



The Commonwealth of Massachusetts  
Executive Office of Health and Human Services  
Department of Public Health  
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June 21, 2019

Nancy Potok, Chief Statistician  
The Office of Management and Budget  
725 17th Street, NW  
Washington, DC 20503

Re: Comments on Consumer Inflation Measures Produced by Federal Statistical Agencies,  
OMB-2019-0002

Dear Dr. Potok:

The Massachusetts Department of Public Health (DPH) respectfully submits the following comments to the Office of Management and Budget (OMB) in response to the proposed **Request for Comment on the Consumer Inflation Measures Produced by Federal Statistical Agencies**.

The Massachusetts Department of Public Health promotes the health and well-being of all Massachusetts residents by ensuring access to high-quality public health and healthcare services, and by focusing on prevention, wellness and health equity for all people. DPH is particularly concerned with the aspects of the Proposed Rule that would negatively affect health access and outcomes.

DPH is extremely concerned by the impact of OMB's proposed change to the calculation of the CPI on the Census Bureau's Official Poverty Measure (OPM). We oppose this proposed change because the shift from the current Consumer Price Index for All Urban Consumers (CPI-U) to either the "chained" CPI (C-CPI) or the Personal Consumption Expenditures Price Index (PCEPI) will have the effect of understating inflation and as a result, artificially and adversely impacting the OPM and related federal poverty level. Redefining poverty does nothing to eliminate, or lessen, poverty. For the thousands of low-income people who would be affected by this far-reaching and devastating change, poverty is a real threat to their health and well-being, and this proposal would worsen their situation.

Changing the poverty thresholds also impacts eligibility for health care, nutrition, and other assistance programs overseen by the Department. Every year, the federal Department of Health

and Human Services publishes poverty guidelines based directly on the Census Bureau's poverty thresholds; DPH utilizes these guidelines to determine eligibility for vital public health services in the Commonwealth. The proposed changes would lower the income-eligibility cutoffs for all of these programs and individual and families would become ineligible.

DPH has many programs that use the Federal Poverty Level (FPL) as an eligibility criteria including:

- Organ Transplant Fund
- Asthma Home Visiting Program
- Innovative Diabetes Grant
- Health Schools Program
- Fluoride Mouth Rinse Program
- Dental Sealant Program
- HIV and PrEP Drug Assistance Program
- HIV Medical Case Management Program
- Title X
- Sexual and Reproductive Health Program

The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) is just one example of how programs managed by the Department would be impacted. WIC's unique health and nutrition services ensure that WIC families have the healthy foods they need, and the knowledge, resources and care necessary to live the healthy lives they deserve. WIC families face many stressors and financial hardships. WIC ensures that those who need food security assistance receive it.

The proposed index measures (based in whole or part on the C-CPI and PCEPI) grow more slowly than the current basis used for calculation of the poverty threshold (CPI-U). Using the proposed new measures will not only immediately decrease the poverty threshold, but create a gap that widens over time, making those who would have been counted as poor or near-poor by the current measure, no longer eligible for WIC.

Individuals receive WIC either through the income requirement, which is 185% of the federal poverty level, or through adjunctive eligibility through Medicaid, Supplemental Nutritional Assistance Program (SNAP) and Transitional Aid to Families with Dependent Children (TAFDC) enrollment (all additionally, income based programs). WIC's caseload currently consists of 10% working families and 90% adjunctively eligible families. Eligibility for these programs would also be impacted by the changes proposed by this rule, jeopardizing services for WIC families on the upper ends of eligibility thresholds. This number would compound throughout the years as the slower growth of the C-CPI and the PCEPI widen the gap of those previously eligible that would no longer qualify.

The poverty line is meant to equal the level of income that a family needs to afford the basics and it is already far below what is needed to raise a family. It doesn't take into account the full costs of a family's needs like housing and childcare for which costs have been increasing faster

than the overall CPI in recent years. Individuals and families are already struggling getting by on too little.

The proposed index measures need additional analysis before making changes that impact eligibility for vital public programs. At this time, research is lacking on the effectiveness of the C-CPI and the PCEPI as measures of the official poverty level. The poverty measure should adequately reflect the cost of living for low-income households, including but not limited to such items as housing, child-care, and healthcare. Metrics that are viewed as better measures of current living expenses include the Census Bureau's Supplemental Poverty Measure which accounts for costs that burden low-income families to a larger extent than the overall population. This measure is developed based on a National Academy of Sciences study and results in a higher poverty threshold for most households – which should be the goal since the current metric under-measures poverty.<sup>1</sup>

DPH strongly believes that a more accurate measure of poverty would result in more being done to address the needs of low-income individuals and families rather than less. The approach OMB is considering is fundamentally flawed. Rather than providing support to people who are working to pull themselves out of poverty, this proposal puts economic security increasingly out of reach while doing nothing to improve the technical accuracy of the OPM.

The Massachusetts Department of Public Health thanks you for consideration of our comments..

Sincerely,



Monica Bharel, MD MPH  
Commissioner  
Massachusetts Department of Public Health

cc: Marylou Sudders, Secretary, Executive Office of Health and Human Services

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<sup>1</sup> Parrott, *op cit* and National Research Council, *Measuring Poverty: A New Approach*, National Academies Press, 1995.