

UTAH FOUNDATION

Research Report

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Household Income, Poverty, and Health Insurance Coverage in Utah

Highlights

- The Utah economy experienced a decade of growth and expansion during the 1990s that is unparalleled in Utah's peacetime history. Unemployment rates reached 30 year lows. In October of 1998, Utah Foundation reported that the growth in the economy was having a positive impact on the lives of low and middle income Americans in general and for Utahns in particular.
- Recently released data from the United States Bureau of the Census supports that conclusion and shows continued progress nationally in terms of the number of people living in poverty, increases in median household income, and declining numbers of Americans without health insurance coverage.
- This report examines the new Census Bureau data and discusses the important trends in median household income, poverty, and health insurance coverage for Utah, the western states, and the United States.
- In Utah, median household income for the two-year average of 1998-99 was \$45,686 or 1.9 percent above the previous two-year average (1997-98) of \$44,389.
- As a region, the West ranked quite favorably in median household income. In order, Colorado, Washington, Utah, California, Nevada and Oregon, all had median household incomes above the national average. By contrast Arizona ranked 34th, Wyoming ranked 35th, and Idaho 36th. Only two western states ranked well below the national average in household income. New Mexico, ranked 47th and Montana ranked 48th.
- The percent of Utah's population below the poverty line reached its lowest level since 1980 in 1998-99 at 7.3 percent Utah's poverty rate ranks 50th in the nation; only Maryland has fewer poor. Five western states have poverty rates below the national average of 12.6 percent. New Mexico has the dubious distinction of having the highest poverty rate in the country at 20.8 percent.
- The Census Bureau estimates that about 305,000 Utahns did not have health insurance coverage in 1999. For the last three years, the number of uninsured Utahns has increased. By comparison, U.S. averages show a decline in the number of uninsured.
- However, on a three-year average basis for (1997-99), Utah has the second lowest percentage of uninsured of any mountain or west coast state.
- Of all poor persons, the largest percentage were those between the ages of 18-64. Among this age group there were 16.9 million poor, accounting for 52.6 percent of all poor. Children under the age of 18 make up the second largest group. There were 12.1 million poor children or 37.5 percent of all poor.
- Poverty in the United States has been declining from a relatively high level of 15.1 percent in 1993 to 11.8 percent in 1999. The sustained economic growth of the nineties has provided opportunities for millions of Americans to rise above the poverty level, even if marginally so.
- The very strong Utah economy during the 1990s has improved the incomes of average Utahns.
- Unfortunately the percent of Utah's population that is without health insurance has not followed the positive trends of income and poverty.
- As Utah moves into the new millennium, the problem of Utahns without health insurance will continue to be a difficult but important topic of public policy debates.

UTAH FOUNDATION is a private, nonprofit public service agency established to study and encourage the study of state and local government in Utah, and the relation of taxes and public expenditures to the Utah economy.

Household Income, Poverty, and Health Insurance Coverage in Utah

The Utah economy experienced a decade of growth and expansion during the 1990s that is unparalleled in Utah's peacetime history. The United States economy is also performing extraordinarily well. Unemployment rates reached 30 year lows around 3 percent in Utah and 4.1 percent nationally. In October of 1998, Utah Foundation reported¹ that the growth in the economy was having a positive impact on the lives of low and middle income Americans in general and for Utahns in particular.

Recently released data from the United States Bureau of the Census supports that conclusion and shows continued progress nationally in terms of the number of people living in poverty, increases in median household income, and declining numbers of Americans without health insurance coverage.

The data for Utah are also encouraging. Utah has one of the lowest poverty rates in the country and exceeds the national average for median household income. Utah also has fewer uninsured citizens than the national average in percentage terms. Unfortunately for Utah, that number has increased every year for the last three years.

This report will examine the new Census Bureau data and discuss the important trends in median household income, poverty, and health insurance coverage for Utah, the western states and the United States.

Current Population Survey of Money Income

Annually, the Census Bureau releases estimates of median household income and poverty rates, as well as health insurance coverage by state². These values are estimated using information collected in the March Current Population Survey (CPS). The CPS consists of a nationwide sample of about 50,000 households designed to produce reliable national monthly estimates of many socio-economic values. Each March, the Census Bureau collects supplemental information on

money income of households³ (including measurement of poverty rates) and health insurance coverage for the previous year.

Because the sample of households contacted in small population states like Utah is relatively few in number, the data collected for two or three years is combined to calculate less variable estimates of household income and poverty rates by state. The Census Bureau "recommends using 2-year averages for evaluating changes in state estimates over time, and 3-year averages when comparing the relative ranking of states." The period of time covered in the recently released Census Bureau reports include state statistics for two and three-year averages from 1997 to 1999.

Median Household Income in Utah

In Utah, median⁴ household income for the two-year average of 1998-99 was \$45,686 or 1.9 percent above the previous two-year average (1997-98) of \$44,839. Both values are expressed in 1999 dollars⁵, therefore, they reflect a real growth in household income above inflation. For the United States, median household income for the two-year average of 1998-99 increased from \$39,078 (1997-98) to \$40,280 respectively, an increase of 3.1 percent (see **Table 1**).

As these data show, Utah's median household income is higher than the nation's. Utah's median household income average for 1998-99 was 13.4

³ Money income of a household is totaled from before taxes money received by all persons 15 years old and older and includes the amount of money income received in the preceding calendar year. It includes money received from earnings, unemployment and workers' compensation, social security, cash public assistance, pension or retirement income, interest, dividends, rents, royalties, estates, trusts, educational assistance, alimony, child support, and other money income. Money income does not include **noncash** benefits such as food stamps, medicare, medicaid, public housing, and employer-provided fringe benefits.

⁴ The median is the amount which divides the distribution into two equal groups, half above the median, half below the median. Therefore Utah's median household income is the income value for which 50 percent of the households are above and 50 percent are below.

⁵ Values in this report expressed as 1999 dollars were adjusted for inflation by the Census Bureau using the Consumer Price Index for all urban consumers, the CPI-U.

¹See Utah Foundation *Research Report*, 618, "Household Income, Poverty and Health Insurance Coverage in Utah," October 1998.

²Current Population Reports: Money Income in the United States: 1999 (Report P60-209), Poverty in the United States: 1999 (Report P60-210), and Health Insurance Coverage: 1999 (Report P60-211), issued September 2000.

Table 1
Median Income of Households for Utah and the United States: 1984 to 1999

	Utah				United States			
	Median Income	Standard Error*	Median Income	Standard Error*	Median Income	Standard Error*	Median Income	Standard Error*
	(current dollars)		(1999 dollars**)		(current dollars)		(1999 dollars**)	
1984	\$23,057	\$735	\$36,971	\$1,179	\$22,415	\$102	\$35,942	\$164
1985	25,238	702	39,077	1,087	23,618	128	36,568	198
1986	26,281	810	39,949	1,231	24,897	129	37,845	196
1987	26,529	1,194	38,906	1,751	25,986	127	38,110	186
1988	26,313	909	37,056	1,280	27,225	139	38,341	196
1989	30,717	1,014	41,270	1,362	28,906	159	38,837	214
1990	30,142	1,018	38,421	1,298	29,943	153	38,168	195
1991	28,016	1,359	34,269	1,662	30,126	144	36,850	176
1992	34,251	1,145	40,692	1,360	30,636	145	36,379	172
1993	35,786	1,242	41,259	1,432	31,241	146	36,019	168
1994	35,716	1,041	40,150	1,170	32,264	147	36,270	165
1995	36,480	919	39,879	1,005	34,076	197	37,251	215
1996	37,038	1,330	39,328	1,412	35,492	179	37,686	190
1997	42,775	1,785	44,401	1,853	37,005	171	38,411	177
1998	44,299	1,375	45,277	1,405	38,885	230	39,744	235
1999	46,094	1,631	46,094	1,631	40,816	192	40,816	192
Two-year moving average								
1995-96			\$39,604	\$1,000			\$37,469	\$167
1996-97			\$41,865	\$1,347			\$38,049	\$151
1997-98			\$44,839	\$1,344			\$39,078	\$170
1998-99			\$45,686	\$1,249			\$40,280	\$176
Three-year average								
1995-97			\$41,203	\$1,014			\$37,783	\$136
1996-98			\$43,002	\$1,108			\$38,614	\$140
1997-99			\$45,257	\$1,130			\$39,657	\$143
As Pct of U.S.	1995-97		109.1%				100.0%	
	1996-98		111.4%				100.0%	
	1997-99		114.1%				100.0%	

*The Standard Error is a measurement that indicates the magnitude of sampling variability for the median household income estimates. Note that the standard errors for U.S. estimates are much smaller than those for Utah. The annual survey used to produce these estimates is designed to provide reliable U.S. information. Because the sample of Utah households is small in comparison, the standard errors are much larger.

**Current dollars are inflation adjusted to produce "real" 1999 dollars using the Consumer Price Index for all urban consumers (CPI-U).

Source: March Current Population Survey, U.S. Bureau of the Census,
 Median Household Income by State: 1984-1999 (Tables H-8 and C).

percent above the United States figure of \$40,280. Economic conditions in Utah have improved median household income (expressed in real 1999 dollars) to its highest level. At the same time, median household income in the U.S. is “now at the highest level recorded since the Census Bureau started compiling these estimates in 1967.”⁶

State Comparisons of Median Household Income in the West

To improve the reliability of the household income estimates, the Census Bureau uses three-year average estimates (in 1999 dollars) to compare among the states (see **Table 2** and **Figure 1**). As a region, the West ranked quite favorably in median household income. In order of median household income as a percent of U.S. household income, Colorado (118.4 percent), Washington (117.9 percent), Utah (114.1 percent), California (106.6 percent), Nevada (103.1 percent), and Oregon (100.3 percent), all had median household incomes above the national average. By contrast Arizona (91.6 percent), Wyoming (90.9 percent), and Idaho (90.8 percent) were somewhat below the national average. Only two western states ranked well below the national average in household income, New Mexico (80.6 percent), and Montana (78.9 percent). Utah’s three-year average income of \$45,257, ranks the state number 8 among the 50 states and the District of Columbia improving from a ranking of 15 two years ago.

Poverty in Utah

The percent of Utah’s population below the poverty line⁷ reached its lowest level since 1980 on a two-year moving average in 1998-99 at 7.3 percent (see **Table 3**). This is a significant drop from the 8.9 percent estimated for 1997-98.⁸ Utah’s decline of 1.6 percent between the two year average of 1997-98 and 1998-99 is the seventh largest decline of the 50 states.

It is clear that the percent of persons in Utah below

⁶ “Money Income in the United States: 1999,” p VII. (U.S. Bureau of Census).

⁷ The poverty threshold for a family of four was \$17,029 in annual income; in 1999, it was \$13,290 for a family of three.

⁸ Because of sampling variability for the Utah estimate, a 0.3 percent increase in the two-year moving average is not statistically significant at the 90-percent confidence level.

the poverty line has been about five percent below that measured for the United States as a whole since 1993 on a two-year moving average basis.

State Poverty Rate Comparisons in the West

Once again, to make comparisons among the states, the Census Bureau prefers to look at averages for the latest three years. Utah’s three-year average poverty rate of 7.9 percent ranks 2nd best in the nation (see **Table 4** and **Figure 2**). Only Maryland has a lower poverty rate among the states. Five western states have 3-year average poverty rates below the national average of 12.6 percent: Utah, Colorado, Washington, Nevada and Wyoming. Oregon, Idaho, California, Arizona and Montana, have poverty rates above 12.6 percent and below 16 percent on a three-year average basis. Utah’s southern neighbor, New Mexico has the dubious distinction of having the highest poverty rate in the country at 20.8 percent.

Health Insurance Coverage in U. S.

The Census Bureau estimated that in 1999 there were 42.5 million uninsured individuals in the United States. This represented 15.5 percent of the population. This is a decrease from 1998 when an estimated 44.3 million or 16.3 percent of the population was uninsured. The decrease in the number of uninsured (or the increase in those insured) is the result of increased employment-based health insurance coverage. The percent of individuals covered by employment-based insurance increased from 62.0 percent to 62.8 percent. By comparison, there was no significant change in the number of people covered by government insurance programs.

Not surprisingly, the higher the income level the more likely one is to be insured. Of those making less than \$25,000 per year, 24.1 percent were without insurance. Those making between \$25,000 and \$49,999 had an uninsured rate of 18.2 percent; those with incomes between \$50,000 and \$74,999 had uninsured rate of 11.8 percent. Individuals making \$75,000 or more had the lowest level of uninsured - 8.3 percent. Naturally, educational attainment level showed a similar trend.

Age also had a bearing on whether one is insured or not. Children under the age of 18 had an uninsured rate of 13.9 percent -- an improvement over 1998 when the rate was 15.4 percent. Among poor children, the uninsured rate fell from 25.2 percent to 23.3 percent between 1998 and 1999. The nation’s Children’s Health Insurance Program (CHIP) is the

Table 2
Median Income of Households for Mountain and West Coast States
Two-year Moving Averages 1997-1998 and 1998-1999*;
Three-year Average 1997-1999*

	Two-year Moving Averages (In 1999 dollars)					Three-year Average (In 1999 dollars)		
	1997-1998		1998-1999		Percent Change	1997-1999		Rank Among the States***
	Median Household Income	Standard Error**	Median Household Income	Standard Error**		Median Household Income	Standard Error**	
U.S.	\$39,078	\$170	\$40,280	\$176	3.1%	\$39,657	\$143	
Arizona	35,947	1,080	37,514	1,023	4.4%	36,337	895	34
California	41,520	617	42,791	529	3.1%	42,262	806	17
Colorado	46,252	1,311	47,987	1,074	3.8%	46,950	1,067	5
Idaho	36,082	1,032	36,698	1,038	1.7%	36,023	902	36
Montana	31,298	964	31,759	872	1.5%	31,280	776	48
Nevada	40,482	1,191	41,157	1,299	1.7%	40,882	1,098	18
New Mexico	31,735	1,082	32,357	1,314	2.0%	31,981	1,030	47
Oregon	39,296	1,572	40,321	1,335	2.6%	39,768	1,208	22
Utah	44,839	1,345	45,686	1,249	1.9%	45,257	1,130	8
Washington	47,362	1,315	47,054	1,423	-0.7%	46,788	1,203	7
Wyoming	35,361	1,168	36,712	1,086	3.8%	36,039	964	35

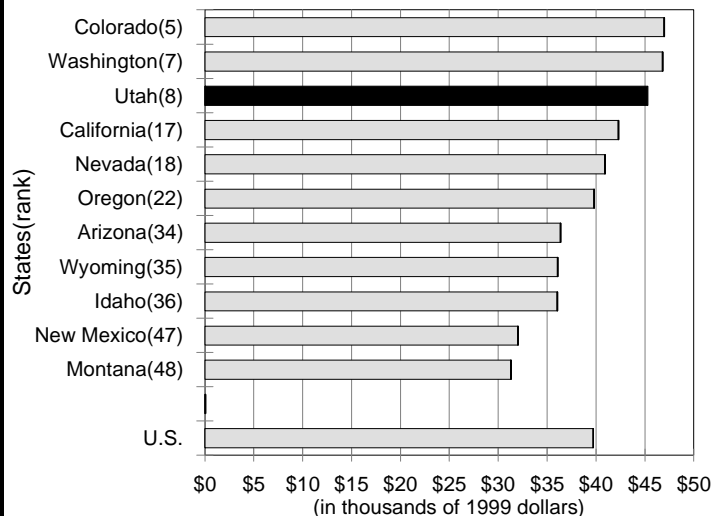
*Because the sample of households contacted in small population states like Utah is relatively few in number, the data collected for two or three years is combined to calculate less variable estimates. The Census Bureau recommends using 2-year averages for evaluating changes in state estimates over time, and 3-year averages when comparing the relative ranking of states.

**The Standard Error is a measurement that indicates the magnitude of sampling variability for the median household income estimates. Note that the standard errors for U.S. estimates are much smaller than those for the states.

***Ranking is done for the 50 states and the District of Columbia.

Source: March Current Population Survey, U.S. Census Bureau, Money Income in the United States: 1999 (Report P60-209).

Figure 1
Median Income of Households by State
Three-year Average 1997-1999, Selected States



Source: U.S. Bureau of the Census

Table 3
Percent of People in Poverty in Utah and
in the United States: 1980 to 1999

	Utah		United States	
	Poverty Rate	Standard Error*	Poverty Rate	Standard Error*
	(percent of population)		(percent of population)	
1980	10.0%	2.20%	13.0%	
1981	12.2%	2.40%	14.0%	
1982	14.5%	2.50%	15.0%	
1983	13.9%	2.40%	15.2%	
1984	11.1%	2.20%	14.4%	
1985	10.9%	1.60%	14.0%	
1986	12.6%	1.70%	13.6%	
1987	10.2%	1.50%	13.4%	
1988	9.8%	1.50%	13.0%	
1989	8.2%	1.40%	12.8%	
1990	8.2%	1.40%	13.5%	
1991	9.3%	1.45%	14.2%	
1992r	9.4%	1.43%	14.8%	
1993	10.7%	1.48%	15.1%	
1994	8.0%	1.29%	14.5%	
1995	8.4%	1.31%	13.8%	0.22%
1996	7.7%	1.26%	13.7%	0.21%
1997	8.9%	1.31%	13.3%	0.21%
1998	9.0%	1.32%	12.7%	0.21%
1999	5.7%	1.06%	11.8%	0.21%
Two-year moving average				
1995-96	8.0%	1.09%	13.8%	0.18%
1996-97	8.3%	1.09%	13.5%	0.18%
1997-98	8.9%	1.12%	13.0%	0.18%
1998-99	7.3%	1.01%	12.3%	0.17%
Three-year average				
1995-97	8.3%	0.94%	13.6%	0.16%
1996-98	8.5%	0.95%	13.2%	0.15%
1997-99	7.9%	0.91%	12.6%	0.15%

*The Standard Error is a measurement that indicates the magnitude of sampling variability for the poverty rate estimates. Note that the standard errors for U.S. estimates are much smaller than those for Utah. The annual survey used to produce these estimates is designed to provide reliable U.S. information. Because the sample of Utah households is small in comparison the standard errors are much larger.

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Source: March Current Population Survey, U.S. Bureau of the Census, Percent of Persons in Poverty by State: 1980-1999 (Table 21).

Table 4

Percent of People in Poverty for the Mountain and West Coast States
Two-year Moving Averages 1997-1998 and 1998-1999*;
Three-year Average 1997-1999*

	Two-year Moving Averages					Three-year Average		
	1997-1998		1998-1999		Change	1998-1999		Rank Among the States***
	Poverty Rate	Standard Error**	Poverty Rate	Standard Error**		Poverty Rate	Standard Error**	
U.S.	13.0%	0.18%	12.3%	0.17%	-0.7%	12.6%	0.15%	
Arizona	16.9%	1.47%	14.3%	1.35%	-2.6%	15.2%	1.20%	42
California	16.0%	0.63%	14.6%	0.60%	-1.4%	15.3%	0.53%	41
Colorado	8.7%	1.18%	8.7%	1.17%	0.0%	8.6%	1.00%	6
Idaho	13.8%	1.38%	13.5%	1.37%	-0.3%	13.9%	1.19%	39
Montana	16.1%	1.50%	16.1%	1.49%	0.0%	15.9%	1.28%	45
Nevada	10.8%	1.34%	10.9%	1.31%	0.1%	11.0%	1.14%	23
New Mexico	20.8%	1.65%	20.5%	1.65%	-0.3%	20.8%	1.42%	51
Oregon	13.3%	1.50%	13.8%	1.51%	0.5%	13.1%	1.28%	32
Utah	8.9%	1.12%	7.3%	1.01%	-1.6%	7.9%	0.91%	2
Washington	9.1%	1.26%	9.2%	1.27%	0.1%	9.2%	1.09%	12
Wyoming	12.1%	1.40%	11.1%	1.36%	-1.0%	11.9%	1.19%	29

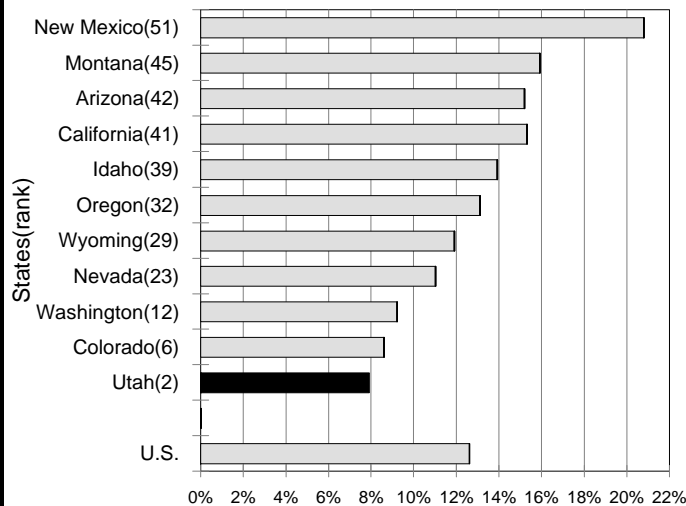
*Because the sample of households contacted in small population states like Utah is relatively few in number, the data collected for two or three years is combined to calculate less variable estimates. The Census Bureau recommends using 2-year averages for evaluating changes in state estimates over time, and 3-year averages when comparing the relative ranking of states.

**The Standard Error is a measurement that indicates the magnitude of sampling variability for the poverty rate estimates. Note that the standard errors for U.S. estimates are much smaller than those for the states.

***Ranking is done for the 50 states and the District of Columbia.

Source: March Current Population Survey, U.S. Census Bureau, Poverty in the United States: 1999 (Report P60-210).

Figure 2
Percent of People in Poverty by State
Three-year Average 1997-1999, Selected States



Source: U.S. Bureau of the Census

biggest reason for this increased coverage, though private health insurance coverage of children also increased. People 18 to 24 were the least likely to have insurance. Of this group, 29.0 percent were uninsured. Those 65 and older were the most likely to be insured. Only 1.3 percent of the elderly had no insurance. The reason for such complete coverage among this age group is, of course, Medicare.

Utah Health Insurance Coverage

The Census Bureau estimates that about 305,000 Utahns did not have health insurance coverage in 1999. For the last three years, the number of uninsured Utahns has increased from 13.4 percent in 1997 to 13.9 percent in 1998 to 14.2 percent in 1999. On a two-year moving average basis, the number of uninsured has increased, from 13.7 percent during 1997-98 to 14.0 percent in 1998-99.

By comparison, U.S. averages show a decline in the number of uninsured both in the annual and the two-year moving average. For the last three years, the number of uninsured in the country has declined from 16.1 in 1997 to 15.5 in 1999. The moving two-year average shows a decline from 16.2 in 1997-98 to 15.9 in 1998-99. This is a turnaround from the rest of the decade when each year the number of uninsured climbed gradually higher.

Two years ago, Utah began participating in a new federal/state program enabling more low income children to be insured. The Children's Health Insurance Program, or CHIP, provides health care for children who live in families making between 100 and 200 percent of poverty, for example a family of four with income between \$17,029 and \$34,058. These families make too much money to qualify for Medicaid, but typically not enough to be able to buy health insurance in the marketplace.

The CHIP program is funded mainly by federal dollars with matching funds from the state. The state Department of Health administers the program and began enrolling children July 1, 1998. Department officials believe there are about 30,000 children who qualify. In the first two years CHIP has enrolled about 17,000 Utah children. They also expect to enroll an additional 15,000 children who are eligible for Medicaid but not currently participating. While the CHIP program will not affect the number of uninsured Utahns over 17 years of age, it is hoped that the total number of uninsured in Utah will stop rising and even decline when the program reaches all who are eligible.

Health Insurance Coverage in the West

On a three-year average basis for (1997-99), Utah has the second lowest percentage of uninsured of any mountain or west coast state. Only Washington has a lower uninsured rate -- 13.1 percent. At 13.8 percent Utah ranks 24th among the 50 states and the District of Columbia (see **Table 5** and **Figure 3**). In addition to Washington and Utah, Oregon and Colorado also have lower uninsured rates than the three-year United States average of 16.0 percent. Five western states have relatively high rates of uninsured individuals - Arizona (23.3 percent), New Mexico (23.2 percent), California (21.3 percent), Nevada (19.8 percent) and Montana (19.2 percent).

Poverty in the United States

As noted previously, the Current Population Survey is designed to give quite reliable and even detailed information for the nation as a whole. Therefore, we can say much more about the current characteristics of those in poverty for the United States than we can about any of the states.

In 1999, there were 32.3 million poor persons, representing 11.8 percent of the U. S. population. Of these poor persons, 23.4 million or 72.5 percent lived in families. Individuals not living in families represented the balance. The majority of all poor, 22.9 million, were white. Whites represented 67.9 percent of the total poor. There were 8.3 million poor blacks, accounting for 25.9 percent of the total poor. Asian and Pacific Islanders represented 3.6 percent of all poor with 1.2 million in poverty. Among Hispanics (which can be of any race), 8.3 million were poor, accounting for 23.1 percent of all poor.⁹

Though whites accounted for two-thirds of the poor, they represented 82.9 percent of the U.S. population. Poverty among whites is actually the lowest of any of the races measured by the Bureau of Census. In 1999, 9.8 percent of all whites were poor. The poverty rate among blacks was more than twice that of whites -- 23.6 percent. In other words, though blacks represented 12.6 percent of the U.S. population in 1999, they accounted for a fourth of all poor. Among Asian and Pacific Islanders, the poverty rate was 10.7 percent and among Hispanics it was 22.8 percent.

⁹Hispanic is an ethnic group not a racial group. One can be Hispanic and be black or white. Because Hispanic is an ethnic category and not a racial category, the Hispanic population cannot be added to the racial populations.

Table 5
Percent of Persons Without Health Insurance Coverage
in the Mountain and West Coast States
Two-year Moving Averages 1997-1998 and 1998-1999*;
Three-year Average 1997-1999*

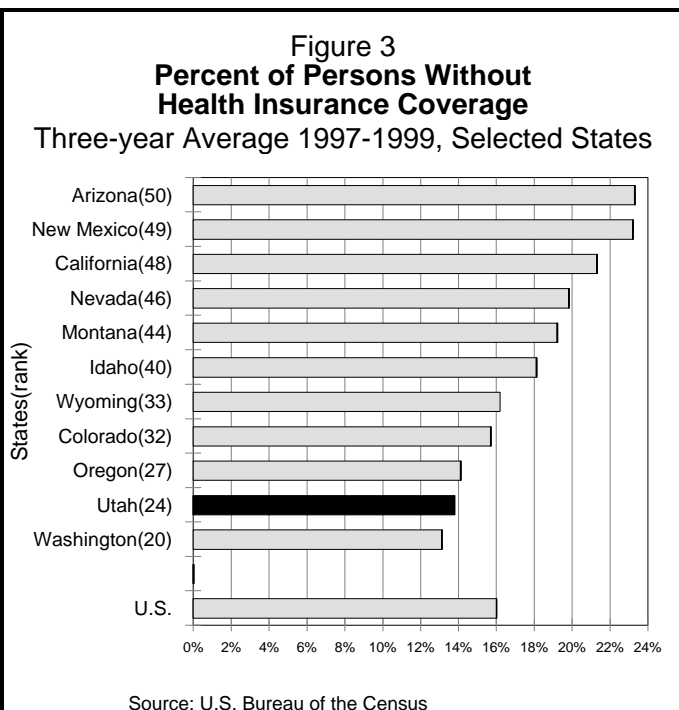
	Two-year Moving Averages					Three-year Average		
	1997-1998		1998-1999		Change	1997-1999		Rank Among the States***
	% without Health Insurance	Standard Error**	% without Health Insurance	Standard Error**		% without Health Insurance	Standard Error**	
U.S.	16.2%	0.1%	15.9%	0.1%	-0.3%	16.0%	0.1%	
Arizona	24.3%	0.7%	22.7%	0.7%	-1.6%	23.3%	0.6%	50
California	21.8%	0.3%	21.2%	0.3%	-0.6%	21.3%	0.3%	48
Colorado	15.1%	0.6%	15.9%	0.7%	0.8%	15.7%	0.6%	32
Idaho	17.7%	0.7%	18.4%	0.7%	0.7%	18.1%	0.6%	40
Montana	19.5%	0.7%	19.1%	0.7%	-0.4%	19.2%	0.6%	44
Nevada	19.3%	0.7%	20.9%	0.7%	1.6%	19.8%	0.6%	46
New Mexico	21.9%	0.7%	23.4%	0.7%	1.5%	23.2%	0.6%	49
Oregon	13.8%	0.7%	14.5%	0.7%	0.7%	14.1%	0.6%	27
Utah	13.7%	0.6%	14.0%	0.6%	0.3%	13.8%	0.5%	24
Washington	11.8%	0.6%	14.0%	0.7%	2.2%	13.1%	0.6%	20
Wyoming	16.2%	0.7%	16.5%	0.7%	0.3%	16.2%	0.6%	33

*Because the sample of households contacted in small population states like Utah is relatively few in number, the data collected for two or three years is combined to calculate less variable estimates. The Census Bureau recommends using 2-year averages for evaluating changes in state estimates over time, and 3-year averages when comparing the relative ranking of states.

**The Standard Error is a measurement that indicates the magnitude of sampling variability for the estimates. Note that the standard errors for U.S. estimates are much smaller than those for the states.

***Ranking is done for the 50 states and the District of Columbia.

Source: March Current Population Survey, U.S. Census Bureau, Health Insurance Coverage: 1999 (Report P60-211).



Poverty by Census Region

The number of poor and poverty rates vary among the four major regions of the nation. The South, which consists of 16 states and the District of Columbia, has more poor persons than any other region -- 12.5 million. More than a third, 38.9 percent, of all poor live in the South and 13.1 percent of the South was poor in 1999. The West, which consists of the 12 western states and Hawaii, has the second largest number of poor with 7.8 million or 24.3 percent of all poor. In the West, 12.6 percent are poor. The Midwest, which consists of 12 states, had 6.2 million poor persons or 19.3 percent of all poor. In the Midwest, 9.8 percent of its population were poor, the lowest of the four regions. The nine states of the Northeast had the fewest poor -- 5.7 million or 17.6 percent of all poor.

The larger numbers and higher percentages of poor living in the South are attributable to two factors. First, the South is the most populace region in the United States. Second, the South has the largest concentration of blacks. In 1998, the South had 98.3 million people, 20.3 percent of which were black. By comparison, the Midwest had a population of 59.7 million with 19.1 percent black. The West had a population of 52.8 million with 9.4 percent black and the Northeast had a population of 50.8 million of which 18.7 percent are black.

Poverty by Age

Of all poor persons, the largest percentage were those between the ages of 18-64. Among this age group there were 16.9 million poor, accounting for 52.6 percent of all poor. Children under the age of 18 make up the second largest group. There were 12.1 million poor children or 37.5 percent of all poor. Persons 65 years of age or older have the lowest poverty rates. Among the elderly, 3.1 million were poor, accounting for 9.8 percent of all poor.

Though children under the age of 18 account for approximately one-third of all poor, 16.9 percent of all children live in poverty, the highest poverty rate among the three major age groups mentioned. Adults between the ages of 18-64, have a poverty rate of 10.0 percent and among the elderly, the rate is 9.7 percent (see **Figure 4**). These are important points about poverty that are often not understood. The most serious poverty problem, as far as age is concerned, lies with children where more than one-sixth of people in this age group are living in poverty. By contrast our elderly population, where poverty was once a widespread problem, has the lowest poverty rate of the three major age groups.

Most of America's poor children live in female-headed, single-family homes. In the United States,

there were 2.7 million poor families with both husband and wife present. However, there were 3.5 million female-headed households that were poor. Of these single parent families, 1.9 million were white, 1.5 million black and 686,000 Hispanic.

Poverty Rates in Decline

Nationally, poverty rates have declined over the past several decades. Since 1959, the poverty rate for whites has fallen from 18.1 percent to a low of 8.4 percent in 1973. Since 1980 the poverty rate for whites has fluctuated between 10 and 12 percent, it was 9.8 percent in 1999. Since 1966, black poverty rates have fallen from 39.3 percent to 23.6 percent in 1999.

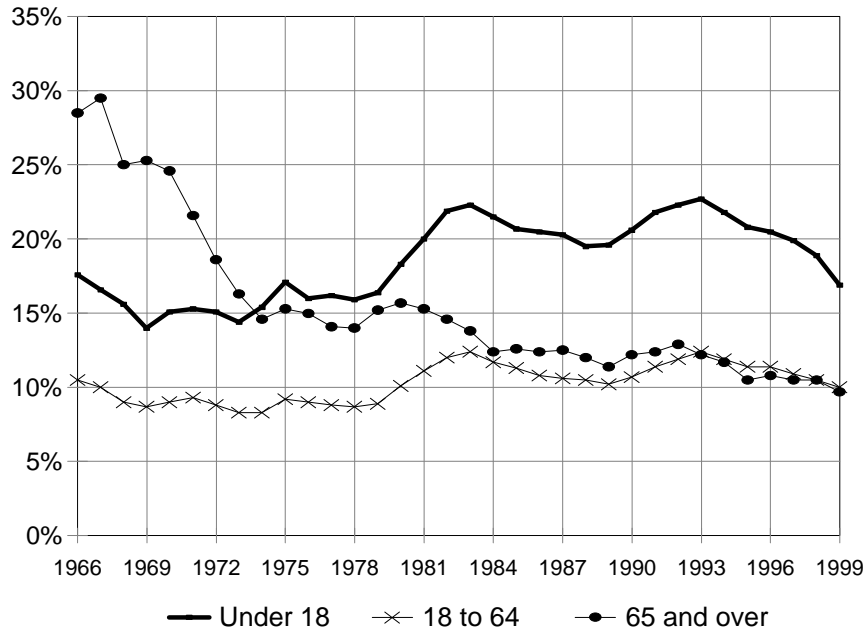
The poverty rate for Hispanics had actually increased since it was calculated separately in 1972, from 22.8 percent to 27.1 percent in 1997 but then has fallen to 22.8 percent in 1999 (see **Figure 5**). Asian and Pacific Islanders have only been separately calculated since 1988. Their 10.7 percent poverty rate is slightly above that of whites but below blacks and Hispanics. Despite the disparity in poverty rates among races and Hispanics, it is important to note that poverty rates for persons of all races and ethnic backgrounds have declined in the 1990s. The main reason for this decline is the strong economic growth that has existed for over a decade. There is no question that this economic boom has benefitted all races and ethnic groups.

Among age groups, poverty rates have fallen most sharply for the elderly. In the mid-1960s, 30 percent of all persons aged 65 and older were poor. By the mid-1970s, that rate had fallen to about 15 percent. Since then, poverty rates have fallen much less dramatically but they have still fallen. In 1999, poverty rates for the elderly stood at an all time low of 9.7 percent. Poverty rates among children under 18, had been increasing since the late-60s, rising from 14 percent in 1969 to a high of 22.7 percent in 1993. But again, the nation's strong economy has reduced poverty among children to the 1999 level of 16.9 percent.

Among those 18 to 64 years old, poverty was 10 percent in 1967 and stands at 10.0 percent today (1999), fluctuating from as low as 8.3 percent to as high as 12.4 percent. In other words, most of the progress in poverty rates over the last few decades can be accounted for in the declines in poverty rates for those 65 years of age or older.

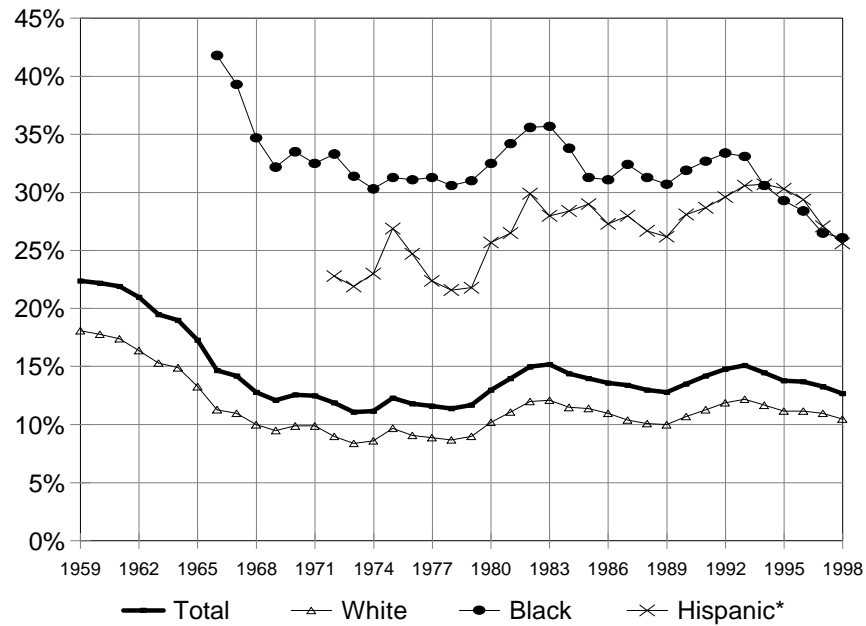
The group with the highest poverty rates are single-parent families -- especially female headed households. Female-headed households with no husband present have a poverty rate of 27.8 percent in 1999. By comparison, the poverty rate of married couples is only 4.8 percent.

Figure 4
Poverty Rate of People by Age
 1966 to 1999



Source: U.S. Bureau of the Census

Figure 5
Poverty Rate of People by Race and Hispanic Origin: 1959 to 1999



*People of Hispanic origin may be of any race.

Source: U.S. Bureau of the Census

Conclusion

Poverty in the United States has been declining from a relatively high level of 15.1 percent in 1993 to 11.8 percent in 1999. The sustained economic growth of the nineties has provided opportunities for millions of Americans to rise above the poverty level, even if marginally so. This is particularly true of blacks whose poverty rates have fallen the fastest. This good news on poverty is tempered by the significant poverty story of America's children. More than one-sixth of America's children under the age of 18 are being raised in poverty. Though this is the lowest level for some time, it may be America's most serious poverty problem. Almost **63 percent** of these children are living in single-parent, female-headed households. Addressing this problem is one of America's greatest challenges.

The very strong Utah economy during the 1990s has improved the incomes of average Utahns. Utah's median household income has reached a new high in real (inflation adjusted) dollars, at 114 percent of the national average. Utah's poverty rate is as low in recent years as at any time in recent decades. A three-year average of 7.9 percent is the second lowest

poverty rate of any state.

Unfortunately the percent of Utah's population that is without health insurance has not followed the positive trends of income and poverty. The two-year moving average shows Utah's uninsured population increasing from 13.7 percent in 1997-98 to 14.0 percent in 1998-99. The national trend, by comparison, shows a slight decrease in the percent of people uninsured. The two-year moving average for the nation shows 16.2 percent uninsured in 1997-98 and 15.9 percent in 1998-99.

In Utah and nationally, children under the age of 18 living at or near the poverty line have had a very high uninsured rate. CHIP was instituted to provide this population with access to health insurance. It is hoped that the CHIP administrators will continue to seek out and enroll the remaining approximately 13,000 children in Utah who they believe are eligible for, but are not enrolled in, this health insurance program.

As Utah moves into the new millennium, the problem of Utahns without health insurance will continue to be a difficult but important topic of public policy debates.