



*Finding solutions to poverty and improving the lives of people with low income in Maine.*

126 Sewall Street  
Augusta, Maine 04330-6822  
TTY/Voice: (207) 626-7058  
Fax: (207) 621-8148  
[www.mejp.org](http://www.mejp.org)

**Press Statement of Ana Hicks  
Senior Policy Analyst  
Maine Equal Justice Partners**

**September 22, 2011**

There is an important story behind the poverty and health insurance data released by the Census Bureau today. It is a story that we often don't hear about. We focus on the increased percentage of people who are living in poverty and the state's uninsured rate. We don't always focus on the people who were kept out of poverty because of critical supports that they received. We don't focus on the thousands of people who would be uninsured and thus delaying or going without necessary medical care if it wasn't for the coverage they received through the MaineCare program.

**Poverty Data:**

Due to the economic downturn, Maine experienced a slight increase in its poverty rate between 2009 and 2010. This is sobering news; however we know that the rate would have increased more if it weren't for important programs that help to keep people out of poverty.

As more families struggled to stay afloat in 2010 during these tough economic times, programs like unemployment insurance, the Earned Income Tax Credit and Food Supplement (formerly known as Food Stamps) helped families meet their most basic needs.

These programs and supports made a difference for millions of families nationwide:

- **Census data shows that nationwide unemployment insurance kept 3.2 million people out of poverty in 2010.** During this prolonged economic crisis, unemployment insurance has provided a critical bridge to people who have lost their jobs through no fault of their own. Without it, millions of more families would be living in poverty because there just aren't enough jobs right now to replace the ones lost during the recession.
- **The Federal Earned Income Tax Credit kept 5.4 million people out of poverty in 2010.** The Earned Income Tax Credit is one of the most successful anti-poverty programs. The program helps make work pay for hard working families who struggle to meet their most basic needs. In

Maine where transportation costs are often one of the biggest expenses for working families, the EITC helps families to keep cars on the road so that they can get to work and stay employed.

- **The Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps, kept 3.9 million people out of poverty in 2010.** Nationwide, the SNAP has played a vital role in helping families struggling due to the downturn in the economy. The program brings in vital federal dollars into a state's economy while at the same time helping families put food on the table.

### **Health Insurance Data:**

The uninsured rate in Maine remained essentially flat according to census data. This new census data reinforces the critical role that MaineCare plays in providing health insurance coverage to children and families. The data also demonstrates that MaineCare is essential to keep Maine's rate of uninsured steady and below the national average. MaineCare ensures that children and families access to basic medical care, which plays a critical role in helping them do well in school and stay employed.

### **Moving Forward:**

This information has significant policy implications. A number of programs are proving to be extremely successful in protecting vulnerable families from falling into poverty. This information is particularly important as Congress and the President propose to lower the federal deficit over the next decade. Any deal that they reach must be balanced and not increase poverty. It is also important for state policymakers to consider these figures as they make decisions about the state budget over the next couple of years. If we want to help people to get back to work and be able to support their families, our policies must not exacerbate the problem by forcing more people into poverty. We should not pull the rug out from under families who are struggling to get to work, find work and/or meeting the basic needs of their families. Instead we must protect and invest in vital programs that are successfully keeping families out of poverty.