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**Missouri Poverty, Uninsured Rates Higher than During 2001 Recession;
Median Household Income Falls Significantly**

Poverty rates in Missouri grew to 11.9% in the 2004-2005 period remaining higher than the 9.4% 2000-2001 recession levels. As the nation marks the first anniversary of Hurricane Katrina, which drew widespread attention to poverty in America, Census figures released today confirm that poverty is still a reality for Missouri families.

According to the U.S. Census Bureau report “*Income, Poverty and Health Insurance Coverage in the United States, 2005*” released today, child poverty in Missouri also increased to 17.7% in 2004-2005 from an average of 11.8% in 2000-2001.

“Katrina was a wake up call for many Americans. The vision of thousands of poor families crowded into the Super Dome because they were unable to leave flooded areas was a graphic reminder that poverty exists,” said Ruth Ehresman, Director of Budgetary and Health Policy for the Missouri Budget Project. “The 243,000 children in poor families in Missouri would fill six sports stadiums. The fact that such poverty exists in the richest nation in the world should be a cause for concern for all of us.”

Missouri lagged behind most states in recovering from the recession of 2000-2001. Even with the improving economy, growing numbers middle and low-income Missourians are losing ground. Missouri's median income has dropped by more than 10 percent (\$5,088) since 2000.

Access to health insurance continues to be a major problem with the rate of uninsured Missourians increasing to 12.4 percent in 2004-2005 from 9.9% in 2000-2001. Nationally, data indicate 42% percent of individuals in households with incomes less than \$25,000 are uninsured. For those whose incomes are higher than \$50,000, about 18% lack insurance.

“Poverty in the US and Missouri remains unacceptably high and incomes have not improved for the average family. Access to affordable health insurance continues to decrease for middle class and especially low-income Missourians,” said Sharon Feltman, Health Care Access Coordinator of the Missouri Association for Social Welfare.

“Given that Missouri poverty rates and number of uninsured have increased beyond their recession levels, it's clear that thousands of Missourians—low-income and middle class families—are not realizing the benefits of the economic recovery,” said Amy Blouin, Executive Director of the Missouri Budget Project.

“Bold action is needed to fight deep, persistent poverty. Investing in health care, education, job preparation and employment are good investments that create prosperity for all of us. These should be high priorities at the federal level and for the state. Clearly the national policies of enacting tax cuts for the wealthiest Americans, while reducing

services for working families, have not been an effective route in ensuring livable incomes for all families,” Blouin said.

The poverty rates and number of uninsured remained fairly consistent with their 2003 -2004 levels, increasing slightly in 2004-2005. The median income decreased by \$1,600 in that same period.

The Missouri Budget Project is a statewide, nonprofit, nonpartisan organization that informs the public about the state’s budgetary and tax policy options and their impact on low-income Missourians.