Welcome

CFPB Financial Well-Being Research Conference | November 2019
About the Bureau

The Consumer Financial Protection Bureau regulates the offering and provision of consumer financial products and services under the Federal consumer financial laws, and educates and empowers consumers to make better informed financial decisions.

consumerfinance.gov
Disclaimer

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This document was used in support of a live discussion. As such, it does not necessarily express the entirety of that discussion nor the relative emphasis of topics therein.
Defining, measuring, and understanding financial well-being: Why?

“Financial capability empowers individuals to ... improve their present and long-term financial well-being.”

-Executive Order, President’s Advisory Council on Financial Capability (2010)

“Vision: Sustained financial well-being for all individuals and families in the United States.”

-U.S. National Strategy for Financial Literacy (2011)

There was consensus on the ultimate outcome of financial education efforts: financial well-being. We needed a definition, a way to measure it, and evidence to find out what improves it.
A multi-year, multi-phase project

What is financial well-being?
Defined it, in consumers’ terms.

How can it be measured?
Developed a robust and valid way to measure it.

What is the state of financial well-being in America?
Surveyed US adults.

What helps people have more of it?
Studied associations between FWB and other factors.

How can we support the field?
Adoption, promoting research, and technical assistance.
Financial Well-being: An overview

CFPB Financial Well-Being Research Conference | November 2019
A multi-year, multi-phase project

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is financial well-being?</td>
<td>Defined it, in consumers’ terms.</td>
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<tr>
<td>How can we support the field?</td>
<td>Adoption, promoting research, and technical assistance.</td>
</tr>
</tbody>
</table>
How people define financial well-being

A state of being reflecting a person’s ability to meet current and ongoing financial obligations, feel secure in their financial future, and make choices that allow enjoyment of life.

<table>
<thead>
<tr>
<th>Security</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control over your day-to-day, month-to-month finances</td>
<td>Capacity to absorb a financial shock</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Freedom of choice</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial freedom to make choices to enjoy life</td>
<td>On track to meet your financial goals</td>
</tr>
</tbody>
</table>
Phase 2

- Defined it, in consumers’ terms.
- Developed a robust and valid way to measure it.
- Surveyed US adults.
- Studied associations between FWB and other factors.
- Adoption, promoting research, and technical assistance.
Developing a reliable, validated scale:

- Worked with a **team of subject matter and scale development experts** to develop questions and scoring method.

- The questions were selected through a state-of-the-art process that involved:

  - Initial pool of questions
  - Cognitive interviews
  - Psychometric testing
  - Validation
## The Financial Well-Being Scale

<table>
<thead>
<tr>
<th>Questions</th>
<th>Response Options</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How well does this statement describe you or your situation?</strong></td>
<td></td>
</tr>
<tr>
<td>1. I could handle a major unexpected expense</td>
<td>Describes me completely</td>
</tr>
<tr>
<td>2. I am securing my financial future</td>
<td>Describes me very well</td>
</tr>
<tr>
<td>3. Because of my money situation, I feel like I will never have the things I want in life</td>
<td>Describes me somewhat</td>
</tr>
<tr>
<td>4. I can enjoy life because of the way I’m managing my money</td>
<td>Describes me very little</td>
</tr>
<tr>
<td>5. I am just getting by financially</td>
<td>Does not describe me at all</td>
</tr>
<tr>
<td>6. I am concerned that the money I have or will save won’t last</td>
<td></td>
</tr>
</tbody>
</table>

| **How often does this statement apply to you?**                           |                                                        |
| 1. Giving a gift for a wedding, birthday or other occasion would put a strain on my finances for the month | Always                                                |
| 2. I have money left over at the end of the month                          | Often                                                 |
| 3. I am behind with my finances                                           | Sometimes                                             |
| 4. My finances control my life                                            | Rarely                                                |
|                                                                          | Never                                                 |
The Financial Well-being Score

- Standardized number (similar to SAT score)
- A number between 0 and 100
- Adjusted by mode of administration and age group
What is financial well-being? Defined it, in consumers’ terms.

How can it be measured? Developed a robust and valid way to measure it.

What is the state of financial well-being in America? Surveyed US adults.

What helps people have more of it? Studied associations between FWB and other factors.

How can we support the field? Adoption, promoting research, and technical assistance.
National Financial Well-Being Survey

A nationally representative survey of almost 6,400 adults 18+, including questions on topics such as…

- Financial status and circumstances
- Individual characteristics
- Household and family characteristics
- Income and employment characteristics
- Savings and safety nets
- Financial experiences
- Financial behaviors, skills, and attitudes
A correlated but different measure than income

DISTRIBUTION OF FINANCIAL WELL-BEING SCORE BY INCOME

- Less than $20K
  - 46

- $20 to 29.9K
  - 49

- $30 to $49.9K
  - 51

- $50 to $74.9K
  - 55

- $75 to $99.9K
  - 56

- $100K plus
  - 60

Financial Well-Being Score

25 35 45 55 65 75 85

10th Percentile

25th Percentile

Average

75th Percentile

90th Percentile

Consumer Financial Protection Bureau
Financial well-being scores by liquid savings

Source: CFPB 2016 National Financial Well-Being Survey
### Financial Well-Being Score ranges

<table>
<thead>
<tr>
<th>Score ranges</th>
<th>0-29</th>
<th>30-37</th>
<th>38-49</th>
<th>50-57</th>
<th>58-67</th>
<th>68-100</th>
</tr>
</thead>
<tbody>
<tr>
<td>VERY LOW</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOW</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEDIUM LOW</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEDIUM HIGH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HIGH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VERY HIGH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Financial Well-Being Score ranges

Scores reflect a continuum of real financial experiences:

% with < $500 in liquid savings
- 82%
- 69%
- 48%
- 22%
- 8%
- 2%

% difficult to cover monthly expenses
- 58%
- 40%
- 11%
- 2%
- 1%
- 0%
Financial Well-being in America

Score ranges

<table>
<thead>
<tr>
<th>Score Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>VERY LOW</td>
<td>4%</td>
</tr>
<tr>
<td>LOW</td>
<td>7%</td>
</tr>
<tr>
<td>MEDIUM LOW</td>
<td>25%</td>
</tr>
<tr>
<td>MEDIUM HIGH</td>
<td>24%</td>
</tr>
<tr>
<td>HIGH</td>
<td>25%</td>
</tr>
<tr>
<td>VERY HIGH</td>
<td>16%</td>
</tr>
</tbody>
</table>

Average: 54
Phase 4

What is financial well-being?
- Defined it, in consumers’ terms.

How can it be measured?
- Developed a robust and valid way to measure it.

What is the state of financial well-being in America?
- Surveyed US adults.

What helps people have more of it?
- Studied associations between FWB and other factors.

How can we support the field?
- Adoption, promoting research, and technical assistance.
What influences financial well-being? Qualitative findings

Social and economic environment
What surrounds you in your family and community.

Knowledge and skills
What you know, and what you know how to do.

Personality and attitudes
How you tend to think, feel, and act.

Decision context
How a particular decision is presented.

Available opportunities
What options are open to you.

Behavior
What you actually do.

Personal financial well-being
How satisfied you are with your financial situation.
## Financial Skill Scale

**How well does this statement describe you or your situation?**

<table>
<thead>
<tr>
<th>Questions</th>
<th>Response Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I know how to make complex financial decisions†</td>
<td>• Describes me completely</td>
</tr>
<tr>
<td>2. I am able to make good financial decisions that are new to me</td>
<td>• Describes me very well</td>
</tr>
<tr>
<td>3. I know how to get myself to follow through on my financial intentions†</td>
<td>• Describes me somewhat</td>
</tr>
<tr>
<td>4. I am able to recognize a good financial investment</td>
<td>• Describes me very little</td>
</tr>
<tr>
<td>5. I know how to keep myself from spending too much</td>
<td>• Does not describe me at all</td>
</tr>
<tr>
<td>6. I know how to make myself save†</td>
<td></td>
</tr>
<tr>
<td>7. I know where to find the advice I need to make decisions involving money</td>
<td></td>
</tr>
</tbody>
</table>

**How often does this statement apply to you?**

<table>
<thead>
<tr>
<th>Questions</th>
<th>Response Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I know when I do not have enough information to make a good decision involving my money†</td>
<td>• Always</td>
</tr>
<tr>
<td>2. I know when I need advice about my money</td>
<td>• Often</td>
</tr>
<tr>
<td>3. I struggle to understand financial information* †</td>
<td>• Sometimes</td>
</tr>
</tbody>
</table>

* Denotes questions for which the response options are “reverse coded.”
† Denotes questions that are part of the abbreviated (5-question) scale.
Studying the role of behaviors and skills

- Financial knowledge
- Frugality, perceived economic mobility, self-control and discount/time preference
- Race, sex and marital status
- Age, income and education

- Employment status, employer benefits
- Financially supported children
- Professional financial advice
- Family financial socialization
Putting the pieces together: Pathways to Financial Well-being
Summary: Pathways to Financial Well-being Model

- **Financial skill**: How you find, process, and use relevant financial information
- **Financial behavior**: Day-to-day actions you take to secure your financial life
- **Financial situation**: The objective facts of your financial life
- **Financial well-being**: Your perceived financial security and freedom of choice
Summary: Pathways to Financial Well-being Model

- **Financial skill**: How you find, process, and use relevant financial information
- **Financial behavior**: Day-to-day actions you take to secure your financial life
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Income
Summary: Pathways to Financial Well-being Model

- **Financial skill**: How you find, process, and use relevant financial information
- **Financial behavior**: Day-to-day actions you take to secure your financial life
- **Financial situation**: The objective facts of your financial life
- **Financial well-being**: Your perceived financial security and freedom of choice

Confidence
What is financial well-being?

How can it be measured?

What is the state of financial well-being in America?

What helps people have more of it?

How can we support the field?

Defined it, in consumers’ terms.

Developed a robust and valid way to measure it.

Surveyed US adults.

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Adoption, promoting research, and technical assistance.
Supporting financial educators

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Using the scale and score in your work

The scale and score can be used to:

- measure individual well-being and progress.

- facilitate one-on-one or group conversations with the people you serve.
Using the scale and score in your work

The scale and score can be used to:

- evaluate and improve programs
Using the scale and score in your work

The scale and score can be used to:

- measure and compare programs and populations.
How can I integrate the scale with other data collection instruments?

Tips for using the scale as part of a longer data collection process or an existing questionnaire:

- **Do not pick and choose questions.** The scale questions have been carefully chosen and validated. If length is a concern, consider using the five-question version of the scale.

- **Do not change the wording.** Keep the scale questions in the same order and with the same wording as developed by the Bureau. If you make changes, your data may not be comparable to the national survey data or to data collected by other programs. Feel free to put on your own logo or to change the font or look of the survey.

- **Do calculate a score.** Calculating a score allows you to compare financial well-being for people over time and to others.

- **Do consider adding the scale to electronic data systems.** Many practitioners have added fields in their databases and client management systems to store scale responses and scores.
Should you share the score with the people you serve?

- While the score is a valuable tool to measure a person’s financial well-being, it may not always be useful to share the score with people.

- Depending on the person and the context, sharing the score could lead to a person feeling anxious or upset, or it could motivate the person.

- Before sharing the score, consider how the person might react, and whether sharing the score would help or hinder a person’s sense of financial well-being.
Resources to help you
Financial well being hub
Financial well being hub

Find it at consumerfinance.gov/practitioner-resources/financial-well-being-resources/
Financial well-being resources

Financial well-being is the ultimate goal of financial education. To help people improve their financial well-being, you first must be able to measure it.

Financial well-being describes a condition wherein a person can fully meet current and ongoing financial obligations, can feel secure in their financial future, and is able to make choices that allow them to enjoy life. It’s determined by the extent to which people feel that they:

- Have control over day-to-day, month-to-month finances
- Have the capacity to absorb a financial shock
- Are on track to meet his or her financial goals
- Have the financial freedom to make the choices that allow one to enjoy life

Get started measuring financial well-being

The toolkit provides an introduction to the financial well-being scale, with instructions, case studies, and other resources.

Download the toolkit for financial educators

Measure and score financial well-being

The financial well-being scale is a free tool to help you measure your client’s financial well-
Financial well-being reports
CFPB FINANCIAL WELL-BEING SCALE
Scoring worksheet

1. Select the person's answers, record the response value in the right hand column and add up the total values for each part of the questionnaire.

<table>
<thead>
<tr>
<th>This statement describes me</th>
<th>Completely</th>
<th>Very well</th>
<th>Somewhat</th>
<th>Very little</th>
<th>Not at all</th>
<th>Response value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I could handle a major unexpected expense</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2. I am securing my financial future</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>3. Because of my money situation, I feel the world doesn't have the things I want in life</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>4. I feel happy because of the way I'm managing my money</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>5. I am just getting by financially</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>6. I am concerned that the money I have will run out next month</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

| Total response value | 92 |

---

2. Find the financial well-being score

<table>
<thead>
<tr>
<th>How old is the person?</th>
<th>Total response value</th>
<th>Questionnaire self-admitted</th>
<th>Questionnaire self-admitted, but more than a year ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-64</td>
<td>10</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>65+</td>
<td>10</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>How did the person take the questionnaire?</td>
<td>10</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Self-administered</td>
<td>10</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Administered by someone else</td>
<td>10</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Because scores vary based on age and have the questionnaire was administered; you must correct the total response value to a financial well-being score:</td>
<td>10</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>a. Find the score that corresponds to the total response value</td>
<td>10</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>b. Follow that row across to the column that corresponds to the person's age and how the questionnaire was administered</td>
<td>10</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>c. Round the final score</td>
<td>40</td>
<td>3</td>
<td>2</td>
</tr>
</tbody>
</table>

**Financial well-being score:** 40

Learn more at consumerfinance.gov/financial-well-being
Interactive tool that allows consumers to:

• Answer the questions and get their score
• Find steps they can take to improve their financial well-being
• See how their score compares to other U.S. adults

consumerfinance.gov/financial-well-being
Financial well-being toolkit

A toolkit for financial educators:

- How to use the scale
- Case studies
- Benchmark tables
- Complementary resources

[link to resource: consumerfinance.gov/practitioner-resources/financial-well-being-resources/]

[Image of toolkit cover]
Financial well-being score benchmarks for practitioners

<table>
<thead>
<tr>
<th>Score ranges</th>
<th>Very Low</th>
<th>Low</th>
<th>Medium Low</th>
<th>Medium High</th>
<th>High</th>
<th>Very High</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0-29</td>
<td>30-37</td>
<td>38-49</td>
<td>50-57</td>
<td>58-67</td>
<td>68-100</td>
</tr>
</tbody>
</table>

People in these ranges tend to experience the following:

- **Very Low (0-29)**: Just 5% are certain they could come up with $2,000 for an emergency.
- **Low (30-37)**: Most (82%) sometimes or often experience food insecurity or food hardship.
- **Medium Low (38-49)**: Few (23%) habitually save and only some (38%) have more than $250 in liquid savings.
- **Medium High (50-57)**: Most (60%) have minimal savings of $250 or more, but only 30% have $2,000 or more.
- **High (58-67)**: More than half (55%) have automated deposits into a savings or retirement account.
- **Very High (68-100)**: The vast majority (81%) are certain they could come up with $2,000 for an emergency.
Case studies

Case Study 1: How one financial coaching organization uses the scale to facilitate conversation

*mpowered* is a financial coaching and education organization with a staff of 18, including 11 certified financial coaches. Coaches have been using the scale since 2016.

Coaches at *mpowered* use the scale in one-on-one coaching sessions to facilitate conversations and measure client well-being and progress. The scale also allows *mpowered*’s data specialist and program director to evaluate and improve programs.

Case Study 2: How one financial coaching organization uses the scale to measure client well-being and progress

*The Center for Changing Lives (CCL)* is a non-profit organization that provides financial, employment, and resource development. It has 14 staff members, including two housing and financial coaches. CCL has been using the scale since 2015 and asks all coaching clients to complete the scale.

*CCL* uses the scale to facilitate conversations, measure client well-being and progress, and evaluate and improve programs.

Case Study 3: How one funder uses the scale to evaluate and improve programs

*United Way California Capital Region (UWCCR)* is a grant-making agency with 28 staff members working across several program areas. Financial coaching grants are one of six major activities under UWCCR’s financial stability program. UWCCR adopted the scale as a required tool for grantees to use and report on starting in 2017.

The scale allows financial coaching grantees to facilitate conversations and measure client well-being and progress. As a funder, UWCCR uses the scale to measure client well-being and progress, evaluate and improve programs, and compare programs in its portfolio.
Financial Well-being by state

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Background
Financial well-being and geography

- People’s definition of financial well-being was the same regardless of geographic location and other demographic factors.

- Financial well-being is likely to vary by state and neighborhood because of differences in employment opportunities and the availability of products and services at these geographic levels.

- “Contextual” factors were relatively different for adults ages 62 and older than their younger counterparts.

- No differences in average FWB by Census Region.
Financial well-being and poverty

DISTRIBUTION OF FINANCIAL WELL-BEING SCORES BY FEDERAL POVERTY LEVEL

Source: CFPB 2016 National Financial Well-being Survey
Methodology

  - Administered online to a sample of 27,091 American adults (roughly 500 per state, plus the District of Columbia) between June and October 2018.
  - The corresponding national and state weights were applied to the data to obtain the financial well-being scores.
- Research team: Hector Ortiz, CFPB and Carly Urban, Montana State University.
- Code: [www.montana.edu/urban/NFCS_2018FWB.do](http://www.montana.edu/urban/NFCS_2018FWB.do)
All adults (ages 18+)
Average financial well-being score by state, 18+

AVERAGE FINANCIAL WELL-BEING SCORES BY STATE, ADULTS AGES 18 AND OLDER

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
Spread in financial well-being scores, 18+

DIFFERENCE IN FINANCIAL WELL-BEING SCORE BETWEEN 10TH AND 90TH PERCENTILE BY STATE, ADULTS AGES 18 AND OLDER

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
By score ranges
## Recap: Financial well-being score ranges

<table>
<thead>
<tr>
<th>Score Range</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-29</td>
<td><strong>VERY LOW</strong> Just 5% are certain they could come up with $2,000 for an emergency. Most (82%) sometimes or often experience food insecurity or food hardship. Almost all (96%) find it somewhat or very difficult to make ends meet.</td>
</tr>
<tr>
<td>30-37</td>
<td><strong>LOW</strong> Few (23%) habitually save and only some (38%) have more than $250 in liquid savings. Just 12% always stay on budget. Nearly half (45%) have experience with debt collectors.</td>
</tr>
<tr>
<td>38-49</td>
<td><strong>MEDIUM LOW</strong> Most (60%) have minimal savings of $250 or more, but only 30% have $2,000 or more. Almost all (80%) find it somewhat or very difficult to make ends meet. Some (32%) have had a credit application rejected or are concerned about credit rejection.</td>
</tr>
<tr>
<td>50-57</td>
<td><strong>MEDIUM HIGH</strong> More than half (55%) have automated deposits into a savings or retirement account. A minority (32%) always pay off credit cards in full. Few (16%) sometimes or often experience food insecurity or hardship.</td>
</tr>
<tr>
<td>58-67</td>
<td><strong>HIGH</strong> The vast majority (81%) are certain they could come up with $2,000 for an emergency. Just 35% always stay on budget. Very few (6%) have experienced a credit rejection or are concerned about credit rejection.</td>
</tr>
<tr>
<td>68-100</td>
<td><strong>VERY HIGH</strong> Most have high levels of savings; 80% have $10,000 or more in liquid savings. The majority (69%) make automated deposits into a savings or retirement account. Most (81%) have health insurance.</td>
</tr>
</tbody>
</table>

*Images and charts are not included.*
State variation in very low and low financial well-being scores

PERCENT OF ADULTS AGES 18 AND OLDER IN THE LOW AND VERY LOW FINANCIAL WELL-BEING SCORE RANGES

<table>
<thead>
<tr>
<th>State</th>
<th>Financial Well-Being Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>18%</td>
</tr>
<tr>
<td>NY SC AR</td>
<td>18%</td>
</tr>
<tr>
<td>DE WA NE MT TX PA WY KS</td>
<td>19%</td>
</tr>
<tr>
<td>MN IA NC GA VA</td>
<td>20%</td>
</tr>
<tr>
<td>VT OK LA TN AL WV</td>
<td>21%</td>
</tr>
<tr>
<td>KY</td>
<td>22%</td>
</tr>
<tr>
<td>MS</td>
<td>26%</td>
</tr>
</tbody>
</table>

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
State variation in high and very high financial well-being scores

PERCENT OF ADULTS AGES 18 AND OLDER IN THE HIGH AND VERY HIGH FINANCIAL WELL-BEING SCORE RANGES

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
Relationship with poverty rates
Correlation between poverty rates and percent with low/very low financial well-being scores

Pearson correlation: .43

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
Difference between poverty rates and percent with low/very low financial well-being scores

US: 5.8% more people with low/very low scores than 100% of the FPL

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
By age group
Average financial well-being score by state, 18-61

AVERAGE FINANCIAL WELL-BEING SCORES BY STATE, ADULTS AGES 18 TO 61

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
Spread in financial well-being scores, 18-61

DIFFERENCE IN FINANCIAL WELL-BEING SCORE BETWEEN 10TH AND 90TH PERCENTILE BY STATE, ADULTS AGES 18 TO 61

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
Average financial well-being score by state, 62+

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
Spread in financial well-being scores, 62+

DIFFERENCE IN FINANCIAL WELL-BEING SCORE BETWEEN 10\textsuperscript{TH} AND 90\textsuperscript{TH} PERCENTILE BY STATE, ADULTS AGES 62 AND OLDER

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
Differences between age groups
Differences in the average financial well-being scores by age group

DIFFERENCE IN AVERAGE FINANCIAL WELL-BEING SCORE BETWEEN OLDER ADULTS AND YOUNGER ADULTS BY STATE

Source: CFPB analysis of 2018 NFCS State-by-State Survey data
Summary of findings
Differences by state

- Average financial well-being score for all adults is generally similar across states.
- However, the percent of adults with scores in the low and very low category varies significantly by state.
- The financial well-being scores may also reveal that a larger percent of most states’ population is struggling financially than indicated by the traditional poverty measure.
Differences by state and age group

- Score patterns differ by age group in some ways. The average scores for adults ages 18 to 61 vary more by state than the average scores for adults ages 62 and older. On the other hand, the spread of scores (difference between the scores of the lowest decile and the highest decile) vary more by state for adults 62 and older than for their younger counterparts (ages 18 to 61).

- Furthermore, the states with the highest average financial well-being scores for older adults are different from those with the highest average financial well-being scores for younger adults.