



For more information:
Ruth Ehresman, 314-504-3616
Traci Gleason, 816-872-8133

*For Immediate Release:
September 13, 2011*

Missourians Struggle with Economic Recovery *Poverty and Number of Uninsured Rises*

The number of Missourians living in poverty or without health insurance increased dramatically, while earnings dropped, according to preliminary state Census Bureau figures released today. Government investments in critical safety net programs like Medicaid are critical in assisting families to weather the economic storm. Robust supports like Medicaid and unemployment insurance – much like jobs — not only reduce hardship in a weak economy but also help the economy by shoring up unusually weak consumer demand.

Census Bureau figures indicate that poverty has increased substantially in Missouri and across the country. Nearly one in every six Missourians (15.2 percent), or about 906,000, lived in poverty in 2009 and 2010, up 4.8% since 1999-2000. Nationwide, about one in 7 (14.7 percent) lived in poverty.

The number of Missourians lacking health insurance grew as well. More than 850,000 Missourians had no health coverage in 2009 and 2010, an increase of nearly 8 percent compared to 1999-2000 – and the highest increase of any state.

These state figures from the Census Bureau's Current Population Survey are preliminary. It is the only data available on state poverty and health insurance trends through 2010. On September 22, the Census Bureau will release more definitive 2010 poverty data as part of the American Community Survey, which is a larger review.

“The new data show that Missouri families are severely feeling the effects of the economy, and budget cuts to vital services make it even harder for families struggling to get by,” said Ruth Ehresman, Director of Health and Budget Policy for the Missouri Budget Project. “A ‘cuts-only’ approach also undermines our investment in education, transportation, health care and other building blocks of job creation and economic growth. A balanced approach that includes increasing revenue at both the state and federal level is needed to help families in the short and long run.”

The decrease in employer-sponsored insurance is the primary cause for the shrinking number of Missourians with health coverage. 61.3 percent of Missourians under 65 years of age had employer-provided coverage in 2009-2010, down from 74.3 percent ten years ago, and 65.2 percent in 2006 and 2007 – before the national recession hit.

Medicaid has helped cushion the loss in employer coverage, particularly for children. Medicaid covered 15.6 percent of Missouri residents in 2009-2010, a statistically significant increase from 13.5 percent in 2006-2007. In Missouri, coverage of children now stands at 31.3 percent.

Median income also dropped in Missouri and in the United States as a whole. Missouri median household income has fallen by more than \$7,700 since 1999-2010. In 2009-2010 it stands at \$47,879 compared to \$50,022 nationally. Missouri ranks 43rd in median income when compared to other states.

“Missourians are facing lower wages, and increased lack of insurance and high unemployment. We need to step up our efforts to help Missourians weather the recession – not make it harder. Taking a balanced approach to budgeting that includes revenues will allow adequate resources to help struggling Missourians and improve our economy in the long run,” said Ehresman.

*The Mission of the Missouri Budget Project is: To advance public policies that improve economic opportunities for all Missourians – particularly low and middle-income families – by providing reliable and objective research, public education and advocacy.
More information is available at www.mobudget.org.*