



COALITION ON HUMAN NEEDS

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Grim Census Data on Poverty Points to Growing Need Even Before Unemployment Skyrocketed this Year

Uninsured numbers reflect the importance of public health insurance programs

WASHINGTON, D.C. -- Today's Census Bureau report that the number of Americans living in poverty increased by nearly 2.6 million to 13.2 percent in 2008 is a stark reminder of the toll the recession was already taking on families even before the economic picture worsened this year.

Continuing a long-term trend, the number of people without health insurance grew to 46.3 million, according to the Census data. From 2000 to 2008, the proportion without insurance rose from 13.7 to 15.4 percent. The numbers of uninsured working age adults (18-64 years old) increased from 19.6 percent to 20.3 percent between 2007 and 2008, an increase of more than 1.5 million people. Bucking the trend, the total number of uninsured children dropped from 11 percent to 9.9 percent, because many children are eligible for public insurance programs such as SCHIP and Medicaid that are unavailable to most adults.

"This data shows the enormous importance of public health insurance programs in filling the gaps as more people continue to lose private health insurance," said Deborah Weinstein, executive director of the Coalition on Human Needs, adding that President Obama's call to action on health care reform could not be timelier.

Last year's 39.8 million poor people comprise the highest number of Americans living in poverty since 1960. As bad as that number is, Weinstein pointed out that the overall poverty rate is almost certainly worse today than it was in 2008 when the recession was first getting underway -- the period reflected by the Census data. Unemployment averaged 5.8 percent last year compared with the August rate of 9.7 percent. The Economic Policy Institute estimates that assuming an average unemployment rate of 9.3 percent for 2009, poverty would increase to 14.7 percent. Higher unemployment will hit children disproportionately hard. Their poverty is expected to rise from 19 percent in 2008 to 25 percent this year, which translates into one in four children living in poverty.

In a family of three that means trying to provide children with a roof over their heads, adequate health care and a nutritious diet on an annual income of \$17,163. Still worse, the proportion of children living below *half* the poverty line (\$8,600 for a family of three) is rising steeply, from 6.4 percent in 2000 to 8.5 percent in 2008. "If poor children were not hidden from most of us -- if they could look us in the eye -- we would not allow their hardships to continue," said Weinstein.

The huge increase in poverty clearly points out the need for continuing aid to help the unemployed and states struggling to maintain vital services in the face of growing need.

"Without this aid we risk stamping out a fledgling economic recovery before its full impact has been felt by millions of Americans.

"If we invest in health care, education, and rebuilding communities, we will create jobs and renew our economy. Failure to act is a moral wrong, since it causes preventable harm to vulnerable people. Inaction is a practical wrong as well, because consigning tens of millions to poverty, with no protections against sickness and debt, drags our economy down and further delays our recovery."

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The Coalition on Human Needs (CHN) is an alliance of national organizations working together to promote public policies which address the needs of low-income and other vulnerable people. The Coalition conducts analyses of federal budget proposals and policies to determine their impact on people in need. The Coalition's members include civil rights, religious, labor and professional organizations and those concerned with the well being of children, women, the elderly and people with disabilities. CHN is located at 1120 Connecticut Ave. NW Suite 312, Washington, D.C. 20036. For more information please visit www.chn.org