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#### ECONOMIC REPORT MASKS PERSISTENT HARDSHIP AND INEQUITIES IN ILLINOIS

Safety Net Programs and Health Insurance Under Continued Threat

**CHICAGO, IL, September 15, 2017** – Recent data from the U.S. Census Bureau revealed that poverty in Illinois decreased from 2015 to 2016, aligning with national trends. Despite this improvement, poverty in Illinois remains stubbornly high—13.0% compared to 11.9% in 2007 before the recession. This is in contrast to national trends that showed that U.S. poverty rates overall returned to pre-recession levels. In addition to the decrease in the poverty rate, the data found that health insurance coverage reached record levels in Illinois.

"While it is encouraging to see indicators of well-being shift, many remain high risk - income is stagnant for Illinoisans, hundreds of thousands of working people live in poverty, and people of color are still disproportionately impacted," said Katie Buitrago, director of the Social IMPACT Research Center at Heartland Alliance. "Safety net programs play a critical role in moving people out of poverty and unfortunately, they are under threat at state and national levels."

The United States has been in economic recovery for a number of years, with two consecutive years of strong gains in the median household income, but substantial improvements for Illinois and the nation have been slow to reach those who need it most.

"Almost 95 percent of Illinoisans had health insurance coverage in 2016, setting new records for insurance coverage in the state. While we want to celebrate such progress, we worry that the current Federal Administration is sowing uncertainty and cutting funding for enrollment assistance," said Dan Rabbitt, Project Manager for Health Policy at Heartland Alliance. "Heartland Alliance is committed to preventing any erosion of these gains, but we need a partner in Washington to help build on this achievement."

After a more than two-year long impasse, Illinois passed a state budget in August, but the burden and consequences of the stalemate still impacts millions of Illinoisans in poverty. The resulting loss of services that help connect people to work, ensure low-income workers can access child care, provide MAP grants for students seeking an education, and help survivors of violence recover will make it much more difficult for people to meet their basic needs and move out of poverty.

The release also revealed:

• Illinois poverty declined from 2015 to 2016 and is now at 13.0%. The poverty rate is still 1.1 percentage points above its pre-recession 2007 level of 11.9%.

- Extreme poverty—having income below half the poverty line—also declined in Illinois and is now at 5.9%. 739,000 Illinoisans are extremely poor.
- Bucking national trends of income growth, income levels are stagnant in Illinois: Illinois median household income in 2016 was \$60,960, which is not significantly different from 2015. Income is still 4% below its pre-recession 2007 level.
- The rate of non-seniors in Illinois who are uninsured fell to 7.4%, a 0.7 percentage point decline from 2015 and a dramatic decline of 6.8 percentage points from 2008. 801,000 non-seniors remain uninsured.
- While Latino Illinois households experienced an increase in median household income, black and white households in Illinois did not see any increase.
- People of color are disproportionately impacted by poverty: 8.8% of white, non-Latino Illinoisan are poor compared to 26.5% of black Illinoisans and 17.2% of Latino Illinoisans.
- One in four Illinois renter households pay more than half of their income in rent.
- Safety net programs play a critical role in helping people make ends meet: nationwide, Social Security moved 26.1 million people out of poverty, refundable tax credits moved 8.2 million people out of poverty, while SNAP lifted 3.6 million people out of poverty.
  - Hundreds of thousands of Illinoisans could lose their poverty-alleviating SNAP benefits if the state does not apply for a waiver for able-bodied, childless adults for 2018. <u>Read more</u>

<u>Read the fact sheet</u> on Illinois and Chicago region poverty, income, and health insurance trends based on the newly released data.

<u>Download data books</u> for Chicago Community Areas and for all cities and townships in the 6-county Chicago metropolitan region.

<u>Access the Census Bureau's local demographic, social, economic, and housing data</u> that were released today for places with populations of 65,000 or more. Contact Heartland Alliance for assistance accessing and interpreting the data.

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**Heartland Alliance for Human Rights & Human Needs** – Heartland Alliance, one of the world's leading anti-poverty organizations, works in communities in the U.S. and abroad to serve those who are homeless, living in poverty, or seeking safety. It provides a comprehensive array of services in the areas of health, housing, jobs, and justice – and leads state and national policy efforts, which target lasting change for individuals and society. For more information visit, <u>www.heartlandalliance.org</u> or follow us on Twitter at <u>https://twitter.com/heartlandhelps</u> or like us on Facebook at <u>https://www.facebook.com/heartlandalliance</u>.

**Heartland Alliance Research & Policy** - Heartland Alliance's Research & Policy Division focuses on the realization of human rights through ending poverty, racism, and injustice by engaging in research on social issues and solutions, policy and systems change, and field building nationwide. Learn more <u>at https://www.heartlandalliance.org/get-informed/research-policy-landing</u>.

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# Illinois and Chicago Region



#### POVERTY, INCOME, AND HEALTH INSURANCE COVERAGE

The poverty rate for the United States was 12.7% in 2016. There were 40.6 million people in poverty nationwide. The poverty rate is not significantly different from the pre-recession level of 12.5% in 2007.

In 2016, 1.6 million Illinoisans were in poverty — a rate of 13.0%. Additionally, 2.1 million Illinoisans are near poor and economically insecure with incomes between 100% and 199% of the federal poverty threshold.

The fact that poverty remained persistently high and income stagnant despite job growth points to the fact that Illinois clearly faces significant challenges related to job quality. And while the nation's poverty rate has returned to prerecession levels, Illinois's rate remains stubbornly high. Furthermore, efforts to reduce poverty are severely hampered by damage from years of inadequate investment in human services and Illinois's state budget battle.

#### Illinois

	2007		2015		2016	
	#	%	#	%	#	%
Poverty	1,496,248	11.9	1,703,258*	13.6*	1,621,508*	13.0*
Extreme Poverty	667,578	5.3	784,584*	6.2*	738,806*	5.9*
Low Income/Near Poor	2,029,262	16.2	2,095,725*	16.7*	2,060,534	16.5
Related Child Poverty	511,142	16.3	548,174*	18.9*	501,827*	17.5*
No Health Insurance <sup>†</sup>	1,597,086	14.2	885,459*	8.1*	801,134*	7.4*
Median Household Income <sup>^</sup>	\$61,871		\$60,903*	-	\$60,960	

## Chicago

	2007		2015		2016	
	#	%	#	%	#	%
Poverty	550,580	20.5	556,134*	20.9	505,365*	19.1*
Extreme Poverty	244,498	9.1	252,392*	9.5*	226,763*	8.6*
Low Income/Near Poor	554,636	20.6	556,736	20.9	538,384	20.3
Related Child Poverty	201,748	30.6	178,946*	31.2	157,749*	28.0*
No Health Insurance <sup>†</sup>	526,082	21.6	278,843*	11.7*	252,058*	10.6*
Median Household Income <sup>^</sup>	\$52,018		\$51,821*		\$53,006	



33 W. Grand, Suite 500 Chicago, IL 60654 research@heartlandalliance.org www.socialimpactresearchcenter.org The Social IMPACT Research Center (IMPACT) at Heartland Alliance works with nonprofits, foundations, and governments to measure and grow their social impact. We are experts on issues related to poverty, housing, homelessness, employment, human services, health and nutrition, education, and asset development. To learn more, visit www.socialimpactresearchcenter.org, follow us on Twitter @IMPACTHeartland or like us on Facebook at www.facebook.com/social.impact.research.

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## 6-County Chicago Region

	2007		2015		2016	
	#	%	#	%	#	%
Poverty	936,259	11.3	1,098,665*	13.3	1,013,725*	12.3*
Extreme Poverty	416,119	5.0	493,866	6.0	455,048*	5.5*
Low Income/Near Poor	1,277,860	15.4	1,345,347	16.3	1,313,841	16.0
Related Child Poverty	339,216	15.8	364,717	18.8	325,177*	17.0*
No Health Insurance <sup>†</sup>	1,151,068	15.4	677,327*	9.3*	601,046*	8.4*
Median Household Income <sup>^</sup>	-					

## Suburban 6-County Region (no Chicago)

	2007		2015		2016	
	#	%	#	%	#	%
Poverty	385,679	6.9	542,531	9.7	508,360	9.1
Extreme Poverty	171,621	3.1	241,474	4.3	228,285	4.1
Low Income/Near Poor	723,224	12.9	788,611	14.1	775,457	13.9
Related Child Poverty	137,468	9.2	185,771	13.6	167,428	12.4
No Health Insurance <sup>†</sup>	624,986	12.4	398,484*	8.2*	348,988*	7.2*
Median Household Income <sup>^</sup>						

#### Poverty by County (6-County Region)

	2007		2015		2016	
	#	%	#	%	#	%
Cook County	758,802	14.6	832,080*	16.1*	763,242*	14.9*
DuPage County	41,366	4.5	65,218	7.1	63,806	7.0
Kane County	37,750	7.6	58,220	11.1	56,729	10.8
Lake County	42,197	6.1	61,383	8.9	58,653	8.5
McHenry County	17,943	5.7	28,119*	9.2*	23,974	7.9
Will County	38,201	5.8	53,645	7.9	47,321	7.0

# Measuring Poverty

Official poverty data are based on the federal poverty thresholds, which are used to determine poverty status. The measure is not geographically specific and does not reflect what it takes for families to make ends meet.

Far more people struggle to make ends meet than the official poverty data suggest. The Living Wage Calculator shows that it takes a family of 3 (adult, young child, and child) \$63,968 to be economically secure in Illinois.

#### 2016 FEDERAL POVERTY THRESHOLDS

Family Size	Extreme Poverty (0-49% FPL)	Poverty (0-99% FPL)	Low Income (100-199% FPL)
<b>n</b>	\$6,243	\$12,486	\$24,972
<b>*</b> *	\$8,036	\$16,072	\$32,144
<b>n</b> n	\$9,387	\$18,774	\$37,548
<b>* * *</b> *	\$12,378	\$24,755	\$49,510

\* Denotes change from prior year in table is statistically significant. <sup>†</sup> Health insurance coverage estimates reflect 2008—the first year they were collected—rather than 2007. Estimates are for the population under age 65. <sup>^</sup>Estimates of median household income are not available for this geography. 6-County region includes the following counties: Cook, DuPage, Kane, Lake, McHenry, and Will.

National data come from the U.S. Census Bureau's Current Population Survey. All sub-national data are derived from the U.S. Census Bureau's American Community Survey 1-year estimates program. The most recent American Community Survey estimates reflect 2016 income, poverty, and health insurance coverage, which are the most current data available for geographies with populations over 65,000. For more information on the American Community Survey, visit www.census.gov/acs/www/.

Statistical significance refers to the probability that the observed changes are "true" rather than the result of an error in sampling or estimation. Data included here are statistically significant at the 90th percentile.

The Living Wage Calculator was created by Dr. Amy K. Glasmeier at Massachusetts Institute of Technology (MIT). Available at http://livingwage.mit.edu/