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Census Bureau reports increase in CT poverty and uninsured rates despite improving economy

State group calls on CT Congressional delegation to reject federal estate tax cut that could result in further cuts for poor and uninsured

Findings released today from two national surveys by the U.S. Census Bureau reveal that over the past five years, an increasing number of Connecticut residents are in poverty and without health insurance. The findings are released as Congress plans in September to consider legislation that would further reduce taxes paid by the wealthiest Americans, including a dramatic cut in the tax paid on multi-million dollar estates. Connecticut Voices for Children, a research and public policy organization, called on the state's Congressional delegation to reject the proposed repeal of the federal estate tax, as well as the Bush administration's proposed cuts in federal funding for programs that help families in poverty-wage jobs better afford child care, heating costs, and other basic needs.

Census data from the Current Population Survey (CPS) show that, in 2005, 9.3% of Connecticut residents (326,000) had incomes under the Federal Poverty Level (\$19,961 for a family of four). For the two-year period of 2004-05, the poverty rate increased significantly from 7.5% in 2000/2001 to 9.7% in 2004-2005. This increase occurred despite the state's recent economic recovery.

In 2005, 12.4% of Connecticut children under 18 (103,000 children) lived in families with incomes under the Federal Poverty Level, a slight, but not statistically significant increase from the levels of recent years despite the state's economic recovery. Further, the 2005 Connecticut child poverty estimate represents no progress over the 1990 child poverty rate of 10.4%, despite record-low unemployment in the 1990s, ten straight years of growth in productivity in Connecticut's economy, and an aggressive 10-year effort to move welfare recipients into the workforce.

"In the nation's wealthiest state, parents who are working full-time should have sufficient income to afford decent housing, a good education, quality child care, and health care for their children" said Shelley Geballe, President of Connecticut Voices for Children. "Yet the thousands of Connecticut parents who work at jobs that pay poverty-level wages or that don't

offer health insurance benefits find that -- no matter how hard they work -- there's never enough income to make ends meet."

In addition, the Census Bureau reported that 11.3% (394,000) of Connecticut residents in 2005 were without health insurance coverage for the entire previous 12-month period. For the two-year period of 2004-05, the percentage of uninsured residents increased significantly from 10% in 2000/2001 to 11.3% in 2004-2005. This increase occurred despite the state's recent economic recovery.

In 2005, among Connecticut children under 18, 8.2% (68,000 children) were uninsured for the entire year, unchanged from the recent years, despite signs of an improving Connecticut economy. In Connecticut, 76.4% of residents were covered by employer-based or privately-purchased insurance in 2005.

In a troubling trend, while uninsured rates have stagnated, enrollment in the state's HUSKY health insurance program has dropped precipitously since June 2005, with 25,000 fewer residents enrolled in August 2006. Most of this drop was among children, with 18,000 fewer children enrolled. This decline appears to be due primarily to increased complexity in enrolling and confusion about the frequent program changes made by state lawmakers, as well as the elimination of state-funded HUSKY outreach to let uninsured, eligible parents and children know how to enroll. (Recently, the state legislature and Governor restored a more simplified application process; however, the impact of this welcome change may be undermined by new federal documentation requirements.)

Nationally, 15.9% of Americans were uninsured in 2005 (46.6 million), an increase over the 2004 rate (15.6%). Eight in ten uninsured Americans come from working families, according to the Kaiser Family Foundation, and 81% of uninsured workers are employed by firms that do not offer health benefits or are not eligible for their employer's plan.

"We know how to make the HUSKY program more accessible to uninsured families," said Sharon Langer, Senior Policy Fellow at CT Voices for Children. "Make the application process user-friendly and get the word out in every community of the state that HUSKY is there to help all Connecticut children who need health insurance."

For the first time, the American Community Survey provided poverty, median income, and other estimates for several Connecticut cities, as well as for counties and Congressional districts. The proportion of people living in poverty varied across Connecticut's cities: Bridgeport (17.9%), Danbury (11.4%), Hartford (32%), New Britain (18.8%), New Haven (27.2%), Norwalk (8.1%), Stamford (8.7%), and Waterbury (18%). The percentage of children under 18 in poverty in Connecticut cities was also reported: Bridgeport (27.3%), Danbury (8.2%), Hartford (42.5%), New Britain (30.3%), New Haven (39.8%), Norwalk (13.2%), Stamford (12.1%), and Waterbury (26.8%).

These new Census data are released as Congress is expected to once again consider a repeal of the federal estate tax as early as the second week in September. Repeal, which would benefit only the very wealthiest Americans, is being considered even as the Bush administration has

proposed severe reductions in federal funding for programs that effectively help low-income families, including energy assistance (\$40.1 million cut to Connecticut), child care (\$7.1 million cut), K-12 education (\$82.4 million cut), and Community Development Block Grants (\$61 million cut). (All cuts over 5 years.) Connecticut ranks 14th hardest hit among all states in the President's budget proposal (inflation-adjusted per capita cut in federal funding). Connecticut Voices for Children coordinates a diverse coalition of dozens of organizations in the state that have called on Connecticut's Congressional delegation to:

- Support a balanced approach to federal deficit reduction that includes retaining the federal estate tax and reversing tax cuts for the wealthiest Americans, rather than only cutting federal funding for programs that help the most vulnerable.
- Oppose the program changes and funding cuts proposed by President Bush that would fall most heavily on low-income children and their families, and other vulnerable populations.
- Protect federal funding for energy assistance, child care, and K-12 education programs that have proven track records of promoting the health and well-being of hundreds of thousands of Connecticut residents.

“Congressional leadership and the Bush administration are increasing our national debt and shifting the burden of repayment onto our poorest residents and our children and grandchildren in order to give tax cuts to the very wealthiest Americans,” said Ellen Scalettar, Senior Policy Fellow at CT Voices for Children. “Today’s findings remind us again that the rising tide of today’s economy is *not* lifting all boats. We call on our elected officials to make reducing poverty and increasing access to health care higher priorities and to resist tax cuts for the very wealthy and spending cuts for the poor that exacerbate inequality”

As one would expect from the one of the wealthiest states in the nation, Connecticut's child poverty rate compares favorably to national estimates. Nationally, 17.6% of children and 12.6% of all Americans were under the federal poverty level in 2005.

“Though some might say that having 12% of kids living in poverty isn't that bad, we can't be complacent. In this fiercely competitive global economy, Connecticut can't afford to 'bench' 12% of its farm team with the many challenges inherent in growing up poor. Connecticut has the means to provide *all* its children with the tools necessary to reach their full potential. The question is whether it has the wisdom and political will,” commented Shelley Geballe, President of CT Voices for Children.

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. **(See attached data tables for more state and local data and visit www.ctkidslink.org/census.html for links to additional city, county, and Congressional district Census data.)**

Connecticut Voices for Children is a statewide, research and policy organization that works at the state and federal levels to advance strategic public investment and wise public policies to benefit our state's children, youth and families. (www.ctkidslink.org).

Data notes: Data are drawn from the Current Population Survey (CPS) and American Community Survey (ACS). Because the surveys use different methodologies, ACS data should not be compared to CPS data. When looking at change in poverty or health insurance coverage over time, the Census Bureau considers two-year average rates more reliable, particularly in a small state like Connecticut.

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**Poverty, Income & Health Insurance in Connecticut:
Summary of 2005 U.S. Census Data**

August 29, 2006

Poverty & Income – Connecticut & Nation – 2005 & 2004

Poverty/income indicator & data source	Connecticut 2005 % and #	Connecticut 2004 % and #	United States 2005 % and #	United States 2004 % and #
Persons with income less than Federal Poverty Level (CPS)	9.3% (326,000)	10.0% (348,000)	12.6% (36,950,000) no significant change	12.7% (36,997,000)
Children under 18 with income under FPL (CPS)	12.4% (103,000)	12.2% (102,000)	17.6% (12,896,000) no significant change	17.8% (13,027,000)
Median household income in 2005 dollars (CPS)	one-year estimate not avail. (see 2-yr below)	\$57,242	\$46,326 significant increase (1.1%)	\$45,873

Data from the U.S. Census Current Population Survey (CPS). For CT data, statistical significance of one-year change not calculated due to small sample size of the CPS.

Change Over Time in Poverty & Income – Connecticut

Poverty/income indicator & data source	Connecticut 2004/2005 Average % and #	Connecticut 2003/2004 Average %	Connecticut 2000/2001 Average %
Persons with income less than Federal Poverty Level (CPS)	9.7% significant increase from 2000/2001	9.1%	7.5%
Children under 18 with income under FPL (CPS)	12.3%	11.2%	9.3%
Median household income in 2005 dollars (CPS)	\$56,889	\$57,636	\$57,853

Data from the U.S. Census Current Population Survey (CPS). Percent of children in poverty for 2004-2005 calculated by CT Voices for Children. Statistical significance of change in persons in poverty for 2004-2005 calculated with assistance from Coalition on Human Needs (chn.org). Unless specifically noted, there were no statistically significant changes.

Poverty & Income – Connecticut Cities - 2005

City	Persons with income less than Federal Poverty Level (ACS)	Children under 18 in families with income under FPL (ACS)	Median household income in 2005 dollars (ACS)
Bridgeport	17.9%	27.3%	\$36,976
Danbury	11.4%	8.2%	\$55,881
Hartford	32.0%	42.5%	\$26,032
New Britain	18.8%	30.3%	\$39,303
New Haven	27.2%	39.8%	\$30,603
Norwalk	8.1%	13.2%	\$65,741
Stamford	8.7%	12.1%	\$66,638
Waterbury	18.0%	26.8%	\$36,120

Data from the U.S. American Community Survey (ACS). No previous city-level data available from ACS. Numbers of people under poverty not available from ACS summary – only percentages.

Poverty & Income – Connecticut Counties - 2005

County	Persons with income less than Federal Poverty Level (ACS)	Children under 18 with income under FPL (ACS)	Median household income in 2005 dollars (ACS)
Fairfield	7.3%	8.8%	\$71,633
Hartford	9.4%	13.3%	\$57,939
Litchfield	4.0%	2.3%	\$65,544
Middlesex	5.5%	8.0%	\$70,821
New Haven	11.2%	17.7%	\$53,591

New London	5.5%	7.7%	\$59,268
Tolland	5.5%	4.9%	\$73,919
Windham	8.5%	12.7%	\$47,684

Data from the U.S. American Community Survey (ACS). Numbers of people under poverty not available from ACS summary – only percentages.

Poverty & Income – Connecticut Congressional Districts - 2005

Congressional District	Persons with income less than Federal Poverty Level (ACS)	Children under 18 with income under FPL (ACS)	Median household income in 2005 dollars (ACS)
1 st Congressional District (Rep. Larson)	9.6%	14.0%	\$57,981
2 nd Congressional District (Rep. Simmons)	5.5%	7.5%	\$63,097
3 rd Congressional District (Rep. DeLauro)	10.2%	14.2%	\$54,933
4 th Congressional District (Rep. Shays)	7.5%	10.3%	\$74,504
5 th Congressional District (Rep. Johnson)	8.8%	12.2%	\$57,666

Data from the U.S. American Community Survey (ACS). Numbers of people under poverty not available from ACS summary – only percentages.

Health Insurance - Connecticut & Nation – 2005 & 2004

Uninsured indicator & data source	Connecticut 2005 % and #	Connecticut 2004 % and #	United States 2005 % and #	United States 2004 % and #
Children uninsured, entire previous 12 months (CPS)	8.2% (68,000)	8.5% (71,000)	11.2% (8.3 million) significant increase	10.8% (7.9 million)
Persons uninsured, previous 12 months (CPS)	11.3% (394,000)	11.6% (407,000)	15.9% (46.6 million) significant increase	15.6% (45.3 million)

Data from the U.S. Census Current Population Survey (CPS). Unless specifically noted, there were no statistically significant changes. Census news release says 15.6% and 45.3 million of all U.S. residents uninsured, but CPS health insurance data page indicates 15.7% and 45.8 million. Also, the CPS health insurance page indicates 11.2% and 8.3 million children were uninsured. (www.pubdb3.census.gov/macro/032005/health/h05_000.htm).

Change Over Time in Health Insurance – Connecticut

Uninsured indicator & data source	Connecticut 2004/2005 Average % and #	Connecticut 2003/2004 Average	Connecticut 2002/2003 Average % and #	Connecticut 2000/2001 Average % and #
Children uninsured, entire previous 12 months (CPS)	8.4% (69,500)	8.4% (71,000)	8.2% (71,000)	7.3% (60,000)
Persons uninsured, previous 12 months (CPS)	11.3% significant increase from 2000-2001	10.8%	Unavailable	10.0%

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, there were no statistically significant changes.

Source: U.S. Census Bureau (www.census.gov)

Unless specifically noted in the comparison charts above, there were no statistically significant changes in most indicators. The estimate of children in poverty is an estimate for all children, not only “related children.” Median income figures in 2005 dollars (inflation adjusted, so they do not match earlier estimates.) CT Voices has used ACS data for estimates at the city, county, and Congressional District levels, since the annual CPS does not gather this data.

Because the surveys use different methodologies, ACS data should not be compared to CPS data.