Economic Recovery Slow for Wisconsin Families
More People in Poverty, Fewer with Private Health Insurance

One out of Six Children in Wisconsin Now Lives in Poverty

The child poverty rate in Wisconsin increased to 18.2% in 2012 from 13.4% in 2008. Wisconsin’s child poverty rate is lower than the national average. More than 63,000 additional children slipped into poverty in Wisconsin between 2008 and 2012, which represents a population about the same size as the city of Janesville.

Poverty in Wisconsin Has Increased

As a result of the recession, the total poverty rate in Wisconsin increased to 13.2% in 2012 from 10.4% in 2008. In 2012, 737,000 people lived in poverty in Wisconsin. If poverty were a city, it would be Wisconsin’s largest city.

Households in Wisconsin are Making Do with Less

The typical household in Wisconsin earned $4,500 less in 2012 than in 2008. Median household income dropped to $51,100 in 2012 from $55,600 in 2008, which is about the same as the national average.
Fewer People in Wisconsin Have Private Health Insurance

The percent of people in Wisconsin with private health insurance decreased to 72.4% in 2012 from 77.7% in 2008. The increase in the unemployment rate impacted health insurance coverage, since most families obtain insurance through their employers. Fortunately, the decline in health insurance shown in the chart below was mitigated by BadgerCare, which took up a lot of the slack.

Implementing Health Care Reform Could Significantly Improve Access to Insurance

The percent of Wisconsin residents lacking health insurance was relatively unchanged between 2008 and 2012. Wisconsin had a much smaller share of their population without health insurance than the national average, but far above the 3.9% rate in Massachusetts. That state implemented health care reforms in 2007 that served as the model for the Affordable Care Act.

How to Help Wisconsin Families Affected by the Recession

Families in Wisconsin are still feeling the effects of the recession, when steep job loss pushed many residents into poverty and resulted in the loss of health care coverage. Wisconsin’s economic situation is better in some respects than the national average, but far too many families are struggling to make ends meet or going without health insurance.

It is discouraging that three years into the recovery, poverty rates and income remain stubbornly low, and the uninsured rate remains high. But there are some basic steps we can take to help boost the local economy and help Wisconsin families pull themselves out of poverty, including:

- Increase the minimum wage and then adjust it each year for inflation.

- Give businesses access to a well-trained workforce by providing schools and colleges the resources they need to prepare students for employment. And provide students with the financial aid they need to succeed in their educational efforts.

- Adjust the Homestead tax credit for inflation each year, like the rest of the tax code.

- Create a strong public/private partnership to help Wisconsinites get insurance through the Affordable Care Act and to help reach the Governor’s target of cutting the uninsured rate in half.

- Maintain funding for safety net programs such as food stamps and federal unemployment benefits that help lift families out of poverty and pump money into the still sluggish economy.

- Increase school readiness by improving children’s early learning and development opportunities through high-quality child care, early education, home visiting, and parent engagement.

Data source: U.S. Census Bureau