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Census data show decline in CT uninsured but no progress in reducing poverty despite economic growth

CT Voices calls for increased support for families as economy takes downturn and energy and food costs rise

Data released today by the U.S. Census Bureau show that there has been a decline in recent years in the total number of uninsured residents in Connecticut. The state has not made significant progress in reducing poverty since the beginning of this decade. Connecticut families experienced this lack of progress on poverty even during recent years of economic growth. A Census survey indicates that in 2007, prior to the state's economic downturn, more than one in ten Connecticut children lived in poverty.

Based on a comparison of two-year average uninsured rates, there was a statistically significant improvement in the total number of uninsured residents in recent years, declining from 10.9% in 2004-2005 to 9.4% in 2006-2007. (Because of small sample survey sizes at the state level, two-year estimates should be used to evaluate trends over time in Connecticut.) There was no statistically significant change in health insurance rates for children in Connecticut.

Connecticut Voices for Children attributed the decrease in uninsured in part to the state's efforts to enroll more families in the HUSKY health insurance program. In July 2007, income eligibility was increased for parents in the program. Also in 2007, the state provided funding for community-based HUSKY outreach. As a result, enrollment between July and December 2007 increased by nearly 16,000.

"The HUSKY health insurance program has apparently been successful in reducing the number of people without health insurance in the state," said Sharon Langer, Senior Policy Fellow at Connecticut Voices for Children. "As we head into tough economic times, we need to maintain our commitment to HUSKY. We can make it more effective by reducing bureaucratic hurdles for parents enrolling their children in the program and expanding local outreach so people know that HUSKY is there to cover uninsured children."

The Census findings revealing a lack of progress on reducing poverty are released days after the Connecticut General Assembly voted to expand energy assistance to Connecticut families struggling with rising food and fuel costs. Praising this expansion, Connecticut Voices called upon the Governor and General Assembly to increase support for Connecticut families in other ways, including a state earned income tax credit, expanded support for education and training, improved access to the HUSKY health insurance program, and funds for more affordable housing. In June, Governor Rell made state budget rescissions that cut funding for numerous low-income, education, and youth programs.

“As our local economy falters and costs rise, this is the time to ramp up supports for working families,” said Douglas Hall, Acting Managing Director at Connecticut Voices for Children. “Too often, our public officials have cut back at the very time that supports are most needed. With large budget reserves in the state’s Rainy Day Fund, any such cuts would be short-sighted, unnecessary, and damaging to our economic well-being.”

Poverty & income

New Census data from the American Community Survey reveal that in 2007, 7.9% of Connecticut residents (269,000) had incomes under the Federal Poverty Level (\$21,027 for a two-parent household with two children in 2007). Among related Connecticut children under age 18, 10.6% (86,000 children) lived in families with incomes under the Federal Poverty Level. (“Related children,” who might also be considered “children in families” are those related to the head of household; the measure does not include foster children or children living in group settings, such as juvenile justice facilities, group homes, and hospitals.) There was a statistically significant increase in median household income among Connecticut households between 2003 (\$64,037 in 2007 dollars) and 2007 (\$65,967).

There has been no statistically significant change in poverty rates since the beginning of this decade, despite the expansion of Connecticut’s economy during recent years. This lack of progress is rooted in negative wages trends, according to Connecticut Voices for Children. Since the beginning of this decade, wages for most workers have either declined or stagnated.

The Federal Poverty Level is an inadequate measure of what families actually need to meet the cost of living in Connecticut, according to Connecticut Voices. Census data indicate that one in four children in the state lived in families with income under 200% of the Federal Poverty Level in 2007, which roughly corresponds to Connecticut’s Self-Sufficiency Standard, a measure of the income necessary for a family to meet basic needs. (This measure was established by Connecticut law.)

With the establishment of the Child Poverty Council in 2004, Connecticut was the first state in the nation to set a goal of reducing child poverty -- by half by 2014. In 2003 (the baseline year for the Council), 10.8% of Connecticut’s children in families (“related children”) had incomes below the poverty line. To achieve the goal set, only 5% of children should be in poverty in 2014. Connecticut’s 2007 poverty rate for children in families (10.6%) has not significantly improved over the last several years (indeed, the 2001 rate was 9.7%). To meet the goal of reducing child poverty by half, Connecticut must make significant and rapid progress; this has not been happening.

“Connecticut took a positive step by being the first state to set an ambitious but achievable goal of reducing child poverty by half in 10 years. There are now 14 other states with bipartisan efforts to reduce poverty,” said Douglas Hall, Acting Managing Director at Connecticut Voices. “These states are looking to Connecticut to move beyond legislation and reports to action.”

Nationwide, the American Community Survey estimated that 13.0% of all residents (38.1 million) live in poverty, while 17.6% of related children (12.7 million) live in poverty. As one of the wealthiest states in the nation, Connecticut’s rate compares favorably to national estimates.

The American Community Survey also provided poverty, median income and other estimates for Connecticut’s counties, Congressional districts and for several cities. Poverty rates varied significantly across Connecticut’s cities: Bridgeport (18.4%), Danbury (8.1%), Hartford (31.2%), New Britain (14.2%), New Haven (22.1%), Norwalk (5.3%), Stamford (7.8%), and Waterbury (19.4%). The percentage of children under 18 in poverty in Connecticut cities was also reported: Bridgeport (28.4%), Danbury (6.0%), Hartford (47.0%), New Britain (26.0%), New Haven (28.7%), Norwalk (5.8%), Stamford (8.0%), and Waterbury (31.4%).

“State leaders clearly are failing to take the actions needed to reduce poverty, more than four years into state legislation that calls for reducing child poverty by half,” said Jim Horan, Executive Director of the Connecticut Association for Human Services. “Low-income leaders, advocates, service providers, and others are working together to ensure progress on both policy and practice, so that we can see a real reduction in poverty.”

Health insurance

Census data from the Current Population Survey reveal that an estimated 9.4% (326,000) of Connecticut residents in 2007 were without health insurance for the entire year. Among Connecticut children under age 18, 5.2% (43,000) lacked insurance for the entire year. Nationally, the number of uninsured has decreased. In 2007, 15.3% of Americans were uninsured (45.7 million), a statistically significant decrease from the 2006 rate (15.8%). Among children in the U.S., 11.0% (8.1 million) were uninsured, significantly lower than the 2006 rate (11.7%).

“Uninsurance is a black eye on our values as Americans and as a state that cherishes compassion and competition. Harder to measure, but no less detrimental for thousands more is poor insurance coverage. We need quality, affordable health care for everyone, and we need it now,” said Juan A. Figueroa, president of Universal Health Care Foundation of Connecticut.

“For too long, in good times and in bad times, Connecticut’s families have struggled to find jobs that could lift them out of poverty and health care that is adequate and affordable,” commented Jane McNichol, Executive Director of the Legal Assistance Resource Center of Connecticut. “In the face of this continued stagnation in poverty, we need to direct our creativity and our resources to improving the lives of families, and, therefore, to improving the economic security of the state.”

National and state-level data on poverty, income, and health insurance coverage are available on the U.S. Census Web site at www.census.gov. Data are drawn from the Current Population Survey (CPS) and American Community Survey (ACS). CT Voices has cited ACS data for poverty and income figures and CPS data for health insurance figures. **See the attached fact sheet for detailed survey results and background on its measures.** This news release and fact sheet are also available on the CT Voices Web site at www.ctkidslink.org.

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Poverty, Income & Health Insurance in Connecticut: Summary of 2007 U.S. Census Data

August 26, 2008

Poverty and Income Estimates in Connecticut and the Nation – 2007

Poverty/Income Indicator & Data Source	Connecticut	United States	
	2007 % and #	2007 % and #	2006 % and #
Persons with income less than Federal Poverty Level* (ACS)	7.9% (268,880)	13.0% (38.1 million) significant decrease	13.3% (38.8 million)
Related children under 18 with income under Federal Poverty Level (ACS)	10.6% (85,530)	17.6% (12.7 million) significant decrease	17.9% (12.9 million)
All Children** with income under Federal Poverty Level (ACS)	11.1% (89,373)	18.0%*** (13.1 million)	18.3% (13.3 million)
All Children with income under 200% Federal Poverty Level (ACS)****	25.1% (202,579)	39.4% (28.6 million)	---
Families with income below Federal Poverty Level (ACS)	5.7% (50,353)	9.5% (7.2 million) significant decrease	9.8% (7.3 million)
Median household income in 2007 dollars (ACS)	\$65,967	\$50,740 significant increase	\$49,825

Data from the U.S. Census American Community Survey (ACS). **Unless specifically noted, comparisons between 2007 data to other years are not statistically significant.**

* In 2007, the federal poverty level was set to \$21,027 for a two-parent household with two children.

** “All persons” and “children in poverty” are more inclusive groups than “related children under 18” in poverty. All persons and children in poverty include people living in group quarters, which includes two categories of facilities: institutional, including residences such as correctional facilities, nursing homes, and psychiatric hospitals; and noninstitutional, which include residences such as college dormitories, military barracks, and adult group homes.

*** CT Voices for Children did not have the appropriate data to make a comparison of “all children” in poverty nationwide between 2006 and 2007.

**** The 200% federal poverty level roughly corresponds to Connecticut’s Self-Sufficiency Standard--a measure of the income necessary for a family to meet basic needs.

Poverty Levels and Median Income in Connecticut Unchanged From 2001

Poverty/Income Indicator & Data Source	Connecticut 2007 % and #	Connecticut 2006 % and #	Connecticut 2003 % and #	Connecticut 2001 % and #
Persons with income less than Federal Poverty Level (ACS)	7.9% (268,880) no significant change	8.3% (280,108)	8.1% (272,911)	7.3% (242,421)
Related children under 18 with income under FPL (ACS)	10.6% (85,530) no significant change	10.7% (85,906)	10.8% (88,593)	9.7% (77,251)
Families with income below FPL (ACS)	5.7% (50,353) no significant change	5.9% (52,378)	6.4% (58,272)	5.3% (46,935)
Median household income in 2007 dollars (ACS)	\$65,967 significant increase from 2003, no significant change from 2001 or 2006	\$65,221	\$64,037	\$66,041

Data from the U.S. Census American Community Survey (ACS). One-year comparisons are valid for ACS data. Statistical significance calculated with assistance from the Center on Budget and Policy Priorities and Coalition on Human Needs. **Unless specifically noted, comparisons between 2007 data to other years are not statistically significant.**

**Because data collection methods for “persons with income less than FPL” and “families with income below FPL” have recently changed, the Census Bureau strongly cautions against comparing 2007 data to 2004 and 2005 data.

Poverty Rates and Median Household Incomes Among Connecticut Cities in 2007

City	Persons with income less than Federal Poverty Level (ACS)	Children under 18 in families with income under FPL (ACS)	Children under 18 in families with income under 200% FPL (ACS)*	Median household income in 2007 dollars (ACS)
Bridgeport	18.4%	28.4%	54.9%	\$44,216
Danbury	8.1%	6.0%	---	\$59,346
Hartford	31.2%	47.0%	73.4%	\$27,654
New Britain	14.2%	26.0%	59.5%	\$36,681
New Haven	22.1%	28.7%	55.3%	\$39,409
Norwalk	5.3%	5.8%	---	\$76,084
Stamford	7.8%	8.0%	25.9%	\$75,840
Waterbury	19.4%	31.4%	56.8%	\$39,957

Data from the U.S. Census American Community Survey (ACS).

* The 200% federal poverty level roughly corresponds to Connecticut’s Self-Sufficiency Standard--a measure of the income necessary for a family to meet basic needs.

Poverty Rates and Median Household Incomes Among Connecticut Counties in 2007

County	Persons with income less than Federal Poverty Level (ACS)	Children under 18 with income under FPL (ACS)	Median household income in 2007 dollars (ACS)
Fairfield	6.6%	8.2%	\$80,241
Hartford	9.5%	14.8%	\$61,096
Litchfield	5.3%	5.8%	\$68,407
Middlesex	4.8%	5.5%	\$72,251
New Haven	9.7%	13.9%	\$59,916
New London	6.5%	10.0%	\$61,044
Tolland	6.7%	5.6%	\$75,497
Windham	7.6%	10.3%	\$58,594

Data from the U.S. Census American Community Survey (ACS).

Poverty Rates and Median Household Incomes Among Connecticut Congressional Districts in 2007

Congressional District	Persons with income less than Federal Poverty Level (ACS)	Children under 18 with income under FPL (ACS)	Median household income in 2007 dollars (ACS)
1 st Congressional District (Rep. Larson)	9.8%	15.4%	\$59,650
2 nd Congressional District (Rep. Courtney)	6.2%	8.1%	\$67,119
3 rd Congressional District (Rep. DeLauro)	8.6%	11.1%	\$60,501
4 th Congressional District (Rep. Shays)	6.8%	9.2%	\$84,047
5 th Congressional District (Rep. Murphy)	8.3%	11.7%	\$66,454

Data from the U.S. Census American Community Survey (ACS).

The Uninsured in Connecticut and the Nation – 2007

Uninsured Indicator & Data Source	Connecticut*	United States	
	2007 % and #	2007 % and #	2006 % and #
All persons uninsured, entire previous 12 months (CPS)	9.4% (326,000)	15.3% (45.7 million) significant decrease	15.8% (47.0 million)
Children < 18 uninsured, entire previous 12 months (CPS)	5.2% (43,000)	11.0% (8.1 million) significant decrease	11.7% (8.7 million)

Data from the U.S. Census Current Population Survey (CPS).

*Single year estimates at the state level cannot be compared from one year to the next.

Decrease in All Persons Uninsured in Connecticut, No Change for Children

Uninsured Indicator & Data Source	Connecticut 2006-2007 2-year Average % and #	Connecticut 2004-2005 2-year Average % and #	Connecticut 2000-2001 2-year Average % and #
All persons uninsured, entire previous 12 months (CPS)	9.4% (325,500) significant decrease from 2004-2005, no change from 2000-2001	10.9% (381,000)	9.4% (317,000)
Children < 18 uninsured, entire previous 12 months (CPS)	5.6% (46,000) no significant change from earlier years	7.4% (62,000)	6.8% (56,000)

Data from the U.S. Census Current Population Survey (CPS). Two-year averages for uninsured children calculated by CT Voices for Children. **Unless specifically noted, comparisons between 2006-2007 uninsurance rates to other years are not statistically significant.** Historical data reflect revised estimates by the US Census Bureau. As a result, data listed here may not match previously published health insurance data from the CPS.

Technical Notes on the Data

Data Source. The United States Census Bureau released data from two surveys on August 26: the American Community Survey (ACS) and the Current Population Survey (CPS). The surveys differ in important ways that can make each survey more or less appropriate for reporting information for different purposes. The CPS, for example, includes questions on health insurance coverage, while the ACS does not. The ACS surveys more people than the CPS and therefore can provide city-, and county-level estimates for poverty and income levels; the CPS does not provide estimates for these smaller areas.

Poverty, Family Income Comparisons. In this analysis, CT Voices has used ACS data for median family income, family poverty, total persons in poverty, total number of children in poverty, and the number of related

children in poverty. ACS data for these measures is comparable over time. However, total persons in poverty and total children in poverty include people living in group quarters, which includes two categories of facilities: institutional, including residences such as correctional facilities, nursing homes, and psychiatric hospitals; and noninstitutional, which includes residences such as college dormitories, military barracks, and adult group homes. For this reason the number of related children in poverty may underestimate poverty's prevalence. Median income figures are in 2007 dollars (inflation adjusted), so they would not match estimates in earlier reports.

Health Insurance Coverage. Estimates of the uninsured come from the Current Population Survey (CPS). Sample sizes in the CPS are usually not large enough at the state level to detect statistically significant changes from one year to the next. To increase the likelihood of accurately assessing change over time, data from two years can be pooled to produce two-year averages (e.g., the 2006-2007 average uninsured rate). For this analysis, CT Voices for Children calculated two-year averages of the uninsured to evaluate trends over time for the uninsured in Connecticut.

Comparing Data Over Time. Unless specifically noted in the comparison charts above, there were no statistically significant changes in Census estimates between 2007 data and other years as calculated at the 90% confidence interval. The numbers reported in CPS and ACS surveys are estimates because only a sample of the entire population is surveyed. For this reason, estimates reported by the CPS and the ACS are published with additional data that allow us to estimate the range of values within which the population's actual poverty or uninsured rate is likely to fall. This enables us to determine whether or not the change in an estimate from one time period to the next is large enough to conclude that a change in the population has occurred, or whether the change in the estimate may have been due to random chance. For example, in the field of opinion polling, the "margin of error" of a poll helps to assess whether there has been a significant change in polling results over time. **A change in Census estimates is called "statistically significant" if it is unlikely to have occurred by chance** (this term describes the statistical evidence of change, not whether it is important or meaningful). **Unless a change in Census estimates over time is statistically significant, it is not accurate to say, for example, that the poverty or uninsured rates have increased or declined.**

CT Voices' use of CPS and ACS data is informed by the guidance of analysts at the Census Bureau, Center on Budget and Policy Priorities, and Coalition on Human Needs.