



WISCONSIN COUNCIL ON

**children
& families**

Raising Voices to Make Every Kid Count

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New Census Bureau Figures Show Recession Continues to Take Its Toll in Wisconsin
Child Advocates Call on Policy Makers to Respond With Real Action and Real Job Initiatives

(Madison)-- According to new data released today by the U.S. Census Bureau, more Americans are living in poverty--46.2 million in 2010--than at any other time since the federal government began estimating poverty 52 years ago. The national poverty rate jumped from 14.3% in 2009 to 15.1 last year, the highest national poverty rate since 1993 and the fourth consecutive yearly increase. The child poverty rate rose from 20.7% in 2009 to 22.0% in 2010.

The data released by the Census Bureau today—which come from the Current Population Survey (CPS)—are preliminary with regard to state poverty levels. The Census Bureau will provide more penetrating estimates of poverty at the state and local levels on September 22, when it releases data from the American Community Survey (ACS). The ACS uses a much larger sample of the population, allowing for more reliable estimates at the state level and more localized estimates of poverty and other key indicators.

Preliminary state-level data released today show that Wisconsin's poverty rate remained stable in 2010. The overall poverty rate in Wisconsin in 2009-10 was 10.3%, which does not represent a statistically significant change from the 10.6% rate recorded in 2006-07. Median household income in the state, however, has declined significantly. Wisconsin's median household income in 2009-10 was \$51,303, a statistically significant decrease of \$3,608 from 2006-07. Median income in Wisconsin has fallen \$7,119 since 1999-2000 (in 2010 dollars, adjusted for inflation). For state-level analysis of CPS data, two-year averages are used to increase reliability.

“While we're relieved to see Wisconsin appearing to hold steady on poverty, far too many families are struggling economically, and it's clear that Wisconsinites are losing ground over time,” said Ken Taylor, executive director of the Wisconsin Council on Children and Families. “Our response to widespread poverty will be a test of our values and priorities as a state and as a society.”

Taylor emphasized that this data comes on top of several years of disturbing trends related to poverty and income. Working families were struggling even before the recession kicked in, and have been relying on important public investments like BadgerCare, the Wisconsin Shares child care subsidy program, and the Earned Income Tax Credit to make ends meet in growing numbers for several years. Those investments have helped prevent child well-being in Wisconsin from deteriorating significantly during the recession and stalled recovery.

The recession and its aftermath have also reduced the number of people who are covered by employer-sponsored health care insurance. An estimated 504,000 non-elderly Wisconsinites

(more)

(10.6%) lacked health insurance in 2009-10, according to the new CPS data, an increase of about 31,000 since 2007-08, when 9.8% were uninsured. (Again, the Census Bureau averages two years of CPS data in order to make the estimates more reliable.) In Wisconsin, BadgerCare Plus has filled the gap for many families and individuals who have lost their job-based coverage due to the recession. According to the CPS data, approximately 162,000 Wisconsinites under the age of 65 lost their employer-sponsored coverage from 2007-08 to 2009-10, but 102,000 gained Medicaid or BadgerCare Plus coverage, largely offsetting the loss of job-based coverage.

“The loss of employer-sponsored coverage underscores the importance of maintaining support for BadgerCare Plus, a program that has helped make Wisconsin a national leader in covering kids and families,” said Taylor. “The Walker administration has not yet told the public how it intends to carry out the nearly half-billion dollars in cuts to Medicaid and BadgerCare passed in the state budget. These Census numbers illustrate that it would be a mistake it would be to try to save money by causing even more people to lose their health care coverage. BadgerCare is an extremely successful and cost-effective program; it’s needed now more than ever before.”

WCCF recommends these measures in response to high poverty rates and the continued erosion of employer-sponsored health insurance:

- Focus much more on job creation than on deficit reduction, and make that focus primarily on GOOD jobs that offer health benefits. The best way to reduce budget deficits is to get everybody back to work at decent-paying, family-supporting jobs.
- Bolster the types of benefits and supports that both help families weather the storm AND pump money into the economy, such as nutrition assistance program, extended unemployment benefits, the Earned Income Tax Credit, and health care.
- Ensure that corporations and the wealthy pay their fair share of taxes by closing loopholes and ending unnecessary tax breaks that don’t create jobs.
- Give businesses access to a well-trained workforce by providing schools and colleges the resources they need to prepare students for employment. And provide students with the financial aid they need in order to succeed in their educational efforts.

“In the face of tight budgets, it’s easy for policy makers to just throw up their hands and say ‘We can’t afford to help anymore.’ That response is unacceptable and not in our economic best interest,” Taylor said. “We have to take a proactive approach to poverty and must make it a priority to invest in the future we all share. The people of Wisconsin care deeply about the well-being of children and families, and they expect their elected officials to share that commitment.”

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WHAT IS THE NEW CENSUS DATA ABOUT ANYWAY?!

2010 DATA TO BE RELEASED SEPTEMBER 13TH AND 22ND ON HEALTH INSURANCE COVERAGE, POVERTY, AND INCOME

On two dates in September, the Census Bureau will release data on poverty, income, and the number of uninsured:

- On **September 13**, the Bureau will release health insurance, poverty, and income data from the Current Population Survey (CPS).
- On **September 22**, the Bureau will release additional health insurance, poverty, and income data from the American Community Survey (ACS).

Although the data from these two surveys are similar, they differ in important ways and will likely yield somewhat different numbers.

CPS vs. ACS: Apples and Oranges

Although the data will be similar, you should not compare the CPS data to the ACS data (i.e., do not compare local uninsured rates from the ACS to statewide uninsured rates from the CPS)! The surveys ask different questions at different times of the year to different populations.

The key differences are as follows (for more details, visit the Census Bureau's [CPS vs. ACS webpage](#)):

- The way the two surveys ask about health insurance (i.e., if you had it at any point in the previous year versus if you have insurance today)
- Whether military health insurance coverage is represented as private or public/government insurance
- Annual U.S. sample sizes: CPS = 100,000 addresses vs. ACS = 3 million addresses.
- What geographic level of data is available (i.e., CPS only goes down to state-level, while ACS goes down to areas above 65,000, including Congressional Districts, metro areas, and some counties)

Examining the Poverty numbers – The Sept. 22 data will be much better.

Some people expect the 2010 Census data to show a significant increase in poverty levels for children and for the population as a whole. The CPS data released on September 13 will provide a pretty good indication of the change in poverty at the national level in 2010, but it won't tell us nearly as much about changes at the state level (or anything about local changes). The reason for that is that the much smaller sample size for the CPS makes it less reliable and requires averaging together two years of state data (but not for the national numbers). The averaging will mask some of the state-level change that occurred in 2010.

The ACS uses a sample that is 30 times larger than the CPS, which makes it a much better source for state-level trends and state rankings. Thus, the ACS data released on September 22 will provide a much clearer picture of the change in poverty in Wisconsin from 2009 to 2010, and it will also include some local data on income and poverty.

For similar reasons, the ACS data will give us a better indication of changes in insurance coverage in Wisconsin from 2009 to 2010. However, the health question wasn't added to the ACS survey until 2008, which makes the CPS data the only national data source for examining the long-term trends in insurance coverage.

Use WCCF as a Resource to Help Make Sense of the Numbers

The Wisconsin Council on Children and Families is a non-profit, non-partisan policy institute that will issue press releases and be available for interviews on both days of the data releases to help provide context and interpretation of the numbers. If you have questions regarding the methodology or what kinds of data will be available (e.g. geographic areas, changes over time, etc.), please contact our Communications Director, Bob Jacobson, at (608) 284-0580 ext. 303 or bjacobson@wccf.org.

Differences in the Health Insurance and Population Data

Key Facts about the CPS health insurance data:

- Data only available for U.S. and States (not local areas)
- Asks: whether the person had health insurance *at any time during 2010*
 - “Uninsured” = not insured for the entire year (2010)
 - “Insured” = had health insurance at any point in the year, even if it was just for a short period of time.
- Data available over time: 1987-2010

Key Facts about the Health Insurance Data from the ACS:

- Health insurance coverage data for states, as well as geographic areas with populations of 65,000 or more (including more than 20 Wisconsin counties, all U.S. Congressional Districts, and several Wisconsin Metropolitan Areas)
- Asks: whether individuals had health insurance *at the time they were surveyed*
 - “Uninsured” = didn't have insurance at the time survey was completed
 - “Insured” = had insurance at the time survey was completed.
- This question was asked for the first time in 2008, so only 2008-2010 data are available.

Key Facts about the Population, Income, and Poverty Data from the ACS:

- Compared to the CPS, the ACS includes more population data
 - Average family size
 - Poverty rates by age, race/ethnicity, gender, and educational attainment
 - Median income for families or non-family households, and by race/ethnicity or age
 - Housing costs as a percentage of income
- Data available for the state, as well as geographic areas with populations of 65,000 or more
- Data over time: 2001-2010