



PRESS RELEASE

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New census data show economic security in Ohio depends on better public policy

Today, the U.S. Census Bureau released data from the American Community Survey (ACS), which provides state and local estimates on income, poverty, housing, health insurance coverage, and the well-being of people nationwide. The ACS is the big sister to the CPS released earlier this week. The ACS provides more robust data because of its larger sample size and is a preferred source for state-level findings. Policy Matters Ohio's Executive Director, Hannah Halbert released the following statement.

Ohio data released today cover 2022, a year in which Congress failed to preserve many of the pandemic programs that had cut poverty to record lows, such as the Child Tax Credit. Other measures, particularly those in Medicaid, like continuous coverage, and improved market purchase subsidies were still in place. Those policy decisions are reflected in the statistics, which illustrate the real lives and experiences of Ohioans.

The data show that Ohio needs policies that improve economic security and health. The state is experiencing one of the best labor markets for workers and record job creation, but those factors are not enough to overcome the wage-suppressing policies — like the stagnant minimum wage and limits to workers freedom to unionize — established by corporate-backed legislators. Ohio workers are more productive than ever, raising the state's GDP 76% since 1979, but the typical worker has seen just 4% wage growth over that time, including gains made in the strong post-COVID labor market. The success of anti-worker policies is reflected in the median income and poverty data released today:

- Ohio is one of 17 states to experience a decrease in median household income in 2022.
- Typical (median) household income in Ohio was \$65,720 in 2022. That is a decrease of more than \$1,500 from 2021 and more than \$1,600 from just prior to the pandemic in 2019 (\$67,299). Inflation and limited policy support keeps households struggling.
- The typical household in Ohio earns \$9,035 less than the typical U.S. household.

The Supplemental Poverty Measure released earlier this week showed how important policy is to eliminating poverty. When the nation pulled together to ensure families and children had some measure of security during the pandemic, poverty had the largest drop on record. Conversely, when those programs expired, the nation experienced the largest increase on record. The same survey shows this incredible loss occurring despite more people moving from part-time to full-time work during a period of very low unemployment. The policies — particularly the Child Tax Credit, which would cut the rise in child poverty in half if restored — provided critical support as wages failed to keep pace with inflation.

The official national poverty rate established by the CPS survey was statistically unchanged, with a notable positive exception being that Black individuals and Black children reached record low official poverty rates (17.1%, 22.3% respectively). Even at this low point, the poverty rate for Black people is more than double the rate for their white counterparts (8.6%). This change likely reflects increased job opportunities for Black workers during tight labor markets and suggests that even those opportunities fail to increase equity at one of the most foundational levels: poverty.

Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute with offices in Cleveland and Columbus.

The ACS data released today show policy choices are holding Ohioans unnecessarily below the poverty line:

- The ACS measure of cash income not including benefits like SNAP or the Child Tax Credit showed 13.4% of Ohioans didn't have enough to be above the poverty line in 2022, statistically unchanged from 2021.
- Child poverty remained unchanged in Ohio as 446,159 kids (17.7%) lived below the poverty line in 2022.
- Poverty grew for older Ohioans aged 65 and over to 10.3%. More than 215,000 older Ohioans were in poverty last year. Older adults were the only group that had a significant change in status, and it was a change for the worse.
- More than a quarter of Black Ohioans were in poverty in 2022 (25.9%), double their white counterparts (10.7%). American Indian and Alaskan Natives had the highest rate by race or ethnicity (33%). More than one in five Hispanic / Latino people had incomes below the poverty line (22%), as did 12.5% of Asian Ohioans.

The SPM provided some limited data on the impact of state level poverty when noncash benefits like the Child Tax Credit, Food Assistance, Social Security, and the Earned Income Tax Credit are considered. To produce an accurate estimate the survey pools three years of data. Using CPS data, pooling 2020, 2021, and 2022, the SPM shows that supportive economic security policies make a meaningful difference in the lives of Ohioans:

- Supports cut Ohio poverty to 7.3% from 11.5% as measured by the CPS.
- When public supports like the Child Tax Credit, the Earned Income Tax Credit, food assistance, housing supports, and social security are included, Ohio's poverty rate is the 11th lowest in the states. When those programs are stripped away, the state is average.
- Economic security policies and programs have big impacts for people in this state. Supporting efforts to expand and restore the Child Tax Credit, the EITC, and other pandemic supports will have significant benefits to Ohioans and the Ohio economy.

More than half the states had increased health insurance coverage in 2022, but Ohio was one of nine states where the improvement was due to an increase in private coverage. In Ohio, Medicaid expansion has been in place since 2014, allowing more people who have low incomes to secure insurance coverage. The expansions to Medicaid made during the pandemic, notably continuous coverage and increased and expanded subsidies for purchasing insurance on the marketplace were in place in 2022.

- Ohio's uninsured rate dropped to 5.9% from 6.5%.
- Private coverage, largely from employment, drove the improvement with a small but meaningful increase from 67.6% to 68.1%.
- Public coverage held statistically steady at 38.8%. The share of insurance covered by Medicaid was also steady at 21.5%.
- Medicaid and the pandemic improvements to eligibility and support do not appear to be crowding out employer-provided insurance or other private insurance. Even as workers can demand better benefits because of the tight labor market, employer insurance isn't enough to keep Ohio's rate meaningfully low.
- Continuous coverage lapsed in 2023 because of Congressional obstruction. The redetermination process that began in April put hundreds of thousands of Ohioans at risk of losing their lifeline to medical care. Data reported by the Kaiser Family Foundation show that as of September 13, 2023 more than [369,900 \(26% of completed redeterminations\)](#) Ohioans have been disenrolled. Ohio's disenrollment rate is 7th lowest in the nation.

Through 2022 and 2023, Ohio has experienced robust economic growth. The state has a record low unemployment rate and more total jobs than ever. That improvement is not translating into similarly significant improvements in the security and well-being of people. Robust job growth and a tight labor market aren't enough when job quality and wage standards are rigged sharply in favor of employers, not working people.

Ohio's recovery has been largely regional, with only four areas — Columbus, Cincinnati, Dayton and Springfield — leading much of the state's rebound. The recovery has been starkly racialized, failing to reduce the unconscionably high rates of poverty found in Black, Native American and Alaskan, and Hispanic communities. Black Ohioans' unemployment levels continue to trend at rates double their white counterparts.

Policy made the difference between record high and record low poverty rates for the nation and cut rates sharply in the state. The Child Tax Credit is one example of a protection too critical to family stability for Congress and the state legislature to continue to ignore. Ohio's minimum wage has the same purchasing power it did in 2006, when Ohioans voted to raise the wage and index it to inflation. Ohio should pass a minimum wage of at least \$15 and eliminate the policy that lets employers deduct a portion of workers' tips from their pay, a holdover policy from the post-slavery economy that continues to drive income inequality today. Continuous Medicaid coverage for kids and adults would simplify the program and make Ohio healthier. As the Ohio economy grows, the legislature should prioritize policies that ensure all people share in the prosperity they make.