New Census Data on Ohio:

Poverty Continues to Rise, Employer-Based Health Care Coverage Shrinks

Failure to Take Balanced Approach to Address Revenue Shortfall will Worsen Trends

Poverty increased substantially in Ohio and across the country according to preliminary state Census Bureau figures released today. More than one out of every 7 Ohioans lived in poverty in 2010, including 213,000 Ohioans who fell into poverty last year.

Our state reflects a national trend: in 2010, 46.2 million Americans lived in poverty, up 2.6 million from 2009. The Census Bureau reports that this is the largest number living in poverty in the 52 years in which estimates have been published.

“Economic security is eroding for many Ohioans. The gap between what families earn and what they need to make ends meet is growing,” said Hannah Halbert, policy liaison with Policy Matters Ohio. “As a result, more families are falling into hardship.”

Ohioans make nearly $7,000 less than they did a decade ago (in inflation adjusted median income) and approximately $4,000 less since the start of the great recession in 2007. Among states, Ohio had the 10th largest median income decline over the past decade.

Over the same period incomes were declining, real prices for basic necessities increased—9 percent for rent, 82 percent for gasoline, 3 percent for food, 22 percent for electricity, 49 percent for tuition, school fees and child care, and 21 percent for medical care.

Employers are also providing fewer benefits for their workers. The impact of this is clearest for health coverage. An estimated 60.2 percent of Ohioans had employer-provided health coverage in 2010, down from 65.3 percent in 2007 and 72.5 percent in 2000. Nearly 1.3 million fewer Ohioans have employer-sponsored health insurance than in 2000, prior to previous recession, from which Ohio has never fully recovered. This decrease in employer-sponsored health insurance is the primary cause for a shrinking number of Ohioans with health coverage.
Almost one in every seven people living in Ohio had no health coverage in 2010, an increase of 2.6 percent since this recession and nearly 4 percent over the last decade.

“The census figures released today show how important it is to make critical public investments in programs that provide needed benefits or help reduce the high cost of living for low-income workers, the unemployed, those in training, and their families,” said Halbert. “That requires taking a balanced approach to the state and federal budget. If we want to keep education, job training, transportation, and health care affordable, accessible, and within reach for Ohio families, we have to fund public institutions, benefits, and services adequately,” said Halbert.

Government investments in health care through Medicaid, for instance, help cushion the loss in employer coverage, particularly for children. Medicaid covered 14.2 percent of Ohio residents in 2010, an increase from 11.8 percent in 2006-2007 and an almost 6 percent increase over the past decade. In Ohio, coverage of children has risen 4.8 percentage points since 2006-2007. An additional 32 million people nationwide will gain coverage under Medicaid or through health insurance exchanges as part of the Affordable Care Act once it is fully implemented in 2014.

Similarly, investments in public transit would provide access to more affordable transportation options while creating jobs laying rail, manufacturing streetcars, and driving buses.

“At the federal, state, and local level we need to reinvest in communities and strengthen our safety net, instead of continuing to pursue a cuts-only approach,” Halbert said. “Now is the time to invest in our workers and their families.”

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