2014
State of the State
Poverty in Missouri
Missourians to End Poverty Coalition
Data Sources

U.S. Census Bureau - 2012 American Community Survey table s1701- Poverty Status in the last 12 months, table s1002 - Grandparents, s2701 Health Insurance Coverage Status, table DP04- Selected Housing Characteristics

U.S. Census Bureau, Small Area Income and Poverty Estimates (SAIPE) Program, December 2013


Issue Brief: PolicyOptions.org “The Development of Chronic Disease due to Poor Nutrition”

National Low Income Housing Coalition 2013 State Housing Profile


Missouri Hunger Atlas 2013


CFED Assets and Opportunity Scorecard  State Profile

Missouri 2013

Food Insecurity and Risk for Obesity Among Children and Families: A Research Synthesis April 2010

The State of Missouri Consolidated Plan FY 2013 – 2017 24 CFR Part 91 Consolidated Submissions for Community Planning and Development Programs

http://www.dss.mo.gov/cd/fostercare/fpstats.htm

http://kff.org/other/state-indicator/teen-birth-rate-per-1000/


Missouri Department of Social Services Child Care Family Eligibility Guidelines

The State of Homelessness in America: National Alliance to End Homelessness

*Data sources may vary based upon date of source document’s publication. Sources update at different times during the year which may result in slight variations in data.
Who are the Missourians to End Poverty?

Missourians to End Poverty is the coalition of various individuals, businesses, organizations and government agencies who have come together around the following vision:

As Missourians, we envision a just society of shared responsibility by individuals, communities, business, and government in which all individuals are respected, have opportunities to reach their full potential and to participate in thriving, diverse, sustainable communities.

Missouri is a state rich in beauty and prosperity, in education and opportunity, in security and health, in values and vision. Yet, within our richness lies poverty and fear, hunger and the homeless, unmet potential and despair.

The scope of poverty is vast. For each individual struggling with poverty there exists a unique set of circumstances and issues that make a single solution to poverty, as an issue, impossible. Think of poverty as a net with strands trapping individuals and holding them down. Each individual has different strands that must be cut in order to help them move forward. This report exists to identify some of the key issues surrounding poverty in our state and identifies some potential solutions to those problems - solutions that could cut poverty significantly in Missouri.
Issues of Poverty

Under 15% of people live in poverty.

Less than 15% of people live in poverty.

Up to 1 in every 5 people are in poverty.

More than every 5th person in these counties is in poverty.

Poverty Rate Under 15%
Poverty Rate Between 15-20%
Poverty Rate Over 20%

Source: December 2013 Poverty and Median Household Income Estimates- Small Area Income and Poverty Estimates U.S. Census Bureau
Participation in Federal Programs

- Adults and children receiving welfare (TANF): 89,033
- Children receiving food stamps (SNAP): 416,000
- Earned Income Tax Credit recipients: 530,000
- Households receiving federal rental assistance: 94,193
- Families receiving child care subsidies: 21,800
- Participants in all Head Start programs: 22,732
- Number of children enrolled in Medicaid and CHIP: 662,307
- Number of women and children receiving WIC: 145,900
- Households receiving Low Income Home Energy Assistance Program: 178,245

For families/households with more than 6 persons, add $4,020 for each additional person.

2013 POVERTY GUIDELINES

<table>
<thead>
<tr>
<th>Family Size</th>
<th>Annual Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$11,490</td>
</tr>
<tr>
<td>2</td>
<td>$15,510</td>
</tr>
<tr>
<td>3</td>
<td>$19,530</td>
</tr>
<tr>
<td>4</td>
<td>$23,550</td>
</tr>
<tr>
<td>5</td>
<td>$27,570</td>
</tr>
<tr>
<td>6</td>
<td>$31,590</td>
</tr>
</tbody>
</table>

5 Key Elements of Poverty

- Food
- Health
- Education
- Energy & Housing
- Family & Economic Security

Poverty is a blight on the development of our state. Unfortunately, it is also one of the most difficult issues to address because the causes of poverty are made up of a vast interconnected web of issues.

Problems range from large economic forces such as wage inequality and unemployment to localized problems such as inadequate public transportation and child care.

The Missourians to End Poverty coalition has identified five key elements that can be addressed to impact the conditions of poverty in our state.
What is Food Security?

The concept of food security, as the United States Department of Agriculture defines it, refers to “access by all people at all times to enough food for an active, healthy life.” The USDA outlines food security as a continuum divided into four ranges, characterized as follows:

- **High food security**—Households had no problems consistently accessing adequate food.
- **Marginal food security**—Households had problems at times accessing adequate food, but the quality, variety, and quantity of their food intake were not substantially reduced.
- **Low food security**—Households reduced the quality, variety, and desirability of their diets, but the quantity of food intake and normal eating patterns were not substantially disrupted.
- **Very low food security**—At times during the year, eating patterns of one or more household members were disrupted and food intake reduced because the household lacked money and other resources for food.

Rising Hunger in Missouri:

- Current estimates of low food security and very low food security rates among Missouri households in 2010 were 16.7% and 7.6% respectively.
- 380,097 households experience low food security and roughly 159,165 households experience very low food security in Missouri; with an average household size of 2.45, these figures suggest approximately 1.3 million Missourians experienced low or very low food insecurity.
- This translates into roughly 400,000 Missourians experiencing hunger. Regretfully, trends in food insecurity and hunger are not positive ones for our state, as current averages for both reflect a trend that has continuously increased over the last 10 years.

Health problems are directly connected to economic hardship since they affect an individual’s ability to work or to function in school. There are a variety of poor outcomes that result from inadequate nutrition. Chronic diseases can be brought on by calorie dense/low nutrition foods. Beyond that, poor nutrition increases healthcare costs by increasing the amount of time needed to recover from illness and by exacerbating the effects of chronic disease. Poor nutrition also reduces productivity at work through lowered energy/illness and negatively impacts the ability of children to focus and learn in school.

Missouri’s Rate of Low Food Security is 16.7%

We are one of only 10 states in the nation with food insecurity significantly higher than the national average of 14.7%

Inadequate Nutrition Results in Poor Health and Higher Health Care Costs for All Missourians...

The average SNAP benefit in Missouri is $1.30 per person per meal. But USDA Food Plans project that it costs $1.80-2.48 per meal to provide adequate nutrition.
The State of Missouri could greatly improve the lives of its distressed families by finding ways to provide quality, affordable, health care to all Missouri families.

Lack of insurance coverage is one of the most significant impediments for Missouri families to access a quality, affordable health care system. In our state, most Missourians access health care with employer provided insurance. But in our system of employer provided insurance, those at the lowest levels of income are rarely provided coverage by their employer.

This creates a system that forces those with the lowest incomes to pay out of pocket for their health care, while those at higher incomes receive employer subsidies.

In 2012, 13.6% of Missourians were uninsured. Of those uninsured individuals, over 420,000 are working poor. This lack of coverage causes Missouri families to access the health care system in inconsistent and inefficient ways and impedes primary and preventive care, all of which imperils their well being and raises the health care cost for all Missourians.

Currently, in order for an adult to access Medicaid in Missouri, they must earn less than $292 per month!

Increasing Medicaid eligibility to 138% of the federal poverty guideline = an income of $7.62 per hour for an individual working full time.

Over 420,000 of Missouri’s Uninsured are Working Adults
In 2012, Missouri’s graduation rate increased by 2.4%—representing an additional 1,750 high school diplomas!

<table>
<thead>
<tr>
<th>Education Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals with a high school degree:</td>
<td>86.9%</td>
</tr>
<tr>
<td>Individuals with a four year college degree:</td>
<td>26.1%</td>
</tr>
<tr>
<td>Teens ages 16-19 not attending school and not working:</td>
<td>9%</td>
</tr>
<tr>
<td>Percent of college students with debt:</td>
<td>65%</td>
</tr>
<tr>
<td>High school graduation rate:</td>
<td>83.1%</td>
</tr>
</tbody>
</table>

Ensuring quality education from early childhood, through grades K-12 and college is an essential component to eradicating poverty in the State of Missouri. Numerous studies find a positive correlation between higher levels of education and increased job earnings later in life. Without adequate education, young people are relegated to low-paying unskilled service jobs that fail to provide economic security and trap them in a lifetime of poverty.

Yet, it is precisely in areas of concentrated poverty where educational success is most lacking. Graduation rates tend to be lower in high poverty districts.

Poverty has a profound impact on student educational success. Missouri has not adequately invested in programs to reduce poverty and has placed increasing pressure on public schools to remediate the challenges created by poverty. A new strategy must involve rejecting a “silo” mentality that ignores the impact of poverty on educational success. In order to ensure quality education for children in areas of concentrated poverty, all aspects of family and community life must be engaged in the process of educating children.

All schools must be staffed by highly qualified teachers. According to information released by the National Education Association about 40% of all core subject area classes in high poverty - high minority middle schools are staffed by out-of-field teachers. Difficult working conditions, low pay and narrow, bureaucratic accountability systems make it harder for districts to staff the most challenging schools with the most experienced and capable teachers.

When children of different socioeconomic levels and ethnic backgrounds are in shared learning environments, all benefit. Currently, districts vary widely in concentration of students living in poverty.

### Education to Income Chart

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Weekly Median Earnings 2012 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctoral Degree</td>
<td>$1624</td>
</tr>
<tr>
<td>Professional Degree</td>
<td>$1735</td>
</tr>
<tr>
<td>Master’s Degree</td>
<td>$1300</td>
</tr>
<tr>
<td>Bachelor’s Degree</td>
<td>$1066</td>
</tr>
<tr>
<td>Associate’s Degree</td>
<td>$785</td>
</tr>
<tr>
<td>Some College, No Degree</td>
<td>$727</td>
</tr>
<tr>
<td>High School Diploma</td>
<td>$652</td>
</tr>
<tr>
<td>Less Than a High School Diploma</td>
<td>$471</td>
</tr>
</tbody>
</table>

Average for all workers - $815 per week
$14.07 is the wage a renter household needs to earn to afford a two bedroom unit at the HUD determined Fair Market Rent.

In Missouri, low-income households pay an average of 46% of their gross pay towards two expenses, housing and energy costs. However, households at 50% of the Federal Poverty Guideline may pay up 54% of their income just on energy. To prevent this crisis for families with limited resources, it is necessary to address the shortage of safe, affordable, and decent housing in Missouri.

Energy
On average, low-income households spend 14% of their annual income just on energy costs, whereas middle and higher income families usually pay only 3-6%. This means low-income families often cut back on other necessities, such as prescription medication and food, in order to pay their energy bills. The higher consumption often results from housing stock that lacks insulation or other efficiency measures, and older appliances in the home.

Housing
Substandard housing is yet another barrier that low income families face and one that drastically affects a family’s quality of life. (Substandard housing refers to any housing that does not meet the local minimum health and safety requirements.) One out of every three people living in severely substandard housing is a child.

Recently, the National Low Income Housing Coalition released a report called “Healthy Homes”, which found that substandard housing contributes significantly to the health issues faced by many low income children. Studies show that children who have secure, affordable housing are far more likely to stay in school and succeed socially, and their parents are far more likely to keep their jobs and maintain a family income.
Employment

Missouri needs jobs that will sustain local economies, provide a living wage for families to support themselves, and make communities attractive places to live. The current unemployment rate in Missouri as of November 2013 is 6.1% - which is good news. However, Missouri’s employment outlook is problematic since many new positions are lower wage service jobs- not long term sustainable wage employment.

Quality Child Care

Child care is a critical need for working individuals and families with children. Low income parents often struggle with child care issues due to work hours that do not coincide with child care availability, transportation problems (routes or schedules), and the prohibitive cost of quality care. The eligibility level for child care assistance in Missouri is 127% of the federal poverty guideline with some transitional benefits ranging slightly higher. However, for a single parent trying to work and raise a child, all childcare benefits would be lost with an annual income of $20,952 which equals a weekly gross pay of $403.

Asset Development & Protection

Low income families are more likely to experience crisis due to lack of savings and assets than middle income families. Asset Development is a proven way to help low income people build wealth and stability through home ownership, development of small businesses, and higher education. In addition, participation in asset development programs increases participation in the banking system (moving people away from predatory solutions such as payday lenders) and increases financial education among participants.

Tax Relief for Working Families

Another problem low income families experience is the high burden of taxes low income families pay compared to middle and higher income families. One way to address this would be a state earned income tax credit (EITC). Twenty five other states and the District of Columbia have already instituted a state EITC ranging from 3.5% to up to 50% of the federal credit.

How much do YOU pay in taxes?

*These percentages include sales, excise, property, and income taxes as well as federal offsets.
Numbers YOU Should Know

- Missouri’s Overall Poverty Rate: 16.2%
- Child poverty rate: 22.6%
- Senior poverty rate: 9%
- Women in poverty: 17.4%
- 2012 average unemployment rate: 7.1%
- Low income working families: 32.7%
- Percent of individuals who are uninsured: 13.6%
- Teen birth rate per 1000: 37.1
- Children in foster care: 10,620
- Grandparents raising grandchildren: 92,333

Join the Missourians to End Poverty Coalition!

Find us at: [www.communityaction.org](http://www.communityaction.org)
or call 573-634-2969 for meeting dates and locations

16.2% Statewide Poverty Rate

- Counties where the poverty rate increased
- Counties where the poverty rate stayed the same or decreased