poverty Guidelines

Size of Family Unit	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$ 8,980	\$11,210	\$10,330
2	12,120	15,140	13,940
3	15,260	19,070	17,550
4	18,400	23,000	21,160
5	21,540	26,930	24,770
6	24,680	30,860	28,380
7	27,820	34,790	31,990
8	30,960	38,720	35,600
For each additional person, add	3,140	3,930	3,610

SOURCE: *Federal Register*, Vol. 68, No. 26, February 7, 2003, pp. 6456-6458.

The separate poverty guidelines for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966-1970 period. Note that the poverty thresholds — the original version of the poverty measure — have never had separate figures for Alaska and Hawaii. The poverty guidelines are not defined for Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, the Republic of the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, and Palau. In cases in which a Federal program using the poverty guidelines serves any of those jurisdictions, the Federal office which administers the program is responsible for deciding whether to use the contiguous-states-and-D.C. guidelines for those jurisdictions or to follow some other procedure.

The poverty guidelines apply to both aged and non-aged units. The guidelines have never had an aged/non-aged distinction; only the Census Bureau (statistical) poverty thresholds have separate figures for aged and non-aged one-person and two-person units.

Programs using the guidelines (or percentage multiples of the guidelines — for instance, 125 percent or 185 percent of the guidelines) in determining eligibility include Head Start, the Food Stamp Program, the National School Lunch Program, the Low-Income Home Energy Assistance Program, and the Children's Health Insurance Program. Note that in general, cash public assistance programs (Temporary Assistance for Needy Families and its predecessor Aid to Families with Dependent Children, and Supplemental Security Income) do NOT use the poverty guidelines in

determining eligibility. The Earned Income Tax Credit program also does NOT use the poverty guidelines to determine eligibility.

The poverty guidelines (unlike the poverty thresholds) are designated by the year in which they are issued. For instance, the guidelines issued in February 2003 are designated the 2003 poverty guidelines. However, the 2003 HHS poverty guidelines only reflect price changes through calendar year 2002; accordingly, they are approximately equal to the Census Bureau poverty thresholds for calendar year 2002. (The 2002 thresholds are expected to be issued in final form in September or October 2003; a preliminary version of the 2002 thresholds is now available from the Census Bureau.)

The [computations for the 2003 poverty guidelines](#) are available. (see below)

The poverty guidelines may be formally referenced as “the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).”

(See computations and the full text of the *Federal Register* notice on the following pages.)

Computations for the 2003 Annual Update of the HHS Poverty Guidelines for the 48 Contiguous States and the District of Columbia

(1) Size of family unit	(2) Poverty thresholds for 2001 (weighted averages) ^{a/}	(3) Column 2 multiplied by 1.016 price inflater ^{b/}	(4) Difference between successive Column 3 entries	(5) Average difference in Column 4 ^{c/}	(6) February 2003 poverty guidelines
1	\$9,039	\$9,184			\$8,980
			\$2,570	\$3,140	
2	11,569	11,754			12,120
			2,600	3,140	
3	14,128	14,354			15,260
			4,040	3,140	
4	18,104	18,394			18,400 ^{d/}
			3,353	3,140	
5	21,405	21,747			21,540
			2,835	3,140	
6	24,195	24,582			24,680
			3,375	3,140	
7	27,517	27,957			27,820
			3,160	3,140	
8	30,627	31,117			30,960

Notes:

a/ Column 2 entries are from U.S. Census Bureau, Current Population Reports, Series P60-219, *Poverty in the United States: 2001*, Washington, D.C., U.S. Government Printing Office, September 2002, p. 5.

b/ Price inflation calculated from Table 1A of U.S. Department of Labor, Consumer Price Index press release (USD-03-15), January 16, 2003. (The Consumer Price Index (CPI-U) for all items was 177.1 for calendar year 2001 and 179.9 for calendar year 2002, an increase of 1.6 percent.)

c/ The arithmetic average of Column 4 entries, rounded to the nearest multiple of \$20.

d/ Obtained by multiplying the average poverty threshold for a family unit of four persons for 2001 (\$18,104, from Column 2) by the price increase factor from 2001 to 2002 (1.016) and rounding the result upward to the nearest whole multiple of \$50. All other entries in Column 6 are obtained by successive addition or subtraction of the average difference (\$3,140) to the size-4 2003 guideline entry (\$18,400).

For Alaska and Hawaii, where the cost of living is traditionally believed to be significantly higher than in other states, scaling factors of 1.25 and 1.15, respectively, are applied to the 2003 guideline for a family of four for the 48 contiguous states, and the results (if not already a multiple of \$10) are rounded upward to the nearest whole multiple of \$10. (These scaling factors were based on Office of Economic Opportunity administrative practice for these two states only beginning in the 1966-1970 period.) These scaling factors are applied to the average difference for the 48 contiguous states (Column 5) to obtain average differences for Alaska and Hawaii for deriving guidelines for other family sizes; these average differences for Alaska and Hawaii are rounded to the nearest multiple of \$10. For families with more than 8 members, add the following amount for each additional person: \$3,140 (48 contiguous states and the District of Columbia); \$3,930 (Alaska); \$3,610 (Hawaii).

For computations for the 1992 poverty guidelines, see Gordon M. Fisher, "Poverty Guidelines for 1992," *Social Security Bulletin*, Vol. 55, No. 1, Spring 1992, p. 44, Table 2.

For computations for the 1985 poverty guidelines, see *Federal Register*, Vol. 50, No. 46, March 8, 1985, p. 9518.

(See the full text of the *Federal Register* notice on the following pages.)

[Federal Register: February 7, 2003 (Volume 68, Number 26)]

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From the Federal Register Online via GPO Access [wais.access.gpo.gov]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Annual Update of the HHS Poverty Guidelines

AGENCY: Department of Health and Human Services.

ACTION: Notice.

SUMMARY: This notice provides an update of the HHS poverty guidelines to account for last (calendar) year's increase in prices as measured by the Consumer Price Index.

EFFECTIVE DATE: These guidelines go into effect on the day they are published (unless an office administering a program using the guidelines specifies a different effective date for that particular program).

ADDRESSES: Office of the Assistant Secretary for Planning and Evaluation, Room 404E, Humphrey Building, Department of Health and Human Services (HHS), Washington, DC 20201.

FOR FURTHER INFORMATION CONTACT: *For information about how the poverty guidelines are used or how income is defined in a particular program, contact the Federal (or other) office which is responsible for that program.*

For general questions about the poverty guidelines (but NOT for questions about a particular program that uses the poverty guidelines), contact Gordon Fisher, Office of the Assistant Secretary for Planning and Evaluation, Room 404E, Humphrey Building, Department of Health and Human Services, Washington, DC 20201 — telephone: (202) 690-5880; persons with Internet access may visit the poverty guidelines Internet site at <http://aspe.hhs.gov/poverty>.

For information about the Hill-Burton Uncompensated Services Program (no-fee or reduced-fee health care services at certain hospitals and other health care facilities for certain persons unable to pay for such care), contact the Office of the Director, Division

of Facilities Compliance and Recovery, Health Resources and Services Administration, HHS, Room 16C-17, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857. To speak to a person, call (301) 443-5656. To receive a Hill-Burton information package, call 1-800-638-0742 (for callers outside Maryland) or 1-800-492-0359 (for callers in Maryland), and leave your name and address on the Hotline recording. Persons with Internet access may visit the Division of Facilities Compliance and Recovery Internet home page site at <http://www.hrsa.gov/osp/dfcr>.

The Division of Facilities Compliance and Recovery notes that as set by 42 CFR 124.505(b), the effective date of this update of the poverty guidelines for facilities obligated under the Hill-Burton Uncompensated Services Program is sixty days from the date of this publication.

For information about the percentage multiple of the poverty guidelines to be used on immigration forms such as INS Form I-864, Affidavit of Support, contact the U.S. Immigration and Naturalization Service. To obtain information on the most recent applicable poverty guidelines from the Immigration and Naturalization Service, call 1-800-375-5283. Persons with Internet access may obtain the information from the Immigration and Naturalization Service Internet site at <http://www.ins.usdoj.gov/graphics/howdoi/affsupp.htm>.

For information about the Department of Labor's Lower Living Standard Income Level (an alternative eligibility criterion with the poverty guidelines for certain programs under the Workforce Investment Act of 1998), contact Haskel Lowery, Employment and Training Administration, U.S. Department of Labor — telephone: (202) 693-3608 — e-mail: hlowery@doleta.gov; persons with Internet access may visit the Employment and Training Administration's Lower Living Standard Income Level Internet site at <http://wdsc.doleta.gov/lilsil>.

For information about the number of people in poverty since 1959 or about the Census Bureau statistical poverty thresholds, contact the HHES Division, Room G251, Federal Office Building 3, U.S. Census Bureau, Washington, DC 20233-8500 — telephone: (301) 763-3242 — or send e-mail to hhes-info@census.gov; persons with Internet access may visit the Poverty section of the Census Bureau's Internet site at <http://www.census.gov/hhes/www/poverty.html>.

2003 Poverty Guidelines for the 48 Contiguous States and the District of Columbia

Size of family unit	Poverty guideline
1.....	\$8,980
2.....	12,120
3.....	15,260
4.....	18,400
5.....	21,540
6.....	24,680
7.....	27,820
8.....	30,960

For family units with more than 8 members, add \$3,140 for each additional member. (The same increment applies to smaller family sizes also, as can be seen in the figures above.)

2003 Poverty Guidelines for Alaska

Size of family unit	Poverty guideline
1.....	\$11,210
2.....	15,140
3.....	19,070
4.....	23,000
5.....	26,930
6.....	30,860
7.....	34,790
8.....	38,720

For family units with more than 8 members, add \$3,930 for each additional member. (The same increment applies to smaller family sizes also, as can be seen in the figures above.)

2003 Poverty Guidelines for Hawaii

Size of family unit	Poverty guideline
1.....	\$10,330
2.....	13,940
3.....	17,550
4.....	21,160
5.....	24,770
6.....	28,380
7.....	31,990
8.....	35,600

For family units with more than 8 members, add \$3,610 for each additional member. (The same increment applies to smaller family sizes also, as can be seen in the figures above.)

(Separate poverty guideline figures for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966-1970 period. Note that the Census Bureau poverty thresholds — the version of the poverty measure used for statistical purposes — have never had separate figures for Alaska and Hawaii. The poverty guidelines are not defined for Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, the Republic of the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, and Palau. In cases in which a Federal program using the poverty guidelines serves any of those jurisdictions, the Federal office which administers the program is responsible for deciding whether to use the contiguous-states-and-DC guidelines for those jurisdictions or to follow some other procedure.)

The preceding figures are the 2003 update of the poverty guidelines required by section 673(2) of the Omnibus Budget Reconciliation Act (OBRA) of 1981 (Pub. L. 97-35 — reauthorized by Pub. L. 105-285, Section 201 (1998)). As required by law, this update reflects last year's change in the Consumer Price Index (CPI-U); it was done using the same procedure used in previous years. (The poverty guidelines are calculated each year from the latest published Census Bureau poverty thresholds — not from the previous year's guidelines. Besides the inflation adjustment, the figures are also adjusted to standardize the differences between family sizes.)

Section 673(2) of OBRA-1981 (42 U.S.C. 9902(2)) requires the use of these poverty guidelines as an eligibility criterion for the Community Services Block Grant program. The poverty guidelines are also used as an eligibility criterion by a number of other Federal programs (both HHS and non-HHS). Due to confusing legislative language dating back to 1972, the poverty guidelines have sometimes been mistakenly referred to as the “OMB” (Office of Management and Budget) poverty guidelines or poverty line. In fact, OMB has never issued the guidelines; the guidelines are issued each year by the Department of Health and Human Services (formerly by the Office of Economic Opportunity/Community Services Administration). The poverty guidelines may be formally referenced as “the poverty guidelines updated periodically in the **Federal Register** by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).”

The poverty guidelines are a simplified version of the Federal Government's statistical poverty thresholds used by the Census Bureau to prepare its statistical estimates of the number of persons and families in poverty. The poverty guidelines issued by the Department of Health and Human Services are used for administrative purposes — for instance, for determining whether a person or family is financially eligible for assistance or services under a particular Federal program. The poverty thresholds are used primarily for statistical purposes. Since the poverty guidelines in this notice — the 2003 guidelines — reflect price changes through calendar year 2002, they are approximately equal to the poverty thresholds for calendar year 2002 which the Census Bureau expects to issue in September or October 2003. (A preliminary version of the 2002 thresholds is now available from the Census Bureau.)

In certain cases, as noted in the relevant authorizing legislation or program regulations, a program uses the poverty guidelines as only one of several eligibility criteria, or uses a percentage multiple of the guidelines (for example, 125 percent or 185 percent of the guidelines). Non-Federal organizations which use the poverty guidelines under their own authority in non-Federally-funded activities also have the option of choosing to use a percentage multiple of the guidelines such as 125 percent or 185 percent.

While many programs use the guidelines to classify persons or families as either eligible or ineligible, some other programs use the guidelines for the purpose of giving priority to lower-income persons or families in the provision of assistance or services.

In some cases, these poverty guidelines may not become effective for a particular program until a regulation or notice specifically applying to the program in question has been issued.

The poverty guidelines given above should be used for both farm and non-farm families. Similarly, these guidelines should be used for both aged and non-aged units. The poverty guidelines have never had an aged/ non-aged distinction; only the Census Bureau (statistical) poverty thresholds have separate figures for aged and non-aged one-person and two-person units.

Definitions

There is no universal administrative definition of "family," "family unit," or "household" that is valid for all programs that use the poverty guidelines. Federal programs in some cases use administrative definitions that differ somewhat from the statistical definitions given below; the Federal office which administers a program has the responsibility for making decisions about its administrative definitions. Similarly, non-Federal organizations which use the poverty guidelines in non-Federally-funded activities may use administrative definitions that differ from the statistical definitions given below. In either case, to find out the precise definitions used by a particular program, please consult the office or organization administering the program in question.

The following statistical definitions (derived for the most part from language used in U.S. Bureau of the Census, Current Population Reports, Series P60-185 and earlier reports in the same series) are made available for illustrative purposes only; in other words, these statistical definitions are not binding for administrative purposes.

- a. **Family.** A family is a group of two or more persons related by birth, marriage, or adoption who live together; all such related persons are considered as members of one family. For instance, if an older married couple, their daughter and her husband and two children, and the older couple's nephew all lived in the same house or apartment, they would all be considered members of a single family.
- b. **Unrelated individual.** An unrelated individual is a person (other than an inmate of an institution) who is not living with any relatives. An unrelated individual may be the only person living in a house or apartment, or may be living in a house or apartment (or in group quarters such as a rooming house) in which one or more persons also live who are not related to the individual in question by birth, marriage, or adoption. Examples of unrelated individuals residing with others include a lodger, a foster child, a ward, or an employee.
- c. **Household.** As defined by the Census Bureau for statistical purposes, a household consists of all the persons who occupy a housing unit (house or apartment), whether they are related to each other or not. If a family and an unrelated individual, or two unrelated individuals, are living in the same housing unit, they would constitute two family units (see next item), but only one household. Some programs, such as the Food Stamp Program and the Low-Income Home Energy Assistance Program, employ administrative variations of the "household" concept in determining income eligibility. A number of other programs use administrative variations of the "family" concept in determining income eligibility. Depending on the precise program definition used, programs using a "family" concept would generally apply the poverty guidelines separately

to each family and/or unrelated individual within a household if the household includes more than one family and/or unrelated individual.

- d. **Family Unit.** "Family unit" is not an official U.S. Census Bureau term, although it has been used in the poverty guidelines **Federal Register** notice since 1978. As used here, either an unrelated individual or a family (as defined above) constitutes a family unit. In other words, a family unit of size one is an unrelated individual, while a family unit of two/three/etc. is the same as a family of two/three/etc.

Note that this notice no longer provides a definition of "income." This is for two reasons. First, there is no universal administrative definition of "income" that is valid for all programs that use the poverty guidelines. Second, in the past there has been confusion regarding important differences between the statistical definition of income and various administrative definitions of "income" or "countable income." The precise definition of "income" for a particular program is very sensitive to the specific needs and purposes of that program. To determine, for example, whether or not taxes, college scholarships, or other particular types of income should be counted as "income" in determining eligibility for a specific program, one must consult the office or organization administering the program in question; that office or organization has the responsibility for making decisions about the definition of "income" used by the program (to the extent that the definition is not already contained in legislation or regulations).

Dated: February 3, 2003.

Tommy G. Thompson,

Secretary of Health and Human Services.

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