

Poverty declines in state, but uninsured rate grows

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Poverty declined and incomes rose in Oklahoma last year despite reversals in Tulsa, but the number of Oklahomans without health insurance crept higher anyway, the U.S. Census Bureau reported Tuesday.

Oklahoma was one of only three states in which poverty declined at a statistically significant level during 2004, according to the Census Bureau's Current Population Survey Annual Social and Economic Supplement, one of two major studies released simultaneously that included poverty data.

Only Arkansas, with a 2.3 percent decline in poverty, surpassed Oklahoma's 1.6 percent decrease. Hawaii came in third with a decline of 1.5 percent, according to the population survey.

The state Commerce Department hailed the new census data as an endorsement of Oklahoma's economic policies.

"It's a good thing. It shows we're doing the right things economically," said Jeff Wallace, who analyzes census data for the state Commerce Department.

Although its methods and results were slightly different, the American Community Survey also reported a drop in Oklahoma's poverty rate. Oklahoma is now the 11th-poorest state, up from ninth in 2003, according to the community survey.

Oklahoma's median household income was \$35,357 last year, a slight increase over 2003 but not enough to budge Oklahoma's No. 45 ranking among the 50 states and the District of Columbia, the community survey reported.

New Jersey remained the richest state with a median household income of \$61,359. West Virginia remained the poorest at \$31,008. The national median household income was \$44,684 -- more than \$9,000 above Oklahoma's.

Oklahoma City outperformed the state as a whole. The city's median household income rose \$653 compared to \$228 for the state, while the city's poverty rate fell 4.3 percent compared with 0.8 percent for the state.

But the good economic news bypassed Tulsa, which saw its median household income drop \$326 last year while poverty rose 1.5 percent.

Wallace attributed the state's improving median household income to the Oklahoma Quality Jobs Program, which offers quarterly cash payments to qualifying companies for creating new jobs -- generally in manufacturing, research and development and central administrative offices, although some service companies also qualify.

Since the program began in 1994, more than 340 companies have claimed nearly \$350 million in benefits and created 35,000 new jobs, according to the Commerce Department's Web site.

"That program's been around for a while now, and it seems to be making a difference," Wallace said.

Community Action Project, an anti-poverty organization, also welcomed the new numbers.

"Oklahoma is clearly making inroads into helping people move out of poverty," said Monica Barczak, Community Action Project's senior research analyst. She speculated that Oklahoma's earned income tax credit, which provides tax reductions and wage supplements for low- and moderate-income families, could be partially responsible for the poverty rate decline.

But Barczak cautioned that more work remains.

"Let's remember there are still 400,000 Oklahomans living below the poverty line," she said. "Poverty rates for children -- and particularly for those under 5 years old -- remain disturbingly high."

Also troubling is the continuing rise in the number of Oklahomans without health insurance, Barczak said. About one in five Oklahomans are now uninsured, the population survey reported. Only Texas and Nevada had higher uninsured rates

last year.

"Being without health insurance leaves families one medical emergency away from falling into poverty," Barczak said.

Oklahoma's uninsured rate has risen steadily -- from 18.3 percent in 2002 to 18.7 percent in 2003 to 19.2 percent in 2004, the population survey reported, using three-year averages.

"Oh, God -- this is bad," said Greta Shepherd-Stewart, executive director of the Oklahoma Primary Care Association based in Oklahoma City.

"These numbers certainly prove that the costs of health insurance premiums are so high that small-business employers can't provide coverage, even in concert with their employees," she said.

Many of the uninsured are workers or dependents of workers who make too much for Medicaid coverage and aren't old enough for Medicare. The dilemma has prompted the first "Oklahoma Health Insurance Summit" on Oct. 5-6 in Oklahoma City.

"Both economically and socially, Oklahomans without health insurance present one of the most challenging problems our state faces," Insurance Commissioner Kim Holland said.

She cited a recent national report that said every Oklahoma family with health insurance coverage pays \$1,781 a year toward the medical expenses of state residents without coverage.