

# ***PERSONALLY SPEAKING***

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**LATEST CENSUS BUREAU DATA ON INCOME, POVERTY,  
AND HEALTH INSURANCE**

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The Census Bureau today reported that an estimated 46.3 million or 15.4 percent of all persons had no health insurance coverage at any time in 2008, that 39.8 million persons representing 13.2 percent of the population were classified as poor, and that median household income dropped by 3.6 percent from \$52,163 in 2007 to \$50,303 last year. These are the central highlights of the Bureau's annual report which is based on a large random sample of U.S. households. In the following we call attention to some of the report's other significant findings.

► Even though the total number of persons without health insurance climbed by 682,000 between 2007 and 2008, there were reductions in selected demographic groups. Most significant of all was a decline of 801,000 in the number of uninsured persons under age 18.

► Compared to 2007, there were 1.1 million more part-time workers in 2008 who reported they had no health insurance protection.

► At 1.7 percent, persons 65 years of age and older had the lowest rate of noncoverage. The highest rate of noncoverage was among noncitizens at 44.7percent.

► The number of persons on Medicaid has more than doubled, rising from 20.2 million in 1987 to 42.6 million in 2008. This increase is observed for every major age group and is especially significant for state governments whose budgets are severely strained by this growing burden.

► In 1987 there were 3.2 persons protected by private health insurance plans for every person on a government plan. In 2008 that ratio had dropped to 2.3.

► The rollback in median household income cuts across family and nonfamily households, whites, blacks, Asians, and Hispanics, every age group except the elderly, native born and foreign born, men with earnings and women with earnings. The largest percentage losses were sustained by males in both family and nonfamily households, Hispanic householders, 45-54 year old householders, and foreign-born householders.

- ▶ There were 2.6 million more persons classified as poor in 2008 than in the preceding year. For a family of four with two children under age 18, the poverty threshold was set at \$21,834.
  - ▶ Though the poverty rate is much higher for blacks than for whites (24.7 percent vs. 11.2 percent), there was no statistically significant increase in either the number or percent of blacks who were living in poverty in 2008 compared to 2007. On the other hand, there was a statistically significant increase of 1.9 million in the number of poor whites.
  - ▶ Historically poverty has been a much greater problem for female-headed families than for married-couple families. In 2008, for example, 28.7 percent of all families with a female head were counted as poor, whereas only 5.5 percent of married-couple families were living below the poverty threshold. Female-headed families in 2008 accounted for 51 percent of all poor families. In 1959 when these data first became available families headed by females accounted for 23 percent of all impoverished families.
  - ▶ The annual current-dollar income gap between poor families and all other families climbed from \$77,454 in 2007 to \$78,722 in 2008. On a monthly basis, the income gap works out to be \$6,560. This gap balloons to \$87,471 on an annual basis when married-couple families above the poverty line are compared to female-headed families below the poverty line.
  - ▶ Using this income-gap data series as a measure of income inequality and converting the data to constant dollars to eliminate the impact of inflation, we note results that seem counter-intuitive. To explain, under President Bush (1989-1992) the gap narrowed on average by 1.0 percent on a yearly basis, widened by 2.1 percent every year under President Clinton (1993-2000), and barely changed at all under President Bush (2001-2008) who often is roundly criticized for cutting the taxes of the super-rich.
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