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Wisconsin Ranks First in Growth in Poverty: Census Bureau Reports

The Number of Citizens Without Health Insurance Grows Slightly

Madison – The rate of growth in the number of individuals living in poverty was the highest in Wisconsin out of all 50 states according to a report released today by the U.S. Census Bureau. This follows on the heels of a report released by the Annie E. Casey Foundation showing that 14 percent of Wisconsin's children are living in poverty.

“This report should be a wake-up call for us all,” said WCCF Executive Director Charity Eleson. “The effects of poverty are devastating for children unless we intervene to stop its growth and mitigate its effects; and Wisconsin, in spite of its many strengths, is not doing enough to turn around the growth in poverty.”

The report, “Income, Poverty and Health Insurance Coverage in the United States: 2004” shows that the percentage of all people living in poverty in Wisconsin grew from 9.2 percent over a two-year average in 2002 and 2003 to 11 percent over a two-year average from 2003 to 2004. The increase is even more dramatic if one looks back a year earlier, when the average poverty rate for 2001-02 was just 8.3 percent.

Poverty poses serious threats to children's brain development. Studies have show poverty often impacts brain development through; inadequate nutrition, results of substance abuse, maternal depression and inability to meet the emotional needs of an infant, increased exposure to environmental toxins, trauma and stress affecting propensity to violence later and healthy attachments, quality of daily care.¹

“The good news is that we know what we can do to lessen the effects of poverty on children,” Eleson said. “Ensuring that all preschool children have access to high quality care and education, ensuring that low-income parents have access to education and training that will help them get higher paying jobs, ensuring that 100 percent of all children have access to health care and sufficient nutrition, and ensuring that all families have access to affordable housing would all go a long way toward lessening the destructive effects of poverty on the roughly 187,000 children in our state who are living in poverty.”

The Census report also showed that the number of those without medical coverage also rose slightly last year, but has increased sharply over the last three years, as the number of people with employer-sponsored insurance declined. In Wisconsin the percentage of the population that was uninsured for a full year averaged 10.6 percent in 2003 and 2004, compared to just 7.6 percent for the two-year average in 2000-01.

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¹ National Center for Children in Poverty, Poverty and Brain Development in Early Childhood (June 1999)

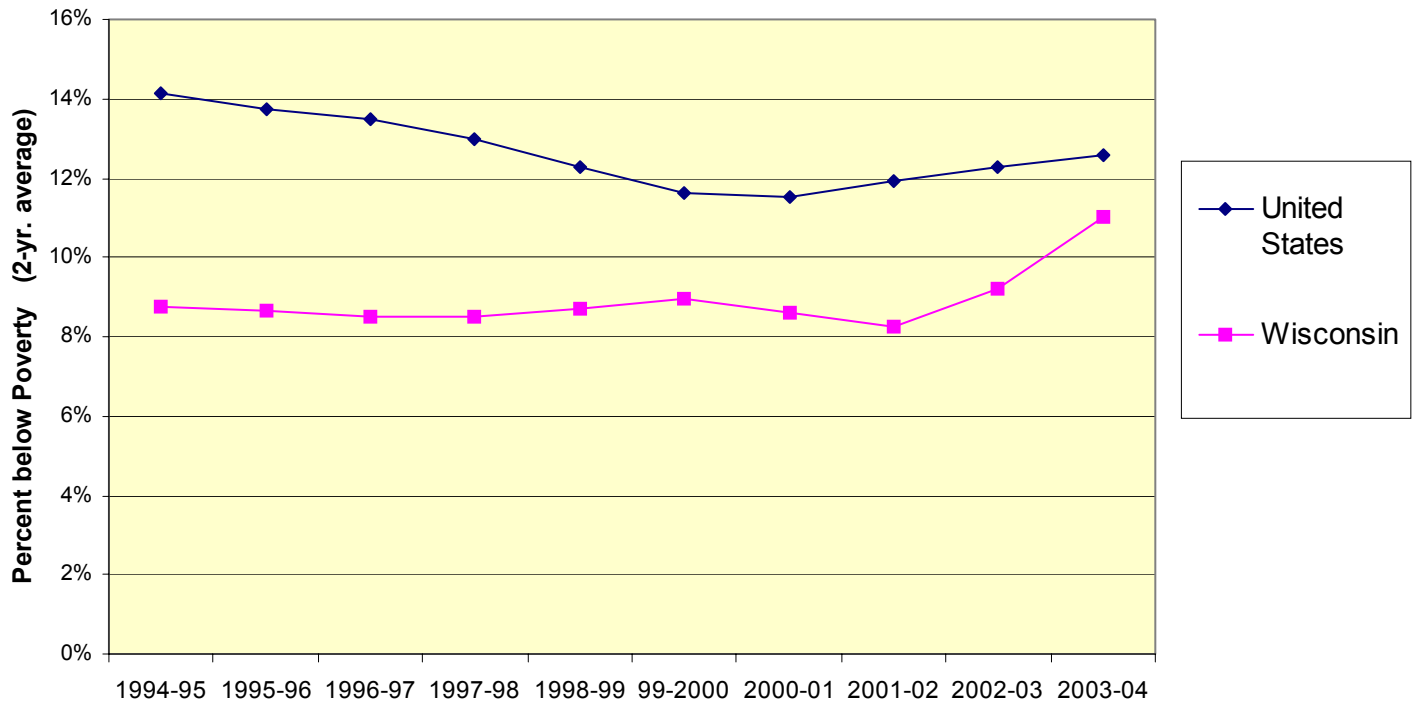
Eleson said the national and Wisconsin data underscore the importance of maintaining the state's Medical Assistance and BadgerCare programs that ensure health care coverage for over 335,000 children. Wisconsin has struggled to fully fund Medical Assistance through the last two state budgets and Congress will meet this fall to discuss federal allocations to states.

“Medical Assistance is a last resort medical coverage for Wisconsin’s most vulnerable citizens,” said WCCF Research Director Jon Peacock. “Thankfully, our Governor and Legislature prioritized fully funding Medicaid and BadgerCare coverage for low-income children and families in the last budget; however, if significant cuts are made in federal funding, the program will be at risk in Wisconsin.”

Definition of poverty: When the Census Bureau counts up the numbers of people in poverty, they do it based on annual poverty thresholds. For 2004, the year covered in the new report, they define poverty on average for these family sizes as:

1 person:	\$9,643
2 people:	\$12,335
3 people:	\$15,071
4 people:	\$19,311

Poverty Rate - U.S. & Wisconsin
(two-yr. averages: 1994-95 to -2003-04)



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