

State of Working Colorado 2012



By Benjamin Felson



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The Colorado Fiscal Policy Institute (COFPI) is a project of the Colorado Center on Law and Policy, which advances the health, economic security and wellbeing of low-income Coloradans through research, advocacy and litigation. COFPI works for changes in public policy through timely, credible and accessible fiscal policy analysis, education, advocacy and coalition-building.

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INTRODUCTION

While the past decade has proved the resiliency of Colorado and the people who call the state home, it has also highlighted the need for forward-looking policies that help maintain a strong and stable economy that serves everyone who lives in the state. Colorado needs to increase its public investments to solidify its economic recovery and ameliorate the ongoing consequences of the Great Recession.

The past decade began and ended with recession. It saw economic growth and increased earnings, but the prosperity was not distributed evenly. While top earners experienced gains in wealth, poverty and unemployment reached historic highs across the state. The things that supported Coloradans were public safety nets that have been in place for decades. More people looked to programs such as public health insurance, unemployment insurance, and food assistance to stay afloat and get back on their feet. A range of indicators examined in this report show the public safety net did its job during the recessions and their aftermath. Now that a tentative recovery has begun, policymakers should repair the safety net and make investments that will pay off in the future.

The *State of Working Colorado* explores the environment Colorado workers have faced in the wake of recession. The report examines jobs, unemployment, income, wages, poverty, and health insurance from the beginning of the past decade to the beginning of the current one. It presents long-term trends and recent developments to assess how Colorado workers have fared through the past two recessions.

The findings pose hard questions for workers and policymakers about the kind of jobs, economic security and lifestyle the future Colorado will promote, and about the investment needed to attain that future. Smart investments now will have short-term benefits and long-term payoffs. As Colorado rebuilds for prosperity, residents must consider how to share gains, how to ensure policies help the middle class see real advances, and how to encourage continued productivity and innovation. In turn, the state's economy will prove less volatile and more resilient.

KEY FINDINGS

Employment

- At the end of 2011, Colorado had 5,000 fewer jobs than in it did in at the end of 2000, despite having almost 780,000 more residents. The 2007 recession was largely behind that decline. Colorado today has 106,000 fewer jobs, or 4.5 percent of its non-farm labor force, than it did before the onset of the recession in December 2007. (Page 4)
- Employment gains varied across Colorado's industries the past decade. Of the state's big industries, education and health services saw the largest employment gains, while manufacturing and construction experienced the biggest job declines. (Page 6)
- While Colorado boasts one of the most educated workforces in the country, the state's kids have below-average rates of college attendance and completion.¹ That "Colorado Paradox," as some experts call it, means much of the state's highly-educated workforce is imported from other parts of the country. (Page 7)
- The percentage of the population that is actively working continues to decline, with pronounced differences between education levels. Three out of four Coloradans with a college degree or more are employed, while less than half of those without a high school diploma are employed. (Page 11)
- Part-time work has increased since the recession. That increase has been almost exclusively driven by an expansion of Coloradans working part-time involuntarily. That may slow Colorado's jobs recovery. (Page 13)

Unemployment

- In the beginning of 2011, Colorado experienced its highest unemployment rate in 35 years of record keeping. By the end of the year, the unemployment rate had improved, dipping to its lowest level since March 2009. (Page 15)
- A more inclusive measure, Colorado's underemployment rate, is almost twice as high as the unemployment rate. Long-term unemployment is also up, and workers are remaining unemployed for a longer duration than past recessions. (Pages 17, 20)
- Racial and ethnic disparities in unemployment and underemployment are striking and persistent in Colorado. Blacks and Hispanics consistently experience roughly double the jobless rates of whites. Joblessness also varied considerably by education. (Pages 18-19)
- Unemployment insurance reciprocity and exhaustion increased during the recession but have decreased marginally in the past year. Compared to the nation as a whole, a smaller percent of Coloradans receive unemployment insurance. Of those who do receive the benefit, a higher share exhaust the standard 26 weeks. (Pages 21-22)

Income and wages

- Colorado's median income is higher than the national average. However, income growth has been stagnant, and Coloradans end the past decade with a lower median household income than they started it with, despite gains in productivity. (Pages 23-24)
- Income inequality is a growing problem in Colorado, where the gap between the middle and the rich is far larger than the gap between the middle and poor. During the past decade, the rich saw sizeable wage gains, while those with middle incomes saw little gain, and the bottom lost ground. (Pages 26-26)
- Education continues to be a key to higher earnings in Colorado. In 2010, the median wage for those with a bachelor's degree or higher was more than twice the median wage for people without a high school diploma. (Page 27)

¹ "Colorado's 2008 Education Reforms: Will They Achieve the Colorado Promise?" *The Piton Foundation*, 2009.

- Colorado has striking racial and ethnic disparities in earnings. Black and Hispanic households in Colorado make roughly \$15,000 less than the state’s median household income. (Page 28)
- Though disparities have narrowed during the past two decades, wage inequality between genders persists in Colorado. That inequality exists even between men and women working in the same industries, and between men and women with the same levels of education. (29-31)

Poverty

- Poverty in Colorado increased throughout the past decade, though it remains less severe than the nation as a whole. In the wake of the recession, more than one-quarter of Coloradans live with incomes of less than double the federal poverty level – a threshold many experts use as a realistic assessment of modern human needs. (Page 36)
- From 2000 to 2010, Colorado experienced the second fastest growth in child poverty in the country. As a result, over one in six kids in Colorado live in poor families, and more than one-third live in families with incomes of less than twice the federal poverty level. (Page 37)
- As with income, poverty in the state is highly correlated with education level. And, as with income, large racial and ethnic disparities exist in poverty rates. Among families, households including people with disabilities and single parents – especially single mothers with young kids – experience higher poverty rates. (Pages 38-42)
- Food stamp (the Supplemental Nutrition Assistance Program or SNAP) enrollment continues to climb in Colorado. Minorities, single parents and people with disabilities all have higher rates of food stamp use. The Colorado Benefits Management System continues to be a barrier to access. (Pages 44-47)

Health care

- Health insurance costs continue to rise in Colorado, where premiums increased almost 100 percent over the past decade. At the same time, Coloradans are being asked to pay a larger share of premiums by their employers. (Page 50)
- A shrinking share of Coloradans is able to secure private health insurance. However, the share of uninsured remained stable during the recession and has decreased since the recession formally ended thanks to public health insurance programs. (Page 51)
- Health insurance trends seen in the overall population are similar to those for children’s insurance. However, with children the role of public health programs is even more prominent. (Page 52)
- As a result of the long-term trends in health insurance and the dramatic effects of the recession, Colorado’s public health insurance programs have experienced enrollment growth more than six times greater than the state’s population growth. The Colorado Benefits Management System continues to be a barrier to access. (Pages 53-54)

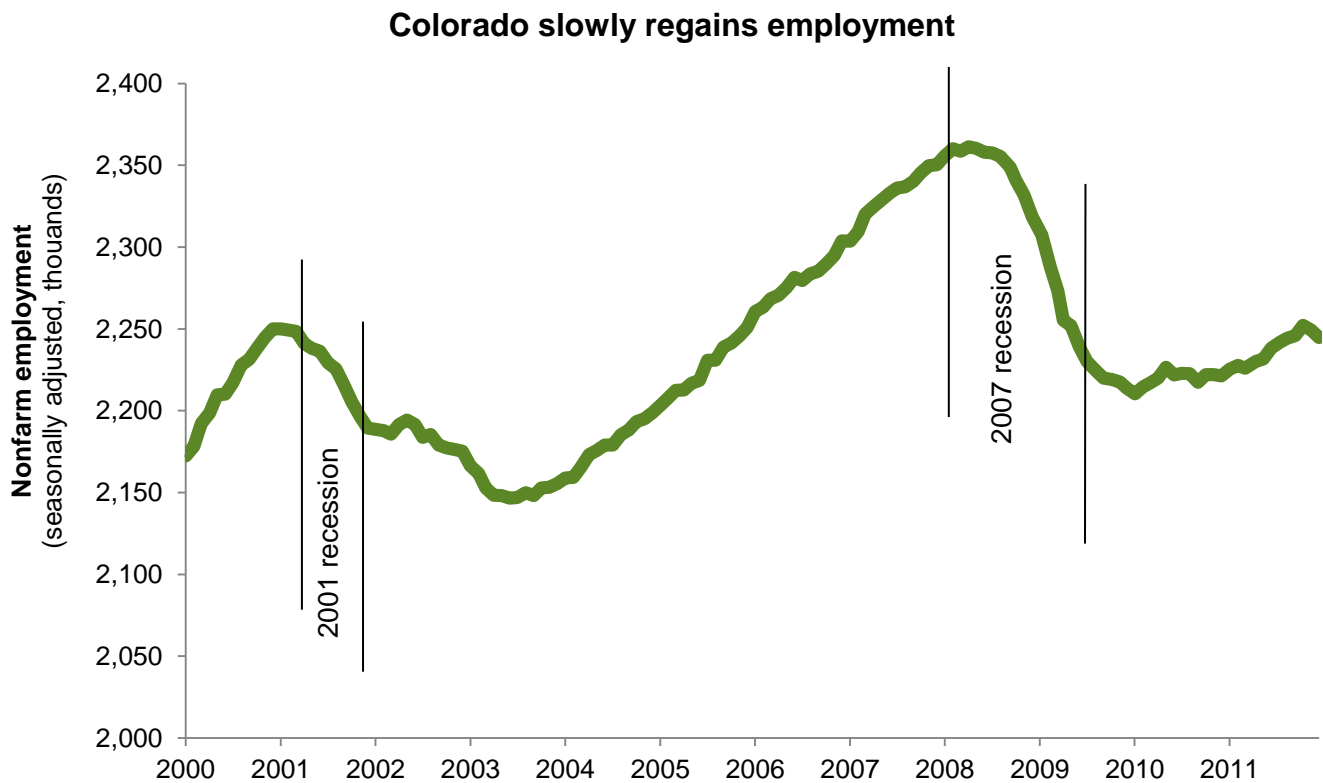
CHAPTER ONE: EMPLOYMENT

Employment

At the end of 2011, Colorado had 5,000 fewer jobs than in it did in at the end of 2000, despite having almost 780,000 more residents.² From 2000 to 2011, the state experienced large swings in employment driven by the 2001 and 2007 recessions. (Figure 1) Of the two, the more recent recession was by far the worst. Since the onset of that downturn in December 2007, Colorado has 105,600 fewer jobs, or 4.5 percent of its nonfarm labor force. That loss ranks 26th worst among states.³

Similar to the recovery from the 2001 recession, Colorado continues to regain jobs slowly. It took until the end of 2005, about four years, to recover the jobs lost in the 2001 recession, while at the end of 2011 Colorado remains below its prerecession employment level. However, the slow but upward trend in employment in 2011 has left Colorado with 23,600 more jobs in December 2011 than in December 2010.

Figure 1



Source: U.S. Bureau of Labor Statistics (data through December 2011)

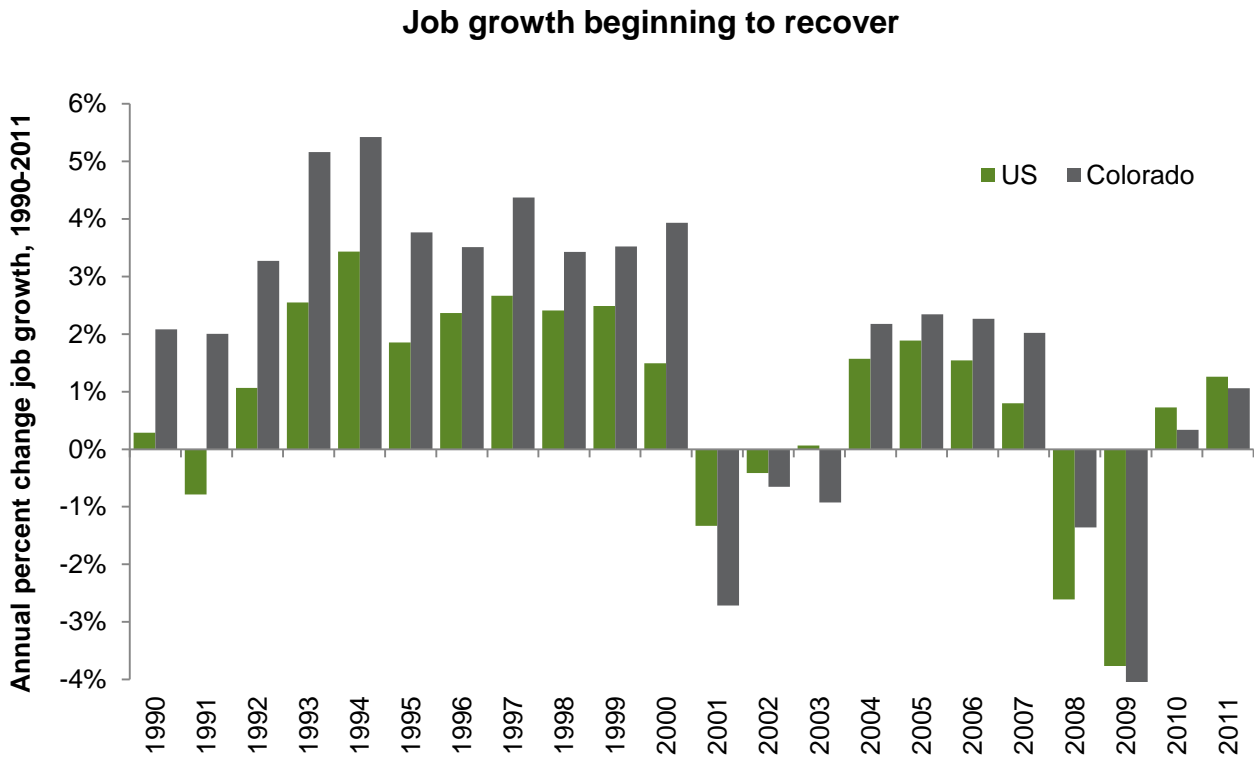
² Analysis of U.S. Census Bureau and Colorado Legislative Council population estimates.

³ Economic Policy Institute analysis of U.S. Bureau of Economic Analysis Current Employment Survey data.

Employment rebounding

Job-loss dynamics following the 2007 recession were dramatically different from those following the previous two recessions, 1990-91 and 2001. During the 2007 recession, job loss was deep and widespread. Moreover, although job loss after the 2001 recession was less severe, job growth in the middle of the decade remained much slower compared to job growth in the 1990s. Though slow, by the end of 2011, job growth has begun to climb out of the trench. (Figure 2)

Figure 2



Source: Economic Policy Institute analysis of Current Employment Survey

Industry employment

While overall job growth in Colorado did not keep up with state population growth during the past decade, changes in employment varied widely by industry. (Figure 2) Education and health services proved to be the most resilient to the 2007 recession, growing through that period while most industries decreased employment or grew minimally. (Figures 2 and 3) Government employment growth has also been strong over the past decade. That was to be expected in a decade with two recessions—demand for government services is counter-cyclical, meaning demand increases during a downturn. Both industries were large players in the state economy, employing 12 percent and 17 percent of Colorado’s workforce, respectively. (Figure 2) Hardest hit in the state were manufacturing and construction, both of which experienced large declines in employment since 2000. Colorado’s construction sector saw most of its employment losses kicked off by the 2001 and 2007 recessions, whereas manufacturing has seen a steadier decline. (Figures 2 and 3) Both sectors experienced modest increases in employment in 2011.

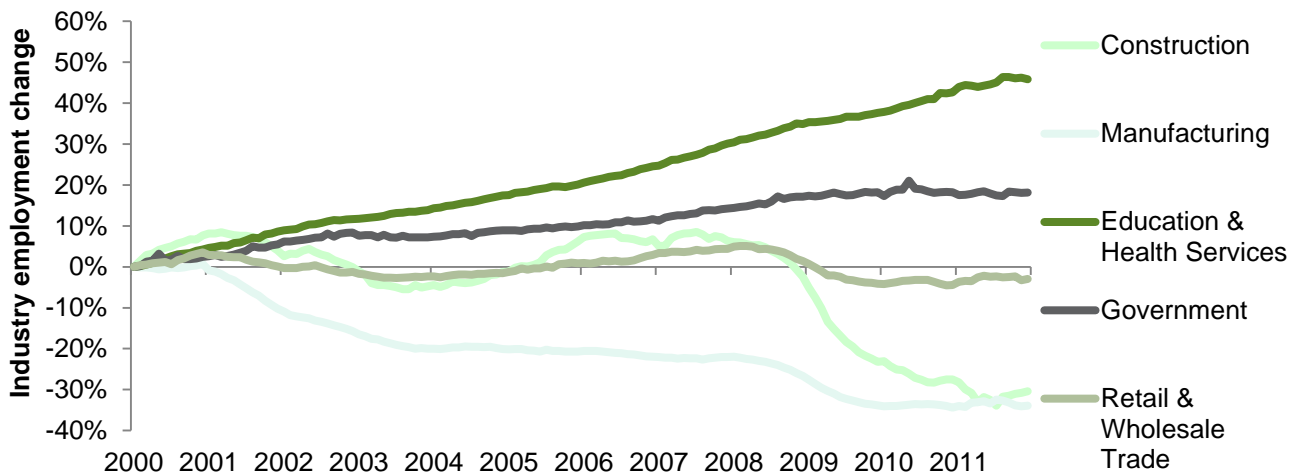
Figure 2

COLORADO INDUSTRY EMPLOYMENT CHANGES, BY CHANGE SINCE 2000				
	Change since 2000	Change since start of recession	Change since beginning of 2011	Share of state nonfarm employment
Total nonfarm employment	3.3%	-4.5%	0.9%	100%
Natural resources and mining	135.2%	10%	13%	1.3%
Construction	-30.4%	-34.6%	-3.1%	4.9%
Manufacturing	-33.9%	-15.2%	0.2%	5.6%
Retail and wholesale trade	-3%	-7.1%	0.7%	14.7%
Government	18.2%	3.4%	0.6%	17.4%
Transportation and utilities	-3.8%	-8.9%	0.1%	3.1%
Information	-33.9%	-12.9%	2.2%	3%
Financial activities	-5.6%	-11.8%	-2.3%	6.2%
Professional and business services	8.4%	-3.6%	1.6%	15.1%
Education and health services	45.8%	12.1%	1.3%	12.3%
Leisure and hospitality	15.7%	1.5%	4.1%	12.4%
Other services	16.1%	-1.8%	-0.1%	4.1%

Source: Economic Policy Institute analysis of Current Employment Statistics Survey. Data are through December 2011, and employment shares are calculated using that month. The 2007 recession began in December 2007.

Figure 3

Government and services climb while other sectors struggle



Source: U.S. Bureau of Labor Statistics (data through December 2011)

Labor force composition

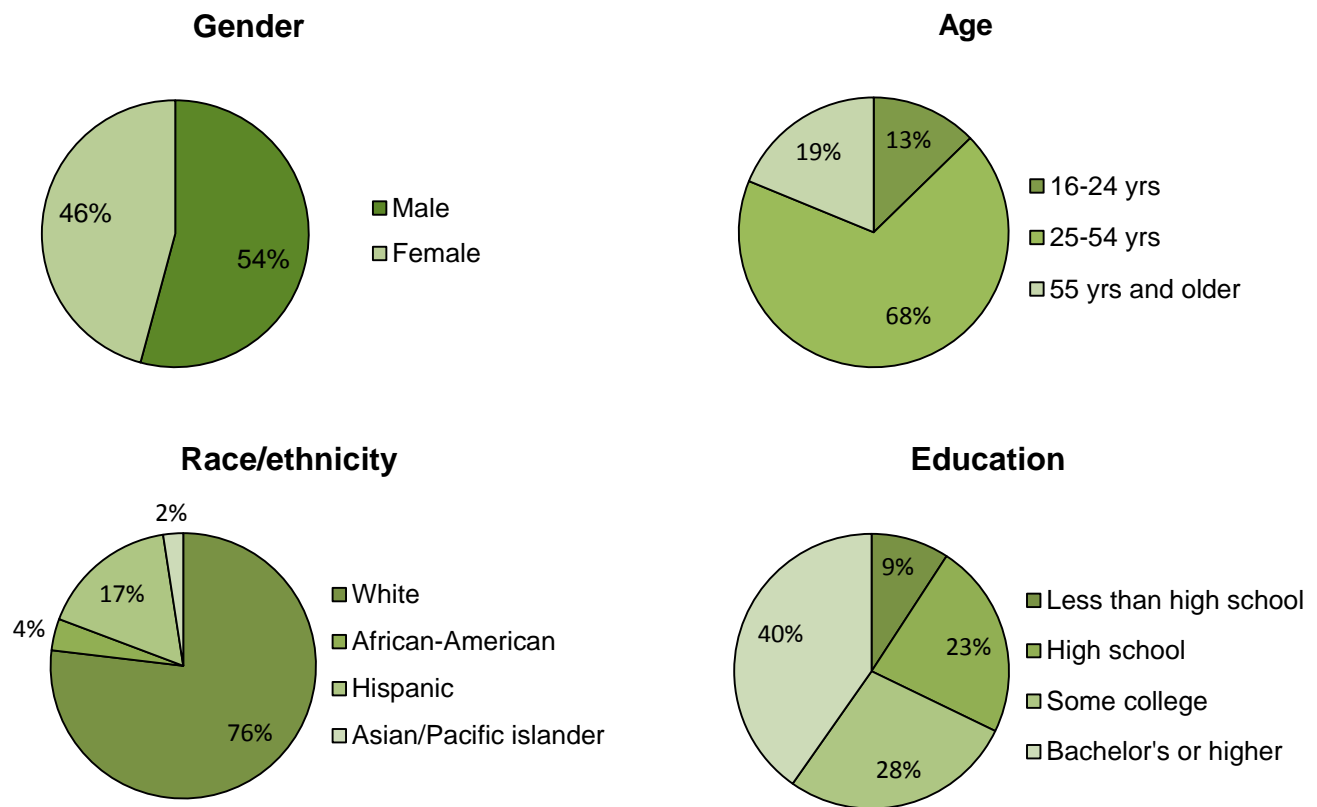
The labor force includes people age 16 years and older who either have jobs or are looking for work. In December 2011 there were about 2.7 million people in the Colorado labor force, out of a working-age population of about 3.9 million and a total population of roughly 5 million.⁴ Of those in the labor force, 54 percent were men, 68 percent were 25 to 55 years old, and three-quarters were white. (Figure 4) The largest minority group in the state’s labor force was Hispanics (17 percent), followed by blacks (4 percent) and Asian/Pacific Islanders (2 percent). (Figure 4)

Colorado is an educated state with an educated workforce. Colorado ranks second among the states in the number of bachelor’s degrees and eighth in the number of advanced degree holders.⁵ Nearly 70 percent of the labor force has attended at least some college, and 40 percent hold a college degree or advanced degree. Only 9 percent of Colorado’s labor force has not completed high school. (Figure 4)

While the state boasts one of the most educated workforces in the country, Colorado kids have below-average rates of college attendance and completion.⁶ That “Colorado Paradox,” as some experts call it, means much of the state’s highly-educated workforce comes from other parts of the country.

Figure 4

Colorado labor force composition 2011



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey

⁴ Bureau of Labor Statistics and U.S. Census Bureau.

⁵ U.S. Census Bureau American Community Survey, 2009. Rankings are based on the population over 25 years old.

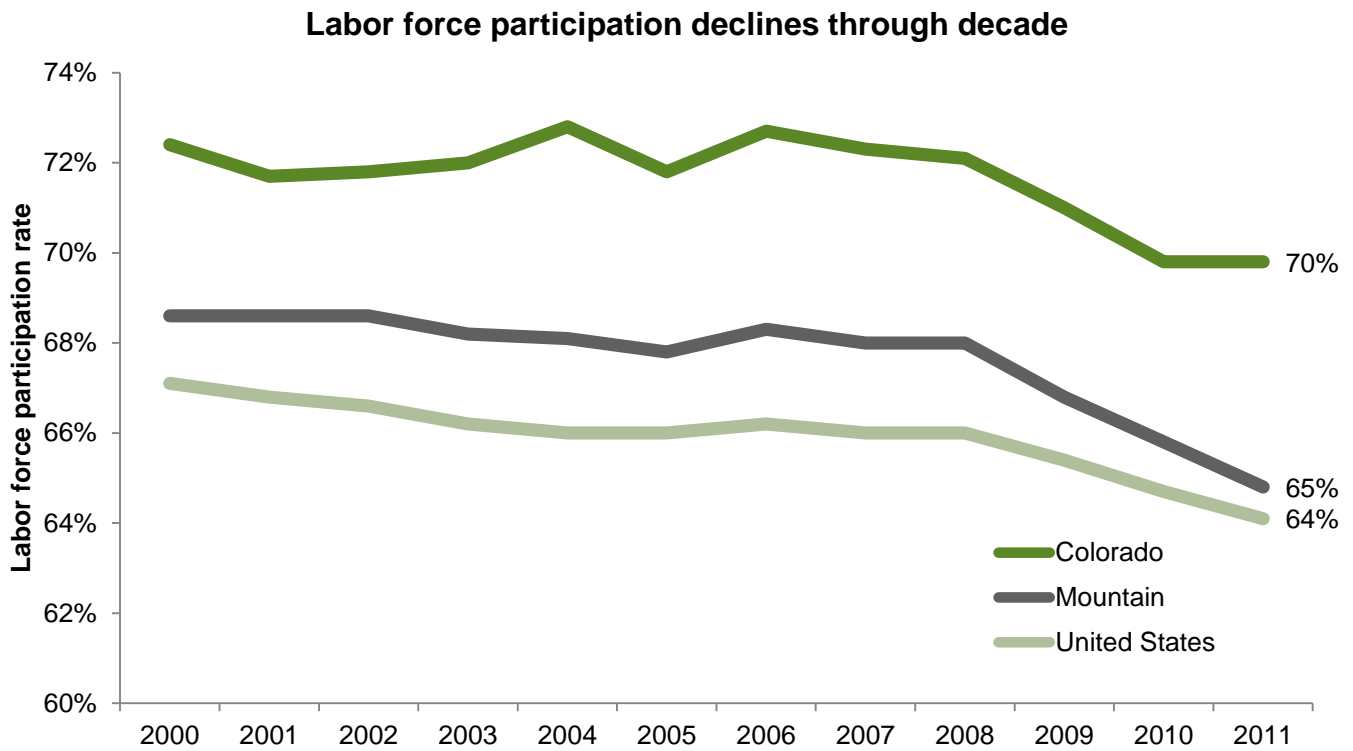
⁶ “Colorado’s 2008 Education Reforms: Will They Achieve the Colorado Promise?” *The Piton Foundation*, 2009.

Labor force participation

The labor force participation rate measures the share of the working-age population that has work or is looking for a job. The rate is calculated by dividing the number of people with jobs or looking for jobs by the total working-age population, people age 16 and older.

In 2011, Colorado continued its trend of maintaining a labor force participation rate higher than both the regional and national average. Colorado's labor force participation rate was 69.8 percent, 12th highest in the nation.⁷ (Figure 5) Although Colorado has above-average labor force participation, the state has followed the national trend of declining participation since the 2007 recession. In a tough labor market, unemployed workers become discouraged and leave the labor force, believing there are no available jobs for which they qualify.

Figure 5



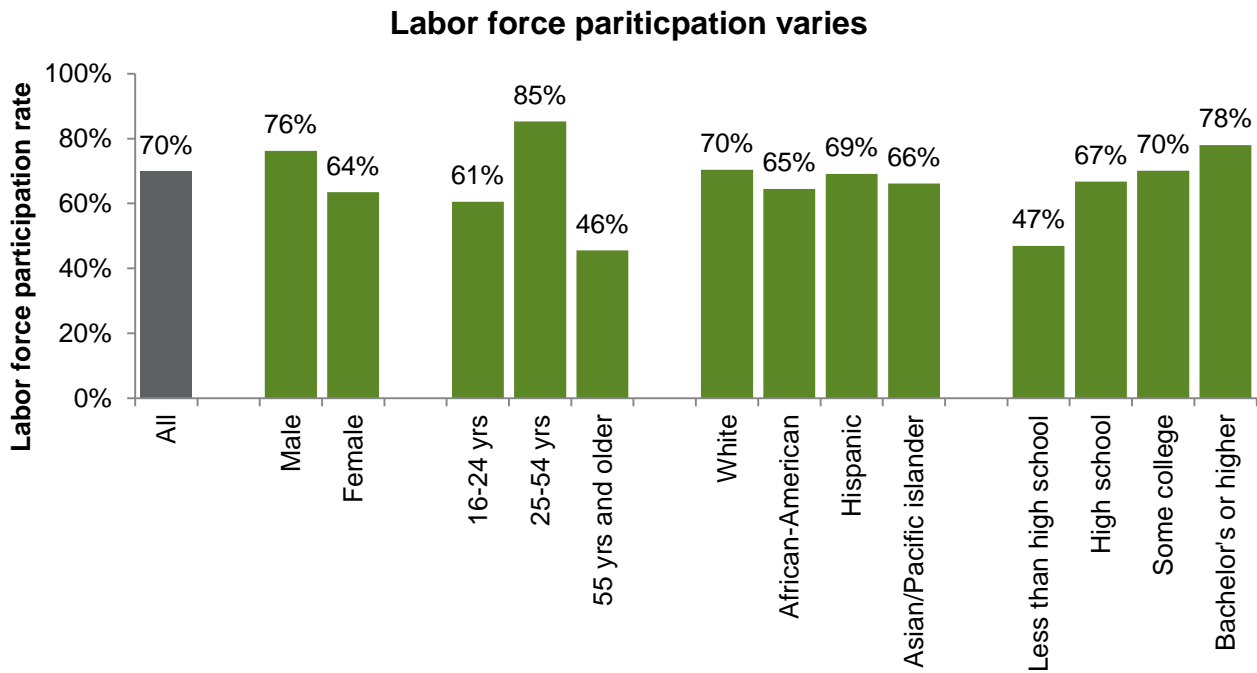
*Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey
Data are for individuals 16 and older*

⁷ U.S. Census Bureau American Community Survey, 2010

Different groups participate in the labor force at different rates

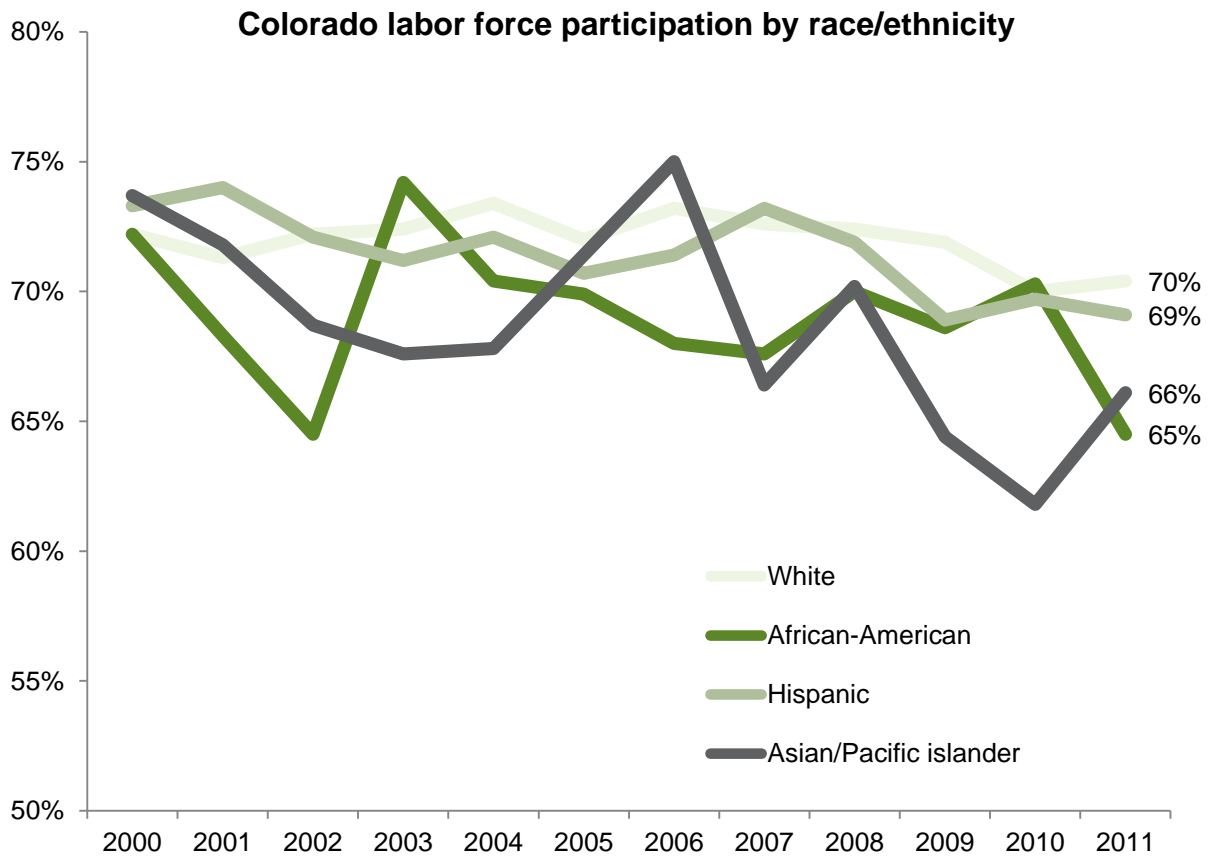
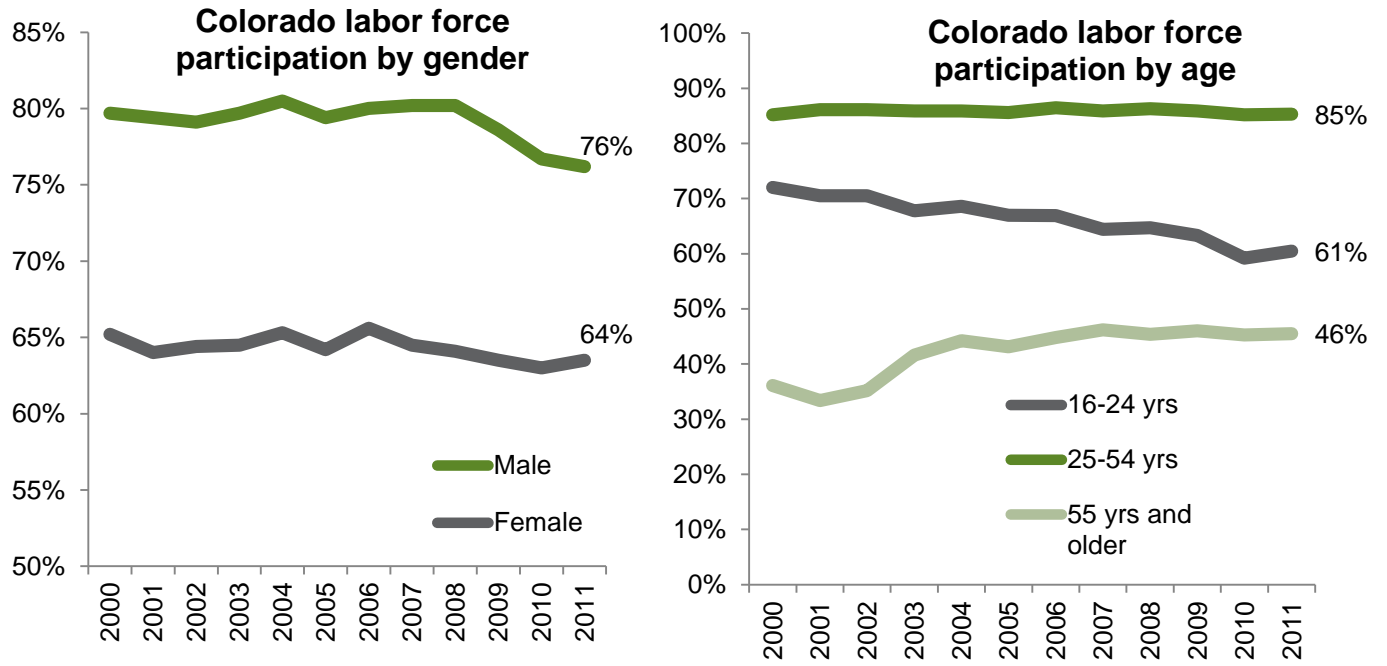
In Colorado, men participate in the labor force more than women. People in their prime working years, 25-54 years old, participate much higher than those younger or older. (Figure 6) Differences between races are evident, but are more variable over time. (Figure 7-9)

Figure 6



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey
Data are for individuals 16 and older

Figure 7-9

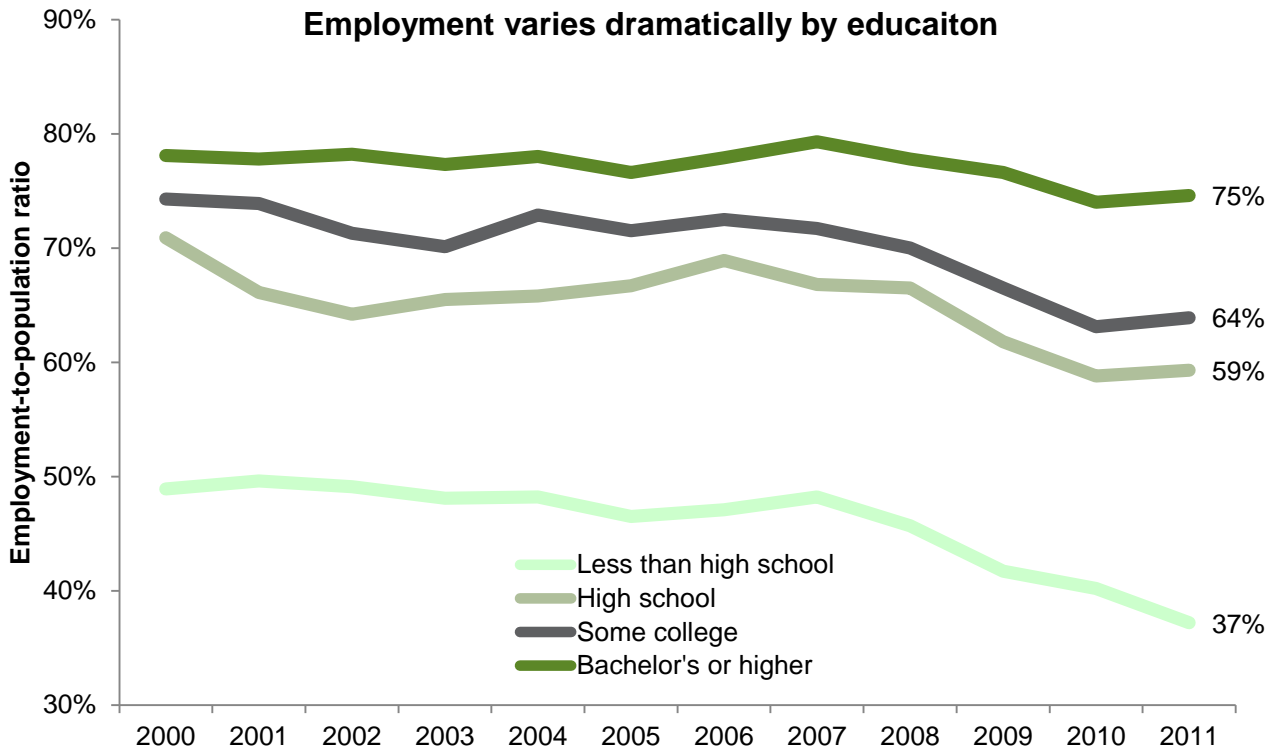


Source: Economic Policy Institute analysis of Current Population Survey data

Employment to population

A cleaner measurement of the active working population is the employment-to-population ratio, which measures the number of employed people 16 years and over throughout the entire population rather than just the labor force. The percentage of the population that is actively working continues to decline, with pronounced differences between education levels. The more educated a person, the more likely he or she is to be employed. (Figure 10)

Figure 10

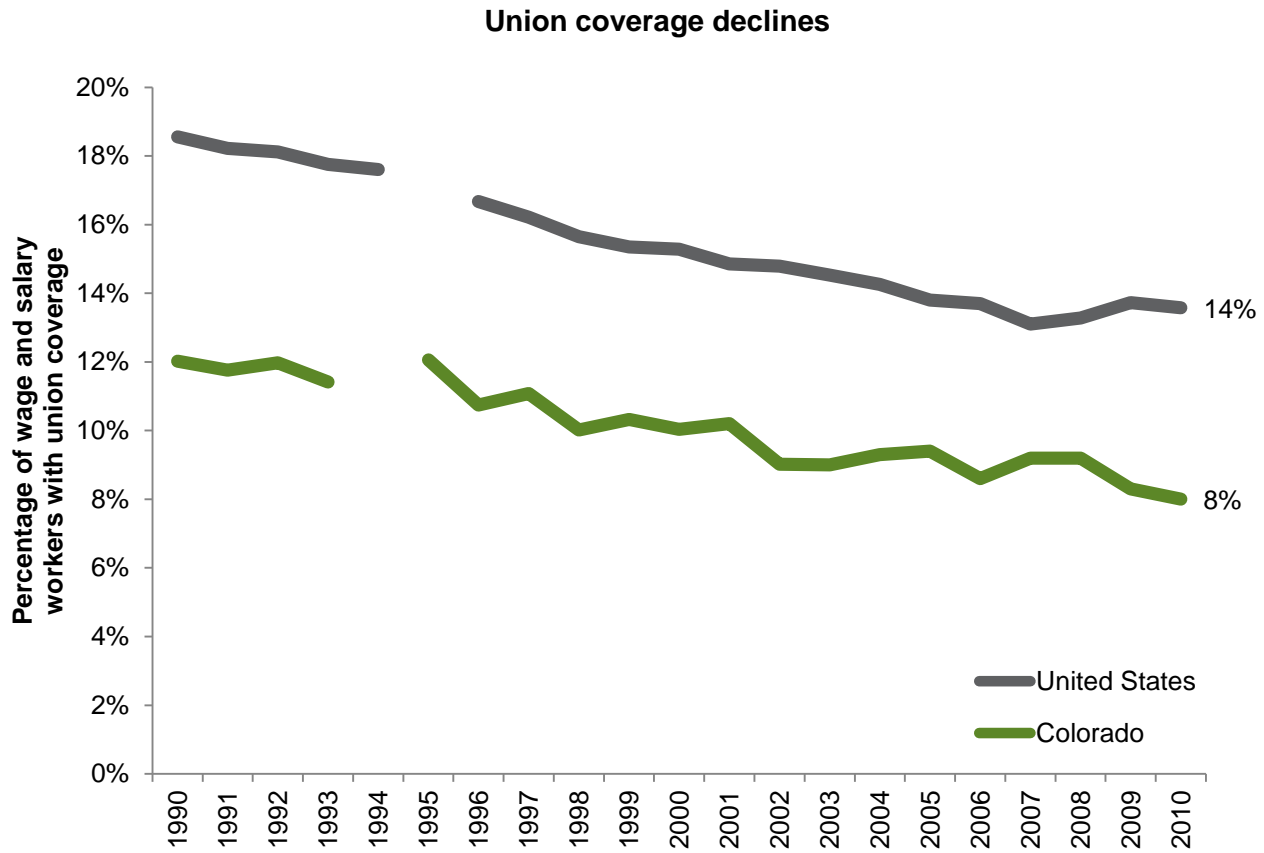


Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey

Union coverage

Union membership since 1990 has declined both in Colorado and across the nation. (Figure 11) In Colorado, the percentage of wage and salary workers with union benefits (not just those paying union dues) declined from 12 percent in 1990 to just 8 percent in 2010. (Figure 11) That decline in union coverage leaves more workers exposed to an increasingly volatile labor market and more subject to the demands of their employers.

Figure 11



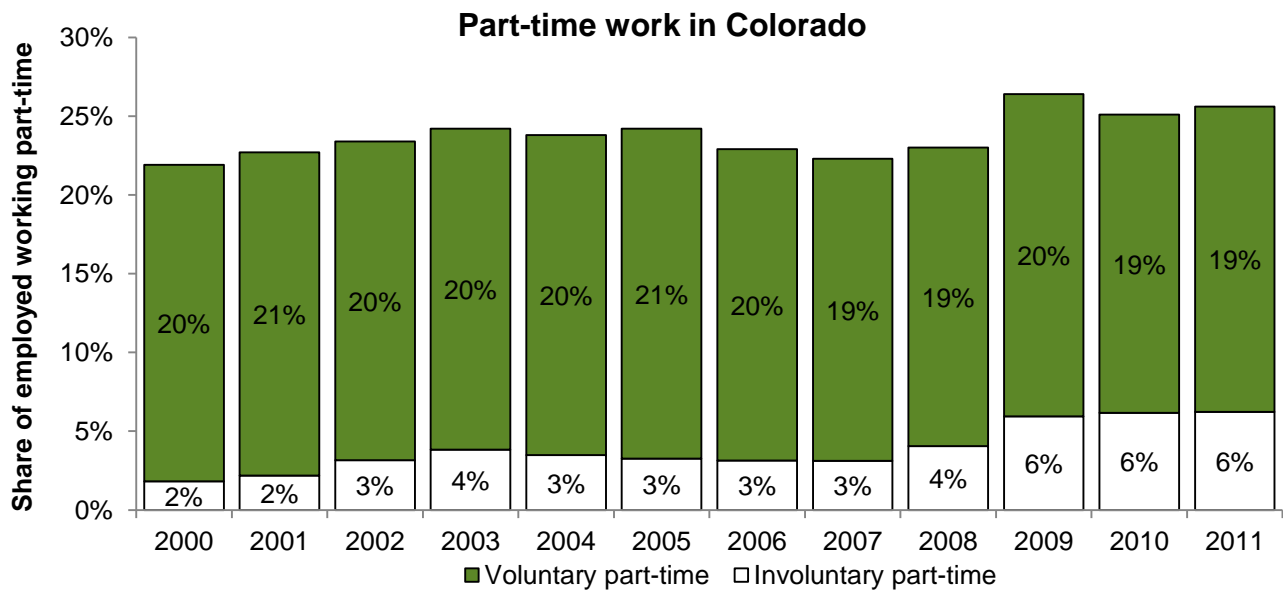
Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey
Data for 1994 are not available.

Part-time work

While many workers actively choose to work part-time (less than 35 hours a week), a struggling economy often forces people in search of full-time work to settle for part-time work because of a reduction in available hours due to unfavorable business conditions, inability to find full-time work or seasonal variation in demand. People who are part-time workers for economic reasons are referred to as “involuntary part-time,” while those who choose to work part-time are referred to as “voluntary part-time.” People classified as “involuntary part-time” must also want and be available for full-time work.

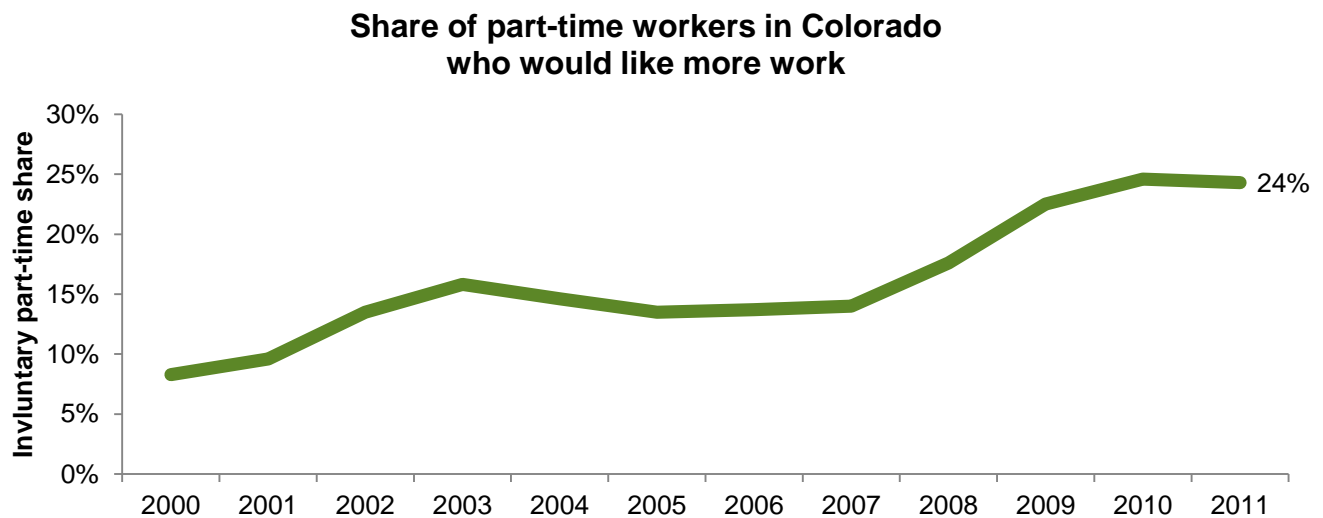
The 2007 recession sparked an increase in the share of part-time workers in Colorado. (Figure 12) That increase has been almost exclusively driven by an expansion of Coloradans working part-time for economic reasons. (Figures 12-13) The rise in involuntary part-time work might delay Colorado’s recovery, as firms will be inclined to bring part-time workers back to full time before making new hires.

Figure 12



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey
Category subtotals shown.

Figure 13



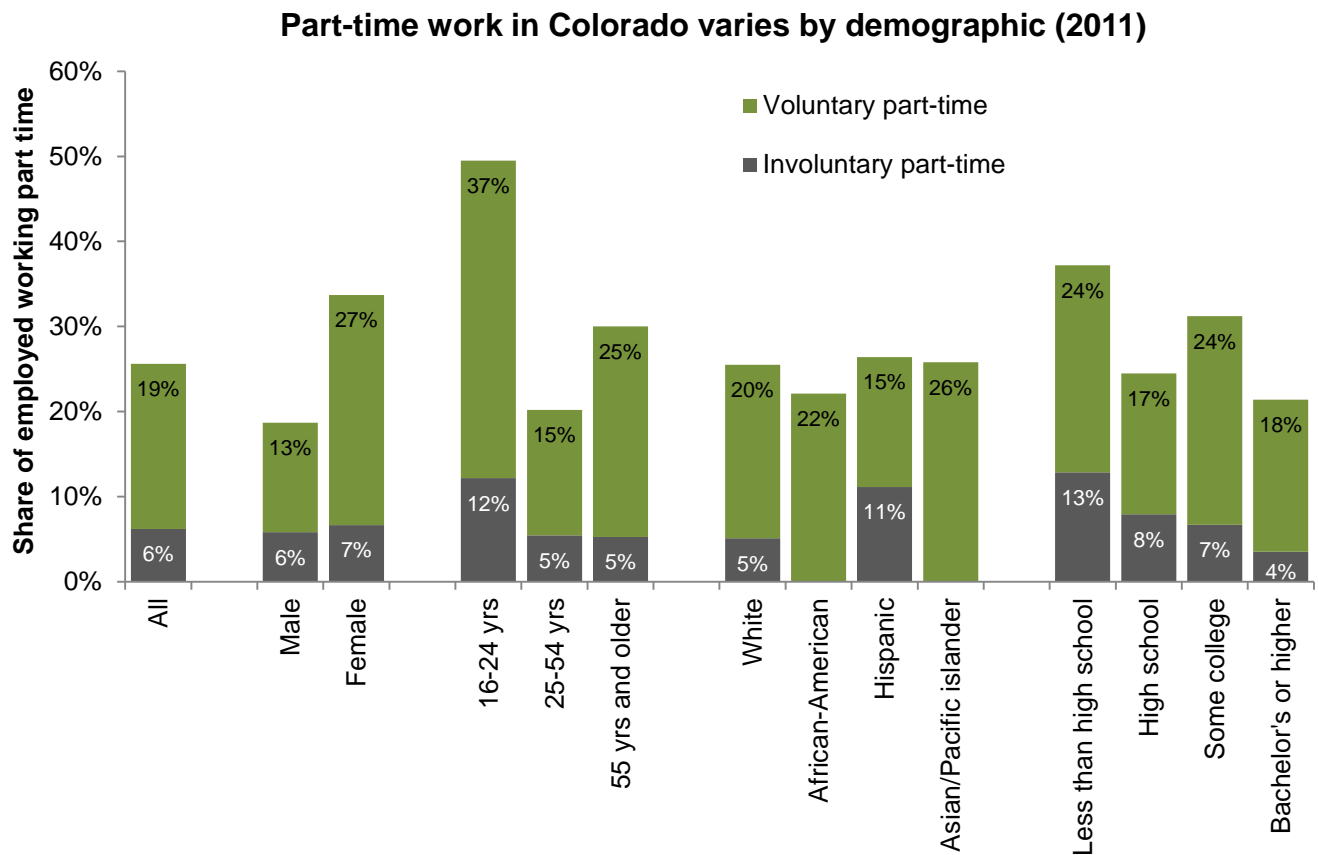
Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey

Part-time work by demographic group

Part-time work in Colorado varies among demographic groups. As a rule, a higher share of involuntary part-time workers indicates greater vulnerability in the work force, as it suggests employees are unable to work on their preferred terms.

In Colorado, more women than men work part time, yet both have an equal share of involuntary part-time workers. Conversely, whites and Hispanics have a similar share of part-time workers, but Hispanics are disproportionately involuntary part-time workers. The share of involuntary and voluntary part-time workers decreases with workers' education, leaving the least educated with the highest overall part time and involuntary part-time shares. However, even the most educated are affected by a tough job market after the recession. (Figure 14)

Figure 14



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey
 Data on involuntary part-time are not available for all race/ethnicities.
 Category subtotals shown

CHAPTER TWO: UNEMPLOYMENT

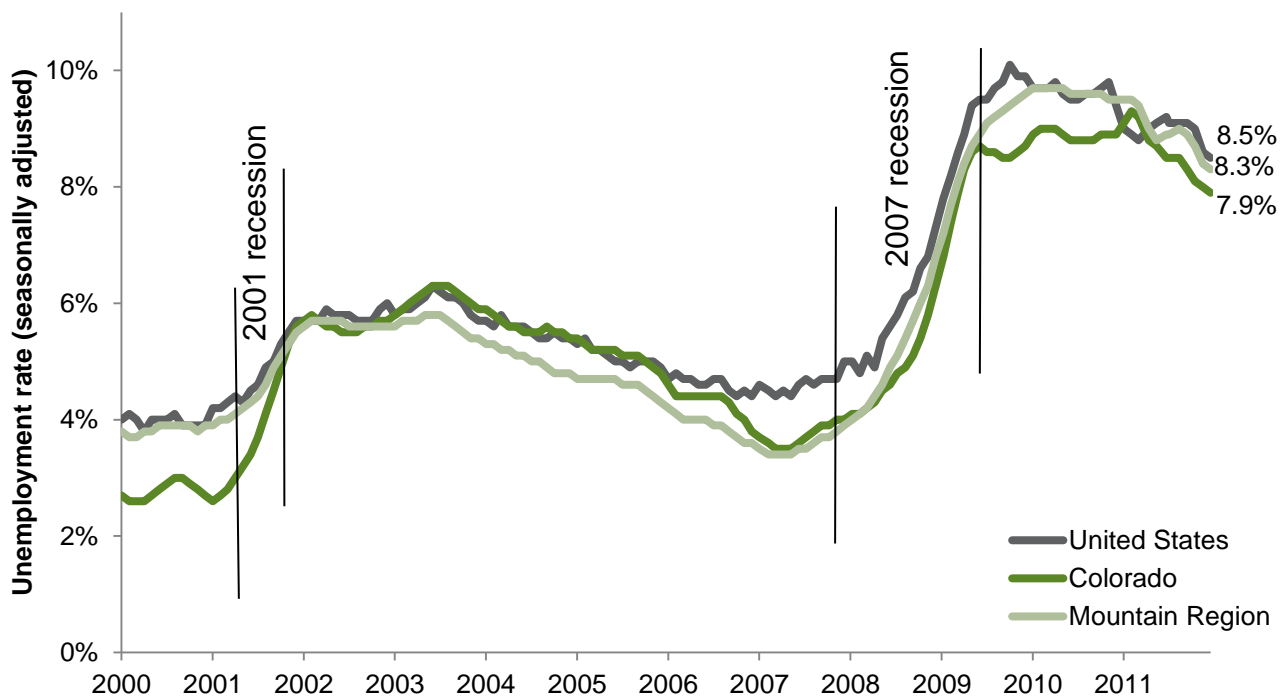
Unemployment

Unemployment is the primary measure of joblessness. It counts the number of people who do not have jobs and are actively looking for work. Colorado entered the new decade with a dramatically high unemployment rate, yet state unemployment remained lower than the national and regional averages. In February 2011, Colorado's unemployment reached 9.3 percent (Figure 15), the highest rate since the U.S. Bureau of Labor Statistics began tracking state unemployment rates in 1976. As of December 2011, Colorado's unemployment rate dropped to 7.9 percent, a level it has not reached since March 2009. Colorado's unemployment rate is forecasted at 8.3 percent for 2012, 7.8 percent for 2013 and 7.2 percent for 2014.⁸

Compared to other states, Colorado's recovery is not abnormal. As of December 2011, the Colorado unemployment rate was 24th worst among states.⁹ High unemployment in Colorado has resonated through many sectors of the state, affecting poverty, health care and adding pressure to the state's already constrained safety nets.

Figure 15

Colorado's unemployment rate remains lower than the nation's



Source: U.S. Bureau of Labor Statistics (data through December 2011)

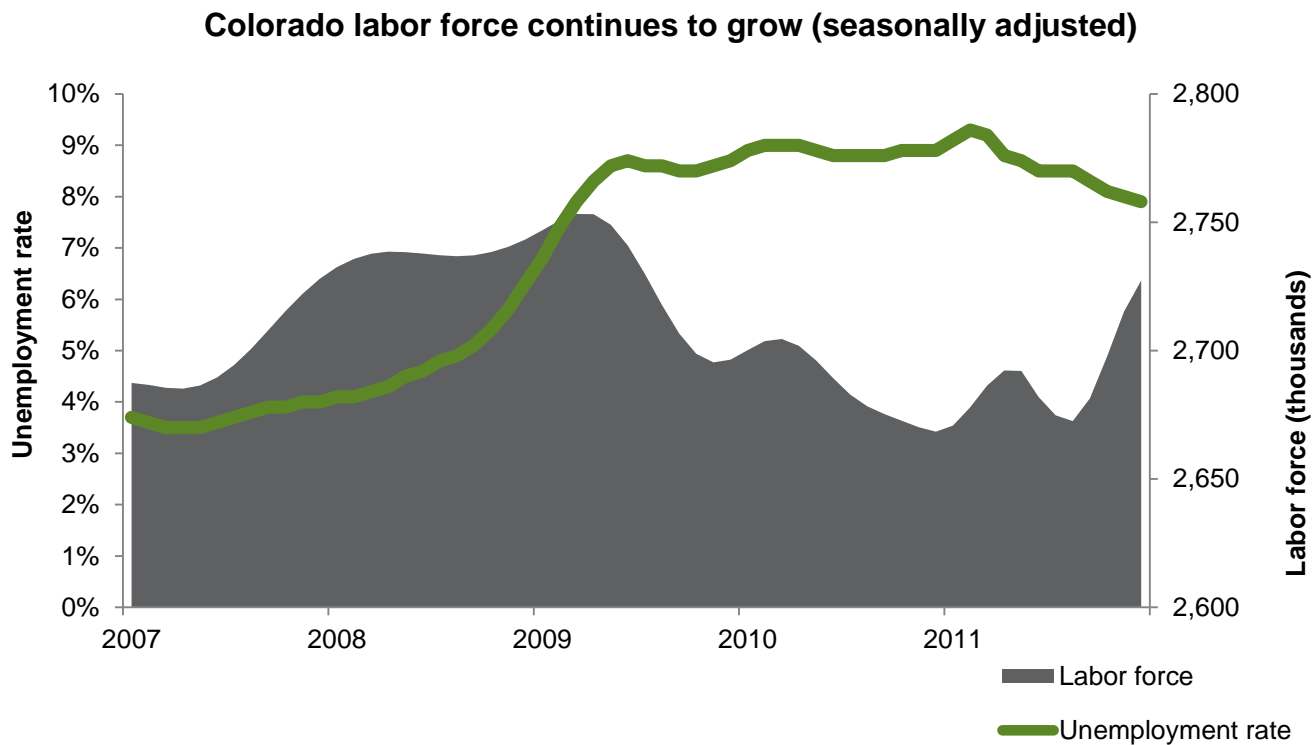
⁸ "Focus Colorado: Economic and Revenue Forecast," Colorado Legislative Council Staff: Economics Section, Dec. 20, 2011.

⁹ Economic Policy Institute analysis of U.S. Bureau of Labor Statistics Current Employment Survey data.

Unemployment rate and the labor force

Looking at the state’s unemployment rate alongside its labor force reveals the influence one has on the other. Because laid-off workers and new job seekers are counted as “in the labor force” and “unemployed” only if they are actively looking for work, an increase in the number of workers resuming their job search can increase the unemployment rate. On the other hand, a simultaneous increase in labor force participation and decrease in the unemployment rate, as happened in late 2011, is a positive sign of recovery. (Figure 16) Though Colorado’s labor force increased rapidly at the end of 2011, the labor force today is still smaller than it was at the start of the recession: There are about 26,000 fewer active workers in the labor force today than when the labor force peaked in March 2009.

Figure 16



Source: U.S. Bureau of Labor Statistics (data through December 2011)¹⁰

¹⁰ Colorado Legislative Council Staff for chart design.

Underemployment

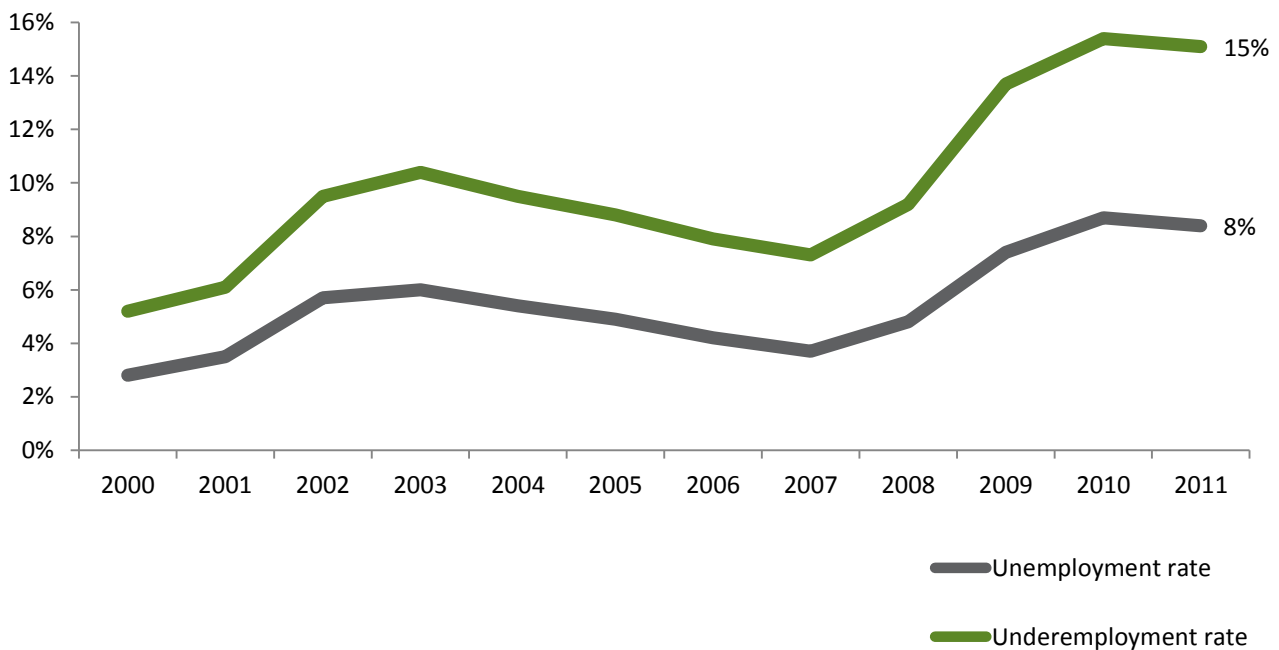
Although the unemployment rate is the most commonly used measure of joblessness, it obscures the larger context of the working population. Another tool for measuring labor underutilization, the underemployment rate, includes “marginally attached workers.” That measurement includes two groups:

- People who want and are available for work, and had looked for work in the past 12 months, but not the past four weeks;
- Involuntary part-time workers, who want and are available for full-time work but must settle for a part-time schedule because a full-time position is not available.

In 2011, Colorado’s underemployment rate was 15.1 percent, almost twice as high as the unemployment rate the same year of 8.4 percent. Although the underemployment rate will usually be higher than the unemployment rate, the difference between the two has grown larger since the 2007 recession, demonstrating the larger challenges Colorado workers face in finding full employment in the current recovery.

Figure 17

Underemployment shows broader impact on workers



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey and U.S. Bureau of Labor Statistics Current Employment Statistics

Disparities in joblessness

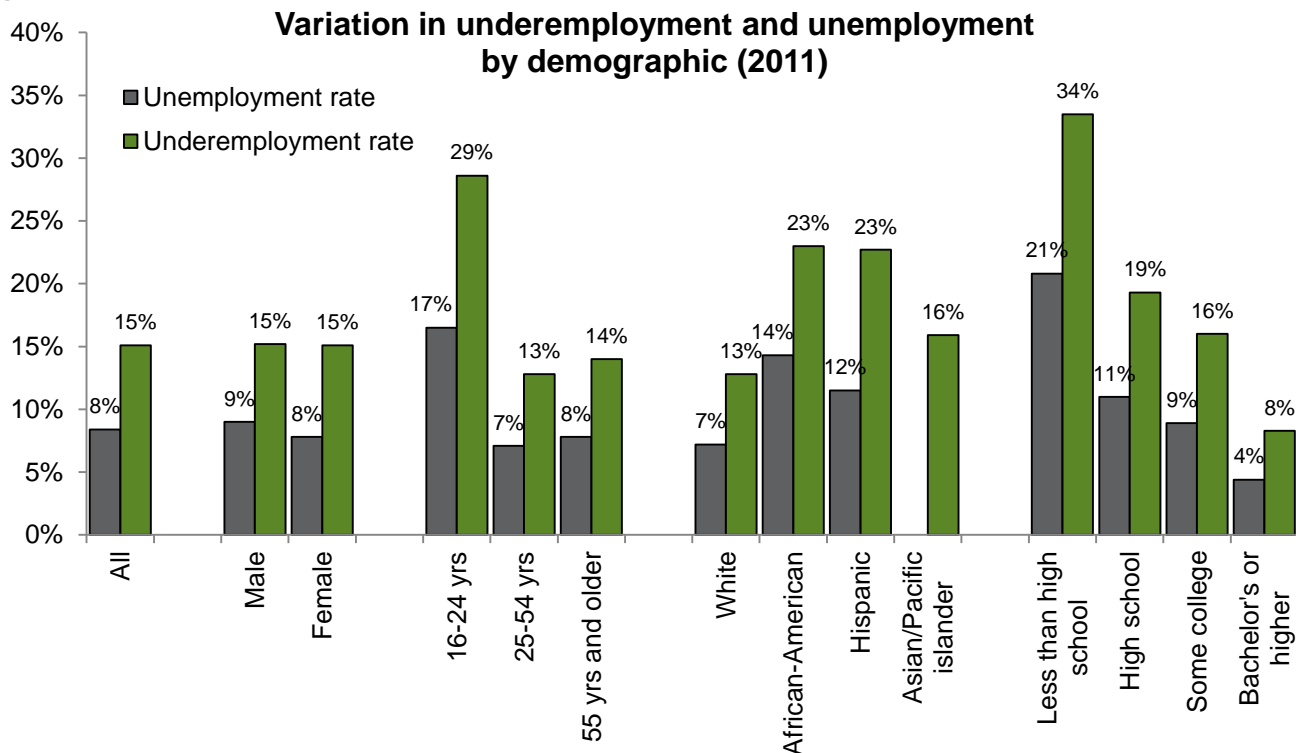
Colorado has marked disparities among groups in both unemployment and underemployment. Young workers, racial and ethnic minorities, and the less educated all experienced higher rates of joblessness than their counterparts. (Figure 18)

In 2011, both Hispanic and African-Americans workers fared far worse than other race and ethnic groups, having both unemployment and underemployment levels just less than double their white counterparts. Although the recent recession caused a spike in unemployment for all demographics, those disparities across race and ethnicity have persisted in Colorado. (Figure 19) Regardless of the economic climate, blacks and Hispanics experience substantially higher rates of unemployment than their white counterparts. (Figures 18-19)

The high unemployment rate for young workers is also cause for concern. Early career development is critical to later success; beginning a career in a down economy shifts one's whole career trajectory downwards. Unfortunately, the Great Recession has affected the early part of many careers, and may have a lasting effect on young workers.

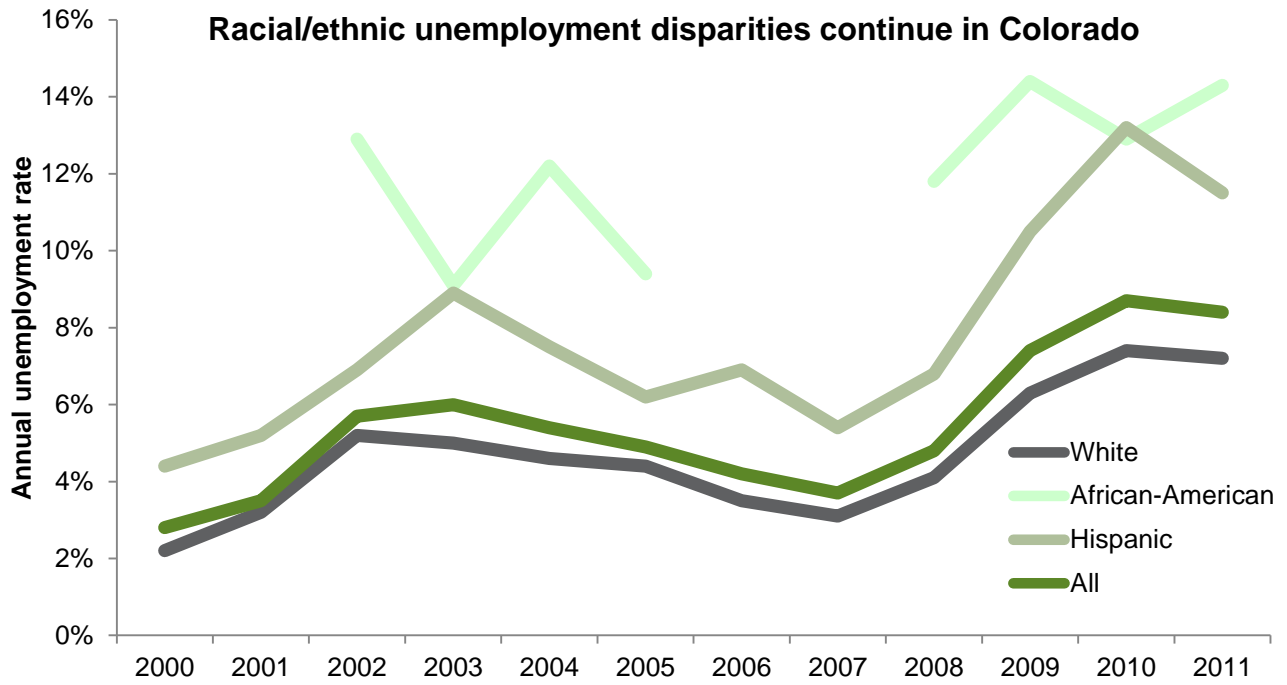
Unemployment and underemployment rates also highlight the importance of education. Both rates are dramatically higher among less-educated Coloradans. In 2011, high school dropouts experienced more than four times the unemployment and underemployment rates of college graduates. (Figure 18) That pattern underscores the value of education in the labor market and highlights the need for continued support of a strong public kindergarten through 12th-grade education system alongside affordable and accessible higher education.

Figure 18



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey
 Due to small sample sizes, unemployment data are not available for Asian/Pacific Islanders

Figure 19

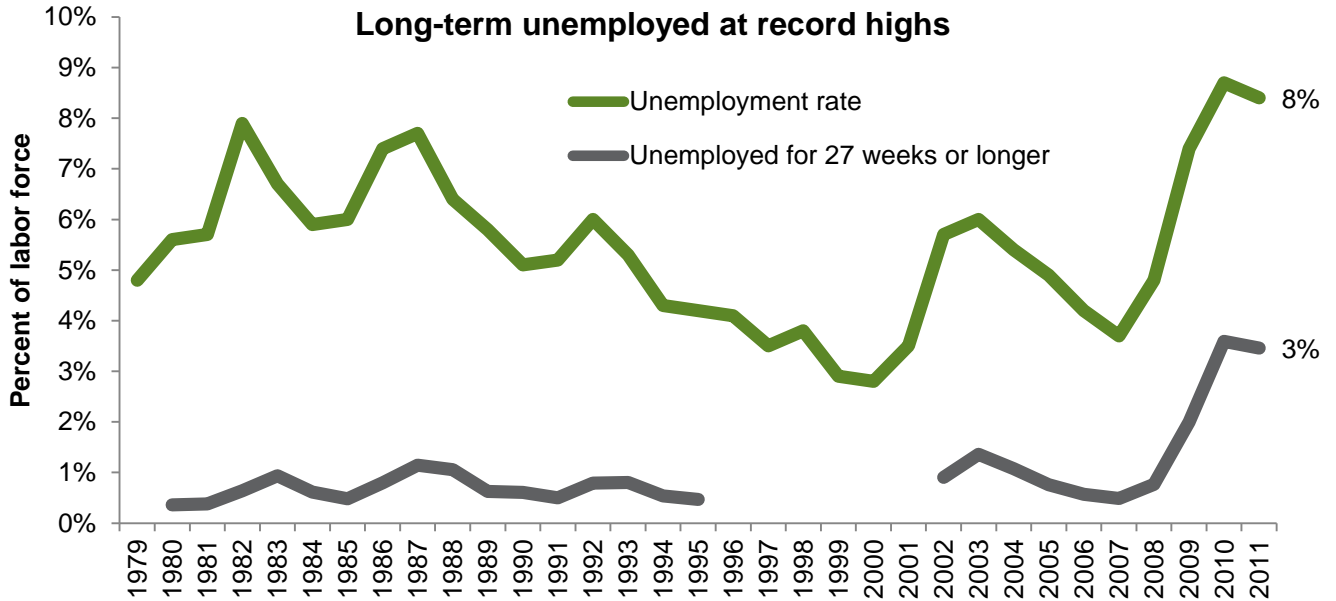


Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey
Due to small sample sizes, data are not available for all races and years

Long-term unemployment

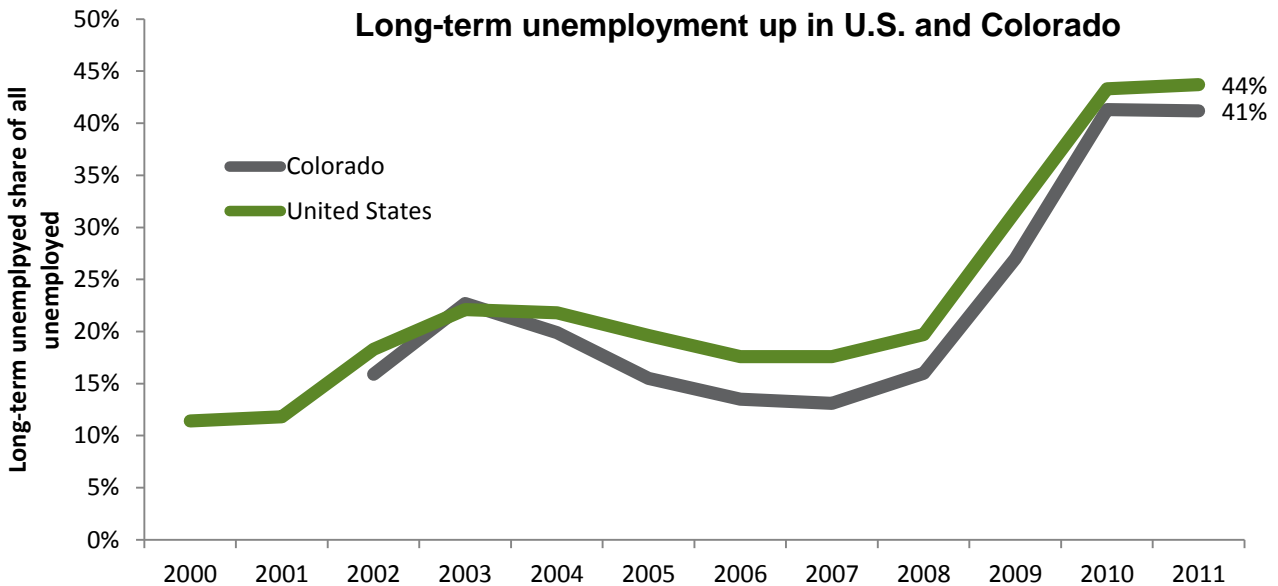
Another useful measurement to gauge the depth of unemployment is long-term unemployment, which measures the share of the unemployed who have been out of work for at least 27 weeks. While previous recessions have caused a short spike in long-term unemployment, the rate in current recovery is unprecedentedly high, indicating the economy is struggling to create jobs and return people to work. (Figure 20) Two-fifths of Colorado’s unemployed have been jobless for at least six months. (Figure 21) Given the persistently high unemployment rates and forecasts, long-term unemployment will likely remain high.

Figure 20



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey

Figure 21



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey

Unemployment insurance

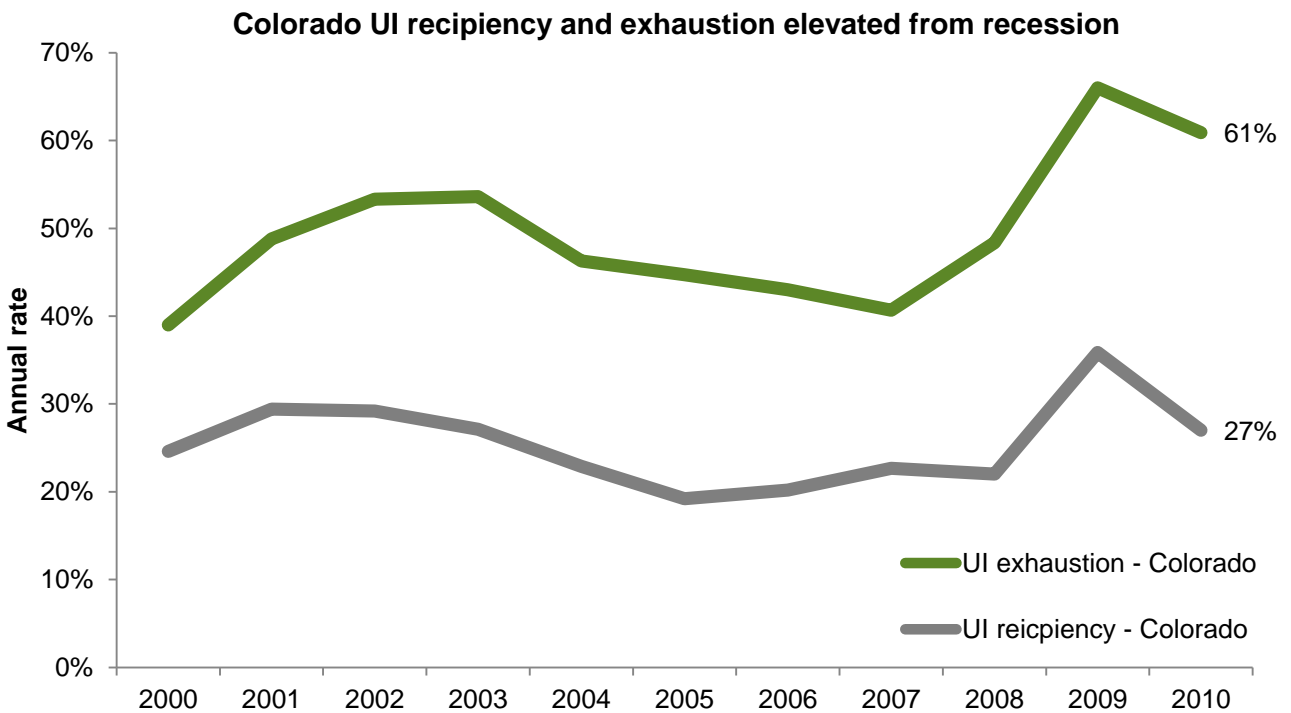
If a worker loses a job through no fault of his or her own, the worker may apply for unemployment insurance (UI) benefits. Under the program, unemployed workers receive payments in proportion to their past earnings while they look for new jobs, lessening the financial effect on their families. Those payments are funded by contributions to the state unemployment trust fund, made by employers on behalf of their workers. A laid-off worker gets UI benefits he or she paid for while still working. Unemployment insurance is the front-line safety net in times of economic hardship and stimulates the economy by sustaining consumer demand.

The state provides a maximum of 26 weeks of UI payments. However, beginning in 2008, the federal government began funding a number of extensions and supplements to unemployment insurance benefits because of the severity of the recession. Currently, laid-off Coloradans may receive up to 93 weeks of benefits.

The unemployment insurance recipiency rate is the percentage of the unemployed (those who are without work and looking for work) who are receiving benefits. The unemployment insurance exhaustion rate is the percentage of UI recipients who have expended their full 26 weeks of standard state benefits.

Colorado's UI recipiency and exhaustion increased dramatically as the economy worsened and jobs became harder to find, but those indicators have declined as the state moved into recovery. (Figure 22)

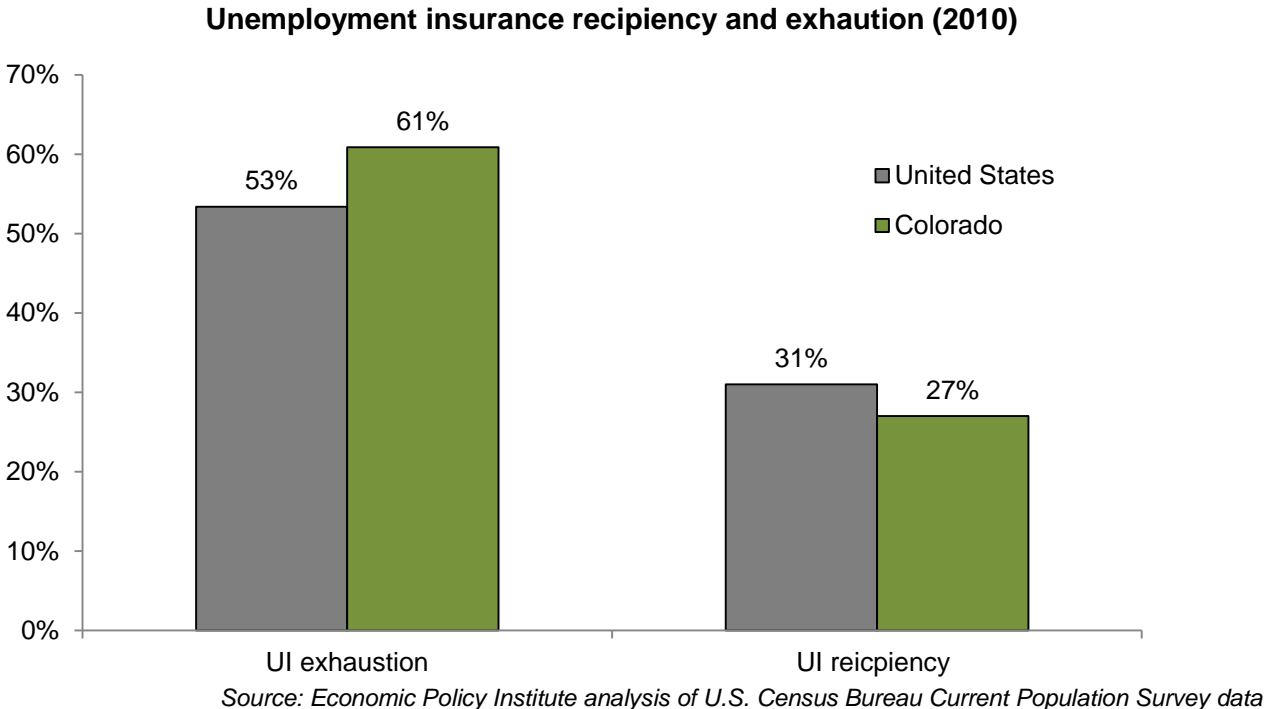
Figure 22



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey

Compared to the nation as a whole, fewer Coloradans receive unemployment insurance. Among those who do receive the benefit, a higher share exhaust the standard 26 weeks. (Figure 23)

Figure 23



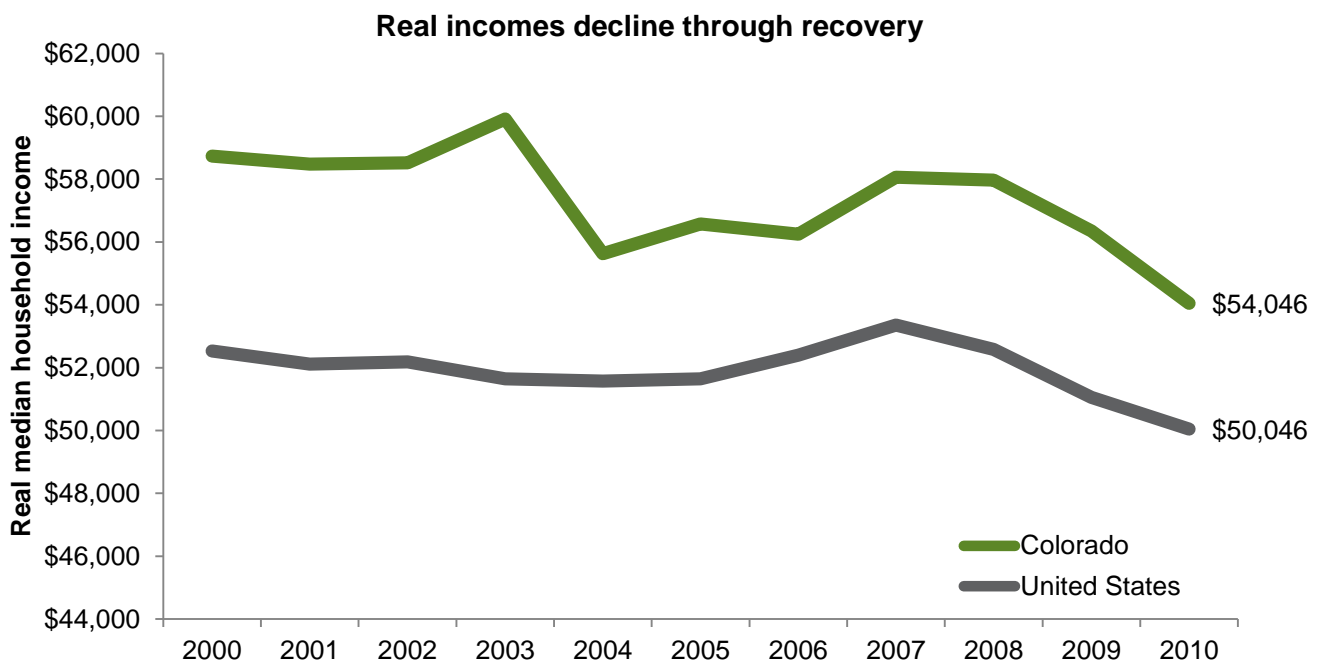
CHAPTER THREE: INCOME AND WAGES

Income

If all households were lined up by income level, the median household income of the group would be the amount earned by the household in the middle of the pack. The median value is often more representative of the majority than an average value, which can be skewed by extreme outliers (upward, in the case of income). Like many other measures of economic potential in the state, Colorado median household income is higher than the rest of the country. Colorado has maintained its income advantage since the 1990s. In 2010, the median household income in Colorado was \$54,046, versus \$50,046 for the nation. (Figure 24) That ranks 15th highest among states.

Despite Colorado's relative wealth, income during the past decade has decreased significantly. The decrease in real median household income in Colorado was statistically significant from 2000-2010 as well as pre- and post-recession. (Figure 24)

Figure 24



Source: Economic Policy Institute analysis of U.S. Census Bureau American Community Survey

Productivity

Even though income has declined and wages remained stagnant over the decade, worker productivity has increased. (Figures 24-26) That means the payoff of increased worker productivity is not going to the workers themselves.

Figure 25



Income distribution

The distribution of income in Colorado remains uneven, showing the gains of increased worker productivity increasingly benefit those at the top. Income percentiles demonstrate the gap by communicating relative rankings. For example, a household in the 10th percentile earned more than the bottom 10 percent of the workforce; similarly a household in the 90th earned more than 90 percent of the population.

Like the nation as a whole, income inequality continues to grow in Colorado. The inequality is greatest at the top income levels; in other words, the gap between the middle (median) and the top is much greater than the gap between the middle and the bottom. (Figures 26-29)

While Coloradans in the 90th percentile of wages enjoyed more than seven times the earnings gains of median earners, wages for the bottom 10 percent decreased. (Figures 26-27)

Figure 26

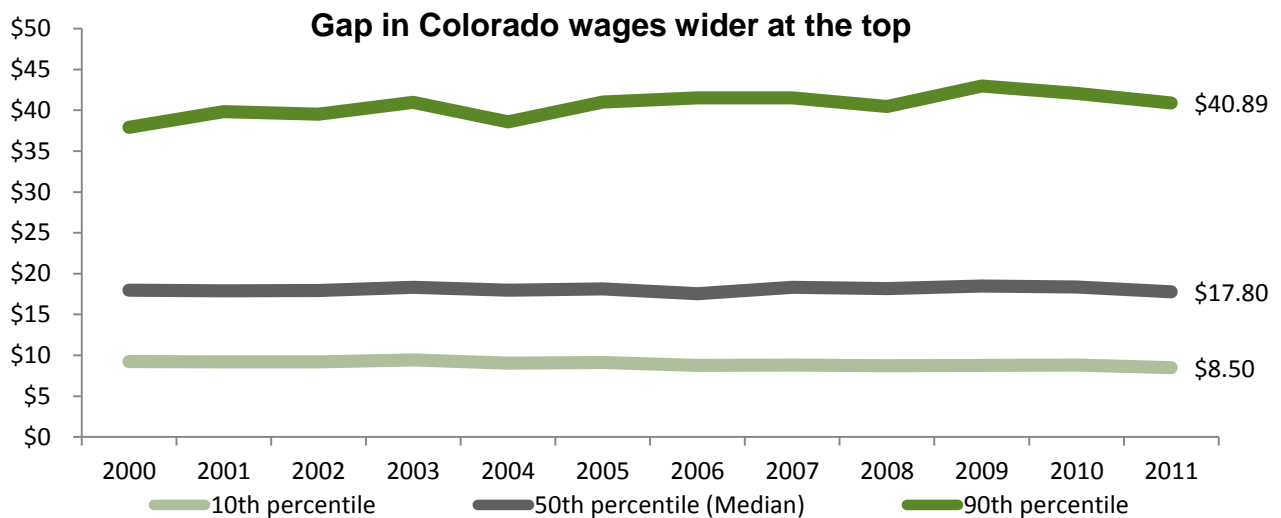
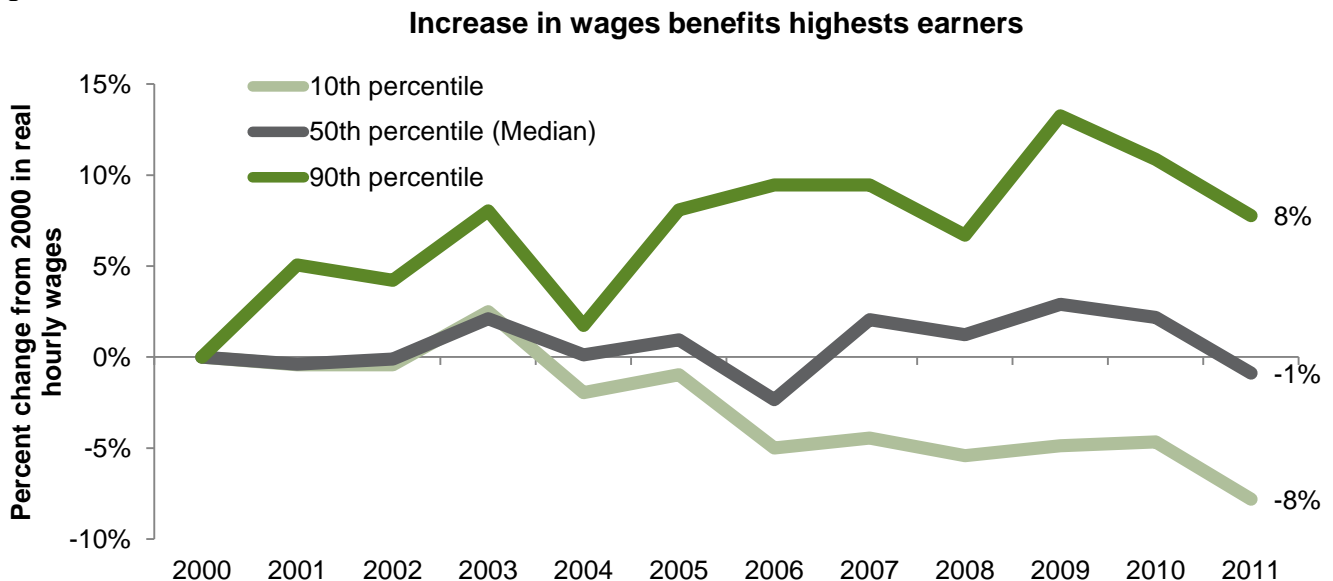
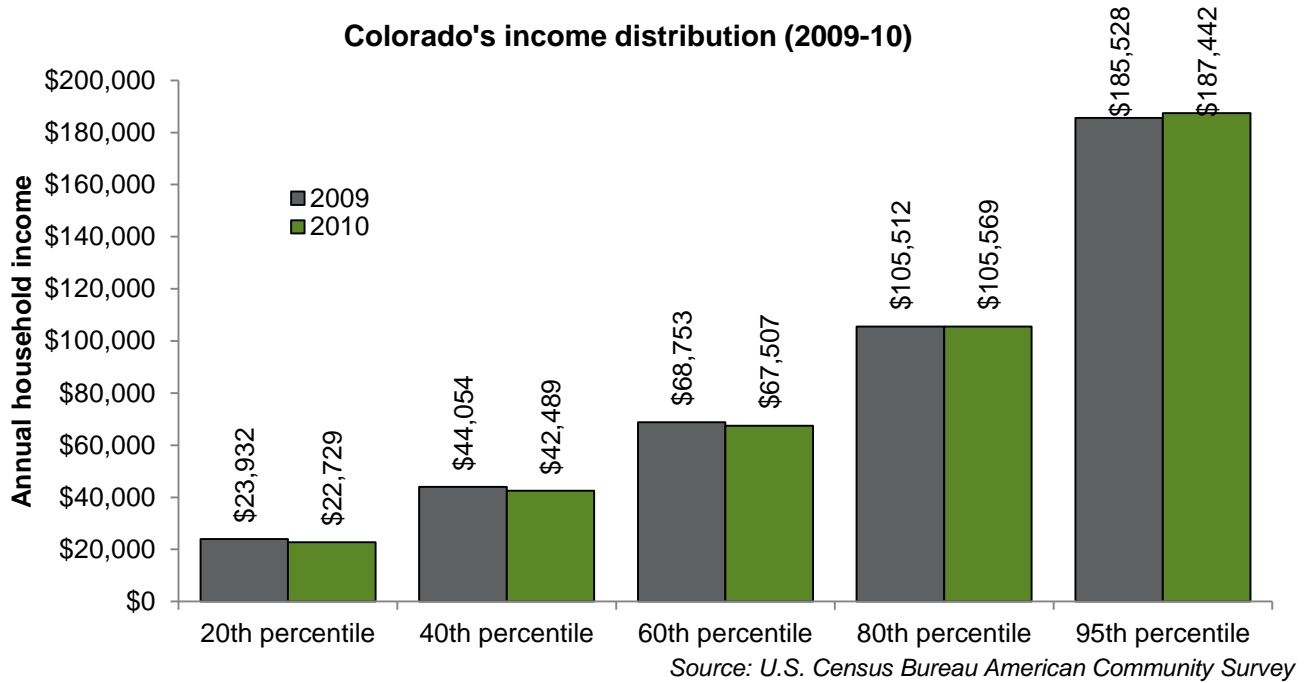


Figure 27



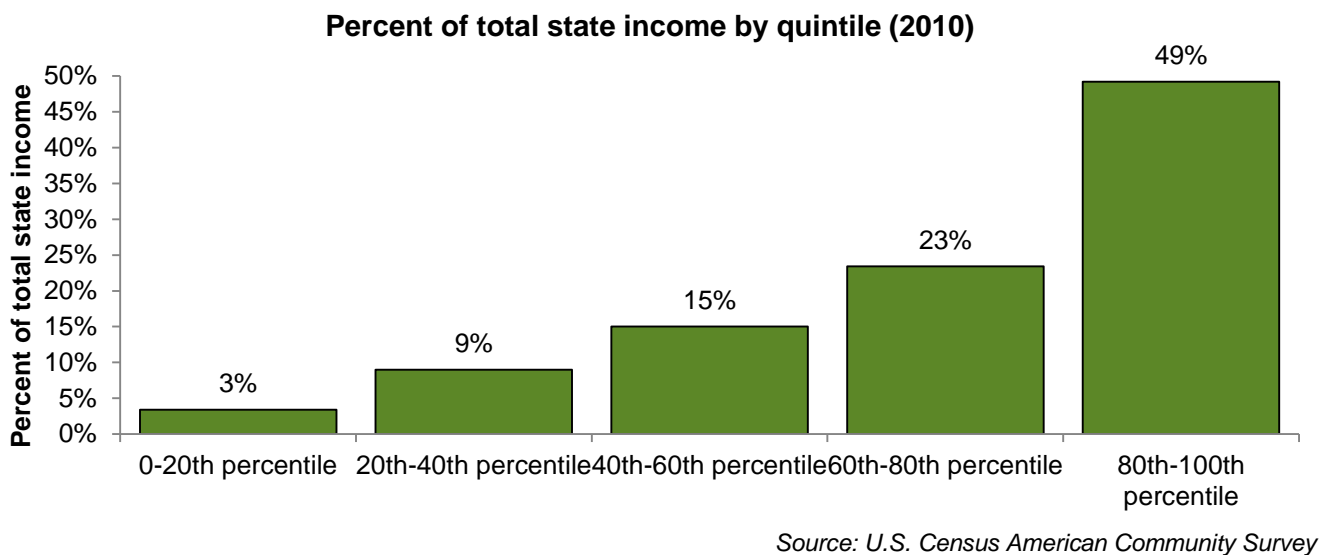
From 2009 to 2010 annual household income decreased for everyone but the top earners, whose income increased. (Figure 28)

Figure 28



While the bottom 20 percent of earners held only 3.4 percent of all income in Colorado, the top 20 percent of earners had almost 50 percent.¹¹ (Figure 29) The growing economic inequality in Colorado and the nation as a whole is a troubling trend. Increasingly, the American economy is serving the wealthy at the expense of the poor, and if left unattended by policymakers, will have serious economic repercussions for everyone.

Figure 29

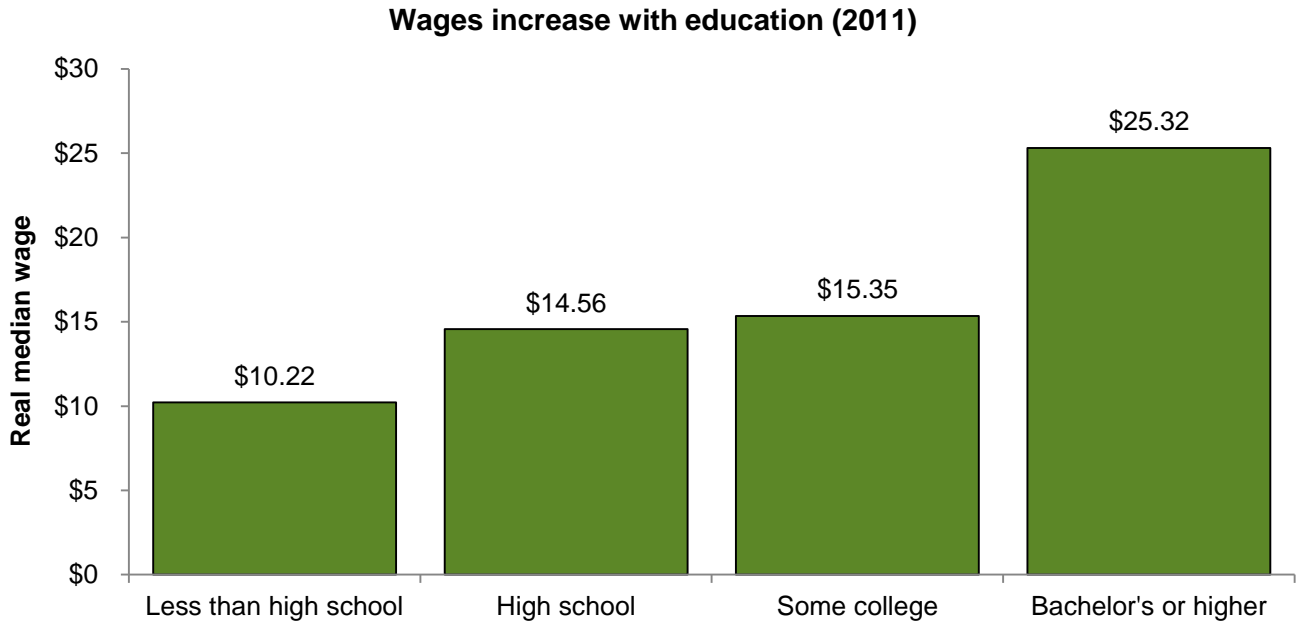


¹¹ Income includes earnings through wages and salaries, transfer income, like unemployment insurance payments or child support payments and dividend, interest and rental income. One way to show the distribution of aggregate income is to line up all households and divide them into quintiles where each quintile represents 20 percent of all households.

Median wage by education

Education plays a large role in economic livelihood. In 2011, Coloradans with a bachelor’s degree or higher earned more than twice as much as those without a high school diploma. In the same year, graduating high school meant almost a 40 percent increase in wages, while obtaining a college degree meant an additional 55 percent to 80 percent increase in wages for those with only a high school diploma or some college.¹² (Figure 30) The numbers stress the necessity of an accessible and affordable education to provide future opportunities for all Coloradans.

Figure 30



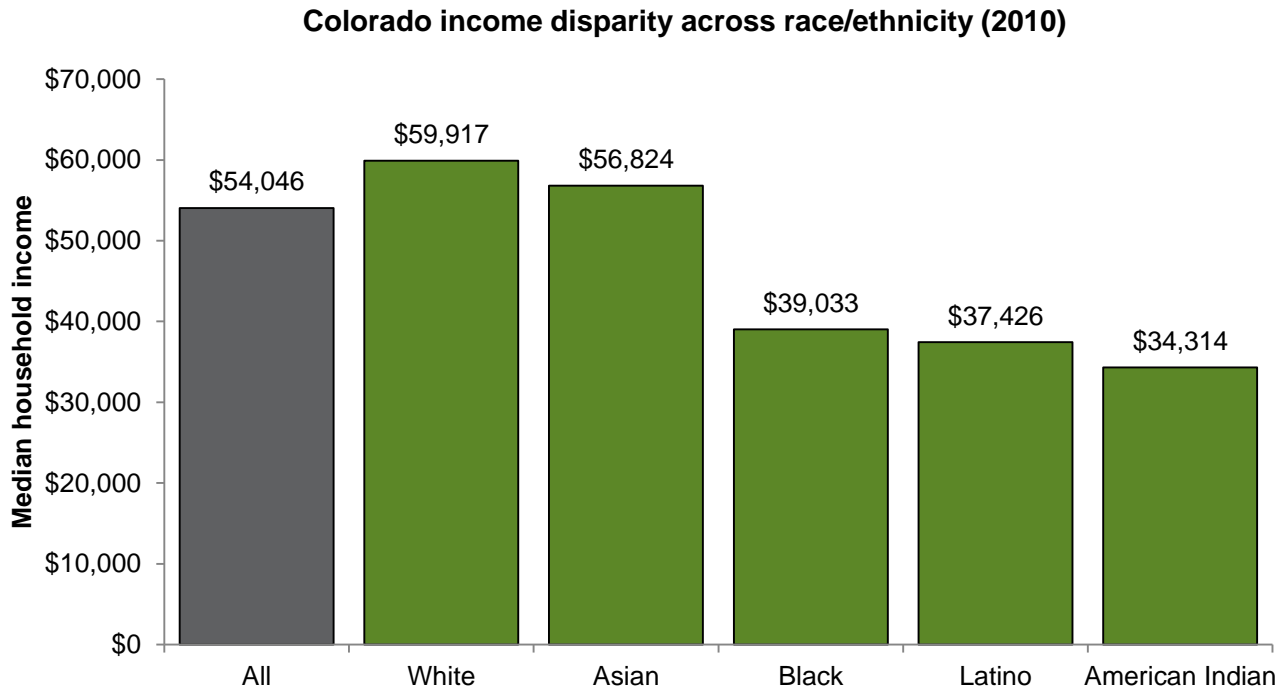
Source: Economic Policy Institute analysis of U.S. Census Current Population Survey

¹² It is important to note that the relationships here are not purely causal. That is, it is unfair to say that completing college will cause a 50-some percent increase in wages. While that may or may not be the case, strictly speaking the data show only that workers with a bachelor’s degree or higher earned 50 to 60 percent more than those who only completed high school.

Income by race

While Colorado boasts relatively high income levels overall (Figure 24), deep disparities appear when looking at race and ethnicity. Incomes for blacks, Latinos, and American Indians are significantly lower than those for whites and Asians. In 2010, the median household income for blacks was 67 percent of that for whites, income for Latinos was 62 percent of whites', and income for American Indians was 57 percent of whites'. (Figure 31)

Figure 31



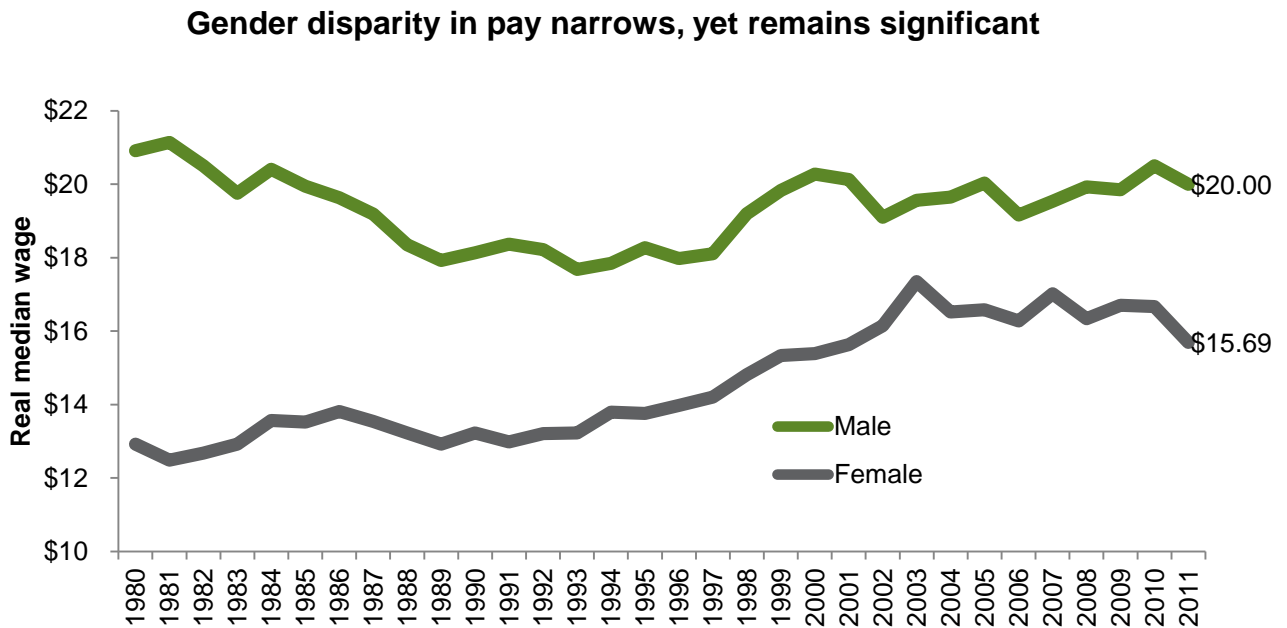
Source: U.S. Census American Community Survey

Wages by gender

In 1980, the median wage for a woman in Colorado was almost half that for a man. Since then, women have made substantial progress in raising their earnings relative to men, raising their real median wage almost 30 percent. At the same time, men's wages in Colorado have declined slightly.

Despite the gains for women, the gap in pay between genders has not closed. In 2010, the real median wage for a woman was only 81 percent of that for a man in Colorado. (Figure 32) Despite gains in recent years, the gap is widening again.

Figure 32



Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey data

Occupation income by gender

Gender-inequality in income fluctuates enormously by industry. However, overall the picture is clear – even within the same industries, women earn less than men in Colorado. On average, women in Colorado earn 78 percent of the salary for men in the same industry. (Figure 33) Women working in legal and sales occupations face the largest income inequality, where they earn 50 and 65 percent of their male peers, respectively. Of Colorado’s industries, women are closest to their male colleagues’ income in community and social services occupations. (Figure 33)

Figure 33

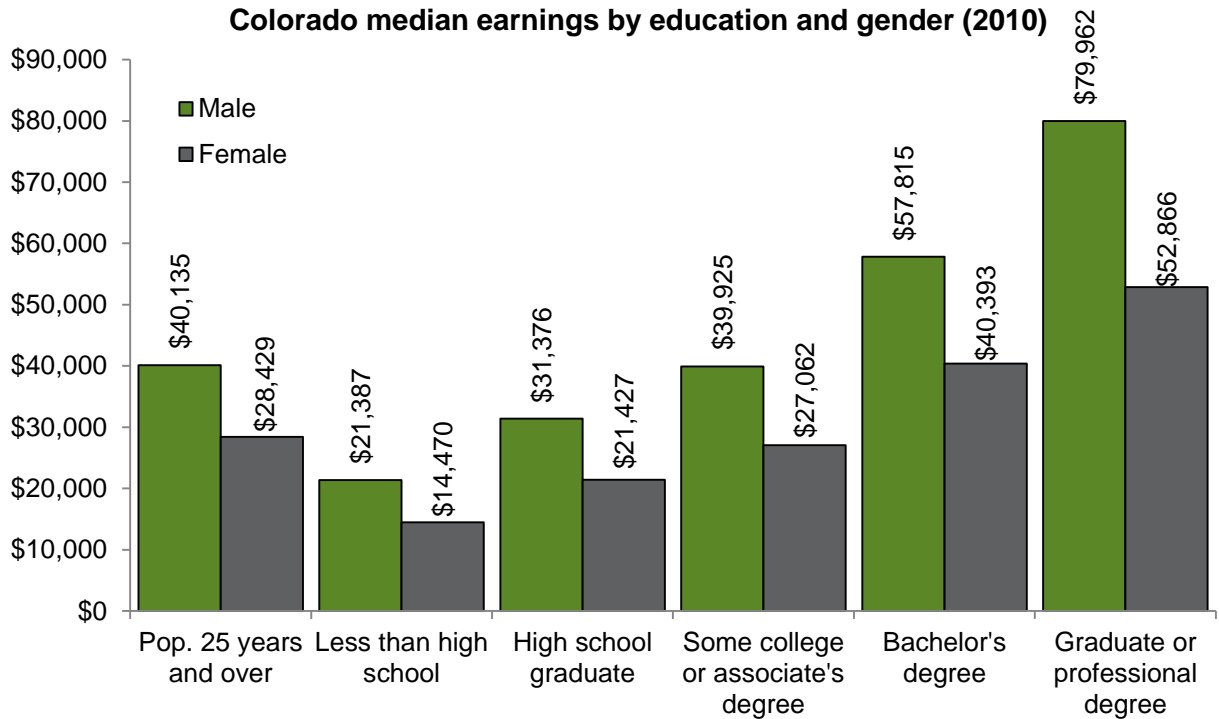
MEDIAN ANNUAL INCOME BY GENDER IN COLORADO INDUSTRIES (2010)				
Occupation	Male income	Female income	Wage difference	Female / male wage
All occupations	\$46,500	\$36,551	\$9,949	78.6%
Legal	\$110,806	\$56,774	\$54,032	51.2%
Sales and related	\$47,401	\$30,558	\$16,843	64.5%
Healthcare practitioner and technical	\$78,759	\$54,201	\$24,558	68.8%
Personal care and service	\$30,579	\$21,397	\$9,182	70%
Management	\$75,045	\$55,081	\$19,964	73.4%
Production, transportation and material moving	\$35,859	\$26,521	\$9,338	74%
Building and grounds cleaning, and maintenance	\$27,330	\$20,271	\$7,059	74.2%
Business and financial operations	\$67,525	\$50,884	\$16,641	75.4%
Farming, fishing, and forestry	\$24,380	\$18,722	\$6,108	76.8%
Protective service	\$50,658	\$39,390	\$11,268	77.8%
Education, training and library	\$54,358	\$43,945	\$10,413	80.8%
Architecture and engineering	\$75,254	\$62,370	\$12,884	82.9%
Life, physical, and social science	\$64,769	\$54,674	\$10,095	84.4%
Office and administrative support	\$37,415	\$32,229	\$5,186	86.1%
Healthcare support	\$30,145	\$25,994	\$4,151	86.2%
Computer and mathematical	\$76,119	\$65,683	\$10,436	86.3%
Arts, design, entertainment, sports and media	\$51,547	\$44,947	\$6,600	87.2%
Food preparation and serving related	\$21,688	\$18,949	\$2,739	87.4%
Construction and extraction	\$38,832	\$34,231	\$4,601	88.2%
Installation, maintenance and repair	\$42,049	\$38,737	\$9,338	92.1%
Community and social services	\$41,877	\$40,662	\$1,215	97.1%

Source: U.S. Census Bureau American Community Survey

Women and education

The trend of more education leading to higher earnings is consistent across gender. Also consistent, however, is the earning differential between men and women with the same education level. The difference in median earning between men and women increases the more education they attain. (Figure 34) In 2010, the median earnings for men without a high school diploma were almost \$7,000 more than for women; moreover, the median earnings for men with a bachelor's degree were over \$17,000 more than for women. Though the numbers highlight the importance of education, the gender inequality in earnings cannot continue to go unaddressed.

Figure 34

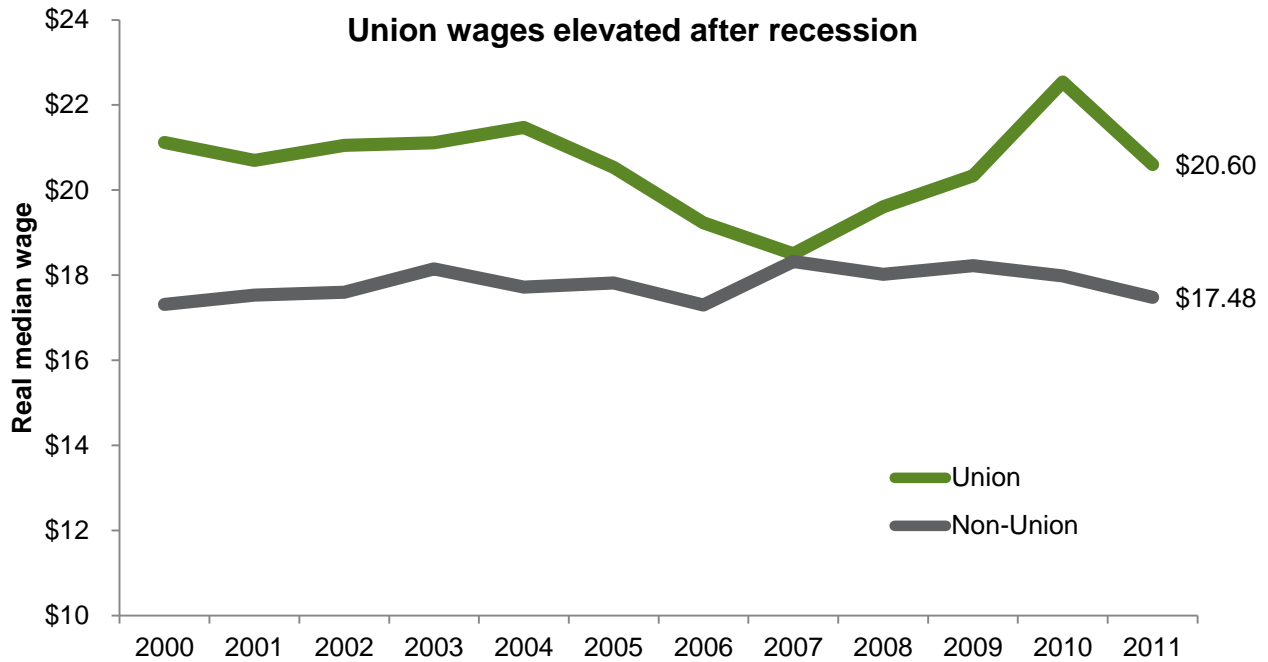


Source: U.S. Census Bureau American Community Survey

Wages and unions

Union and nonunion wages saw a brief convergence, but in 2007, the recession brought renewed separation. (Figure 35) Union wages are elevated about 15 percent more than nonunion wages. The recent re-polarization in wages between union and nonunion wages underscores the benefits of union coverage.

Figure 35



Source: Economic Policy Institute analysis of Current Population Survey data

County income distribution

Household income varies drastically among Colorado counties. The highest-income county in Colorado is Douglas County, with a median household income of \$99,198. The lowest-income county in Colorado is Costilla County, with a median household income of \$24,388. (Figure 36) The difference between the two counties is almost \$75,000, demonstrating just how concentrated wealth can be.

Figure 36

COLORADO COUNTY MEDIAN HOUSEHOLD INCOME, ALPHABETICALLY (2006-10 AVERAGE)							
Colorado	\$56,456	Denver	\$45,501	Kit Carson	\$41,678	Phillips	\$44,084
Adams	\$54,666	Dolores	\$43,058	Lake	\$41,103	Pitkin	\$64,502
Alamosa	\$35,935	Douglas	\$99,198	La Plata	\$56,422	Prowers	\$33,969
Arapahoe	\$58,719	Eagle	\$71,337	Larimer	\$56,447	Pueblo	\$40,699
Archuleta	\$56,068	Elbert	\$78,958	Las Animas	\$38,134	Rio Blanco	\$57,992
Baca	\$36,017	El Paso	\$56,268	Lincoln	\$41,616	Rio Grande	\$39,871
Bent	\$36,412	Fremont	\$37,847	Logan	\$40,961	Routt	\$60,876
Boulder	\$64,839	Garfield	\$64,902	Mesa	\$52,067	Saguache	\$30,340
Broomfield	\$75,590	Gilpin	\$58,036	Mineral	\$53,438	San Juan	\$43,783
Chaffee	\$42,941	Grand	\$60,433	Moffat	\$53,587	San Miguel	\$66,399
Cheyenne	\$47,125	Gunnison	\$49,356	Montezuma	\$44,103	Sedgwick	\$37,625
Clear Creek	\$60,426	Hinsdale	\$74,659	Montrose	\$46,590	Summit	\$68,750
Conejos	\$33,627	Huerfano	\$30,058	Morgan	\$43,111	Teller	\$58,080
Costilla	\$24,388	Jackson	\$37,222	Otero	\$34,142	Washington	\$39,735
Crowley	\$38,189	Jefferson	\$66,075	Ouray	\$58,393	Weld	\$55,596
Custer	\$39,909	Kiowa	\$40,089	Park	\$64,098	Yuma	\$42,114
Delta	\$40,451						

Source: U.S. Census American Community Survey

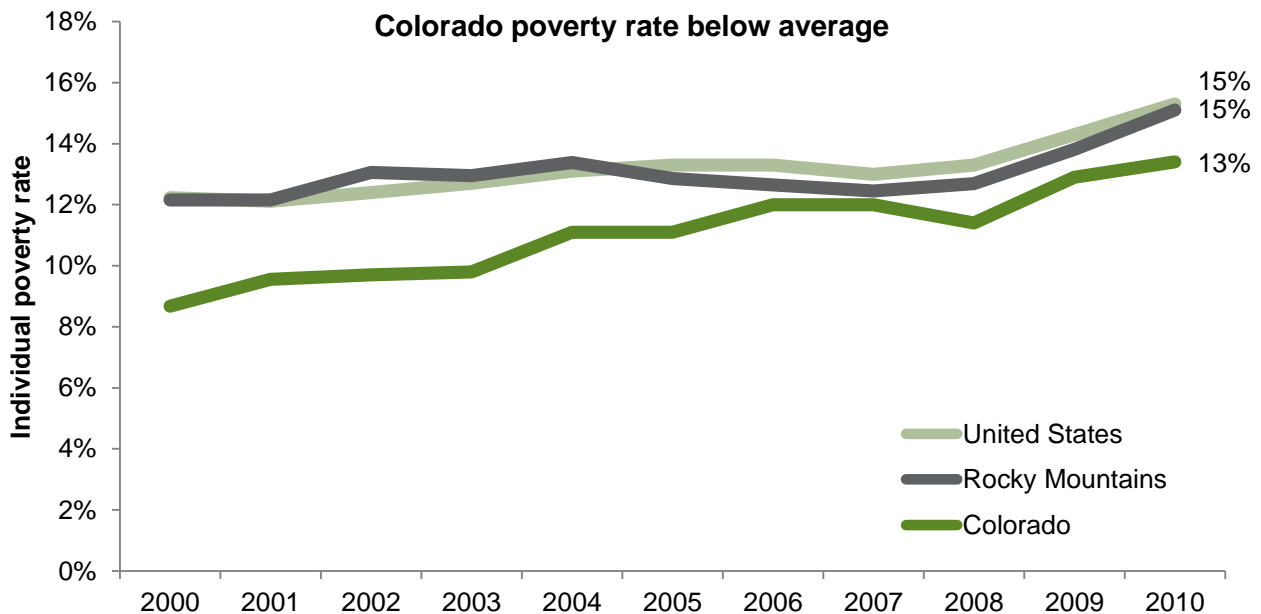
CHAPTER FOUR: POVERTY AND ECONOMIC SECURITY

Overall poverty

The poverty rate is the percentage of individuals or families with income less than the federal poverty level (FPL), which designates an individual or family as poor by the federal government. The threshold varies with family size and is updated annually by the federal government. For an individual younger than 65 the FPL was \$11,344 in 2010. For a family of two adults and two children, the FPL was \$22,113.

Colorado's poverty rate has increased since 2000. In 2010, the state poverty rate increased to 13.4 percent, up from 8.7 percent in 2000, and up half a percentage point from 2009. (Figure 37) It amounts to about 659,786 Coloradans in poverty. Similarly, the poverty rate increased by 11 percent between 2007 and 2010, a result of the Great Recession. Colorado's poverty rate ranks 30th among the states, yet it remains lower than the regional and national averages. (Figure 37)

Figure 37



Source: Economic Policy Institute analysis of U.S. Census Bureau American Community Survey

The Self-Sufficiency Standard

The poverty measure used by the federal government was developed in the 1960s to represent the cost of a minimum diet multiplied by three to account for spending on other goods and services.¹³ The threshold is based on pre-tax income and accounts for family size. While most national data focus on the federal poverty level, experts agree the measurement severely underestimates the cost of modern living.¹⁴ (Figure 38) The official measure does not take into account differences within the 48 contiguous states, family composition, rising standards of living, job-related expenses such as transportation and child care, rising medical costs or the effects of government policies that alter families' disposable income. To make up for those shortcomings, alternative measures of family wellbeing have been developed.

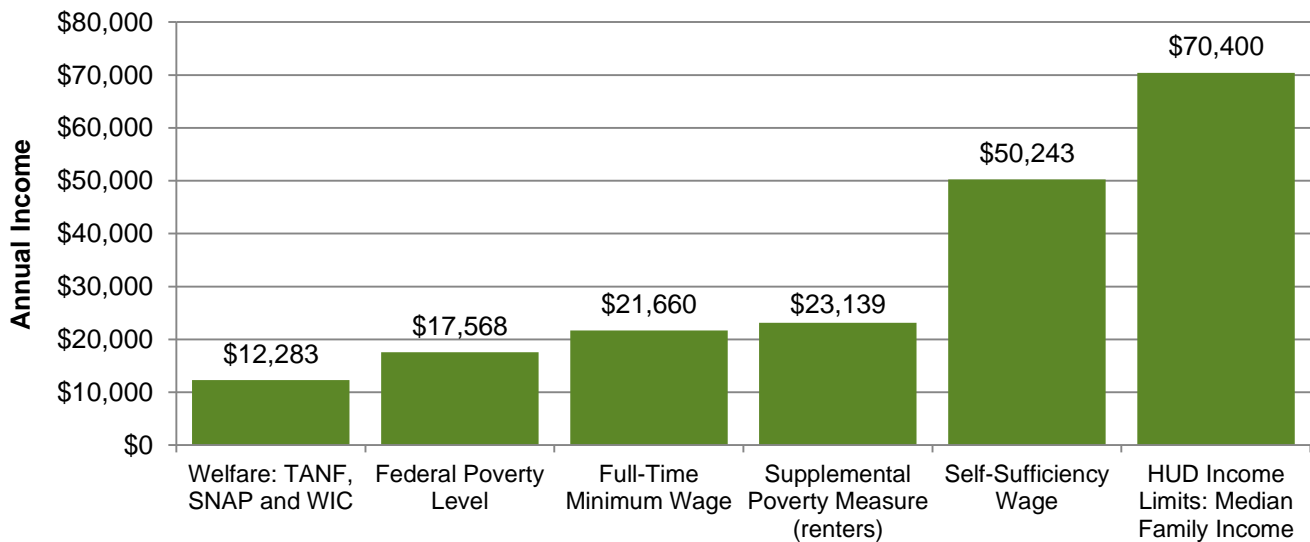
One measure is the Self-Sufficiency Standard, which measures the income needed for a family to meet basic needs without public or private assistance. The standard adjusts for family composition and location, and it accounts for costs of family living such as health care and child care.¹⁵ (Figure 38)

Another recently developed measure is the Census Bureau's Supplemental Poverty Measure (SPM), which was also developed to reflect, more holistically, the cost of meeting basic needs. The SPM determines poverty status by expanding the definition of family income to include tax credits and noncash benefits. It also acknowledges the importance of work expenses such as child care, and out-of-pocket health expenses. While the SPM and the Self-Sufficiency Standard advance understanding of poverty, the official poverty measure remains useful. The federal poverty level tells how many people are in a specific condition, while the Self-Sufficiency Standard explains what people must earn to be self-sufficient.

Figure 38

The Self-Sufficiency Standard compared to other benchmarks

*One parent, one preschooler and one school-age child
Denver County, 2011*



Source: *Self-Sufficiency Standard for Colorado 2011 and U.S. Census Bureau*

¹³ U.S. Census Bureau Supplemental Poverty Measure, November 2011.

¹⁴ See the Appendix for 2011 federal poverty levels. The poverty level is roughly \$22,300 a year in income for a family of four.

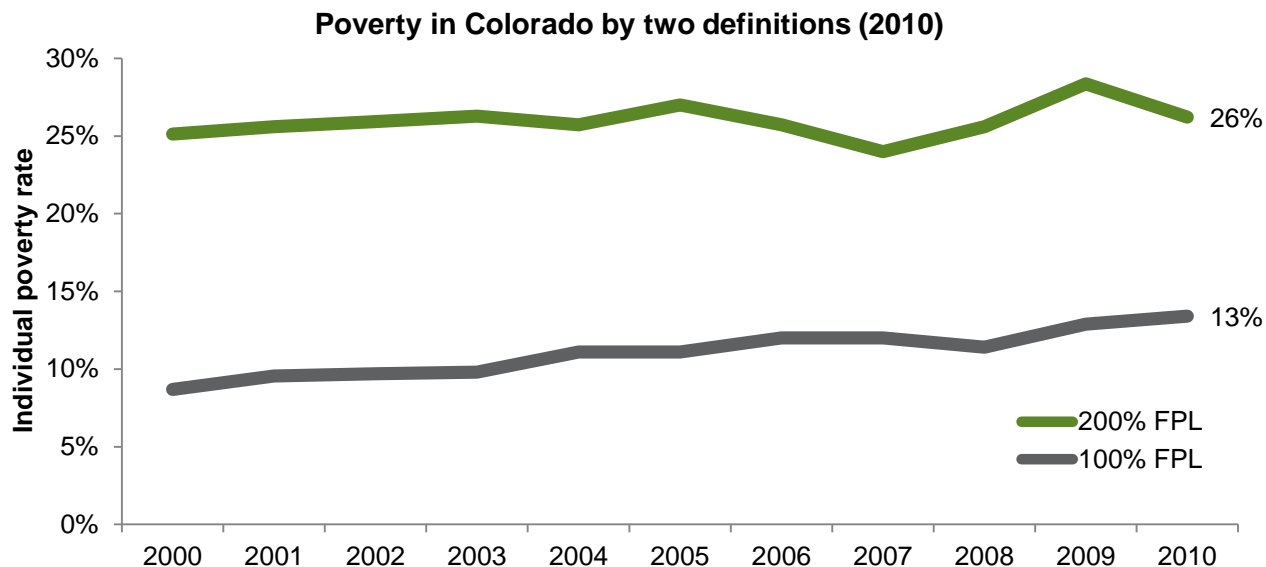
¹⁵ Pearce, Diana, "The Self-Sufficiency Standard for Colorado 2008: A Family Needs A Budget," *University of Washington*, Prepared for the Colorado Fiscal Policy Institute, 2008.

Twice the federal poverty level

Many experts maintain the federal poverty level can be improved simply by changing the definition of “poverty” to a multiple of the FPL. A common approach is 200 percent of FPL, which represents a more realistic poverty cutoff. That compromise allows the most current poverty statistics (based on FPL) to be used, while adjusting for some shortcomings of the federal measure.

Twice the federal poverty level shows a bleaker picture of recession in Colorado. While more than one in 10 Coloradans live with incomes of less than the federal poverty level, more than one in four, or 26.2 percent, are poor under the adjusted standard. (Figure 39)

Figure 39



Source: Economic Policy Institute analysis of U.S. Census Bureau American Community Survey and Current Population Survey¹⁶

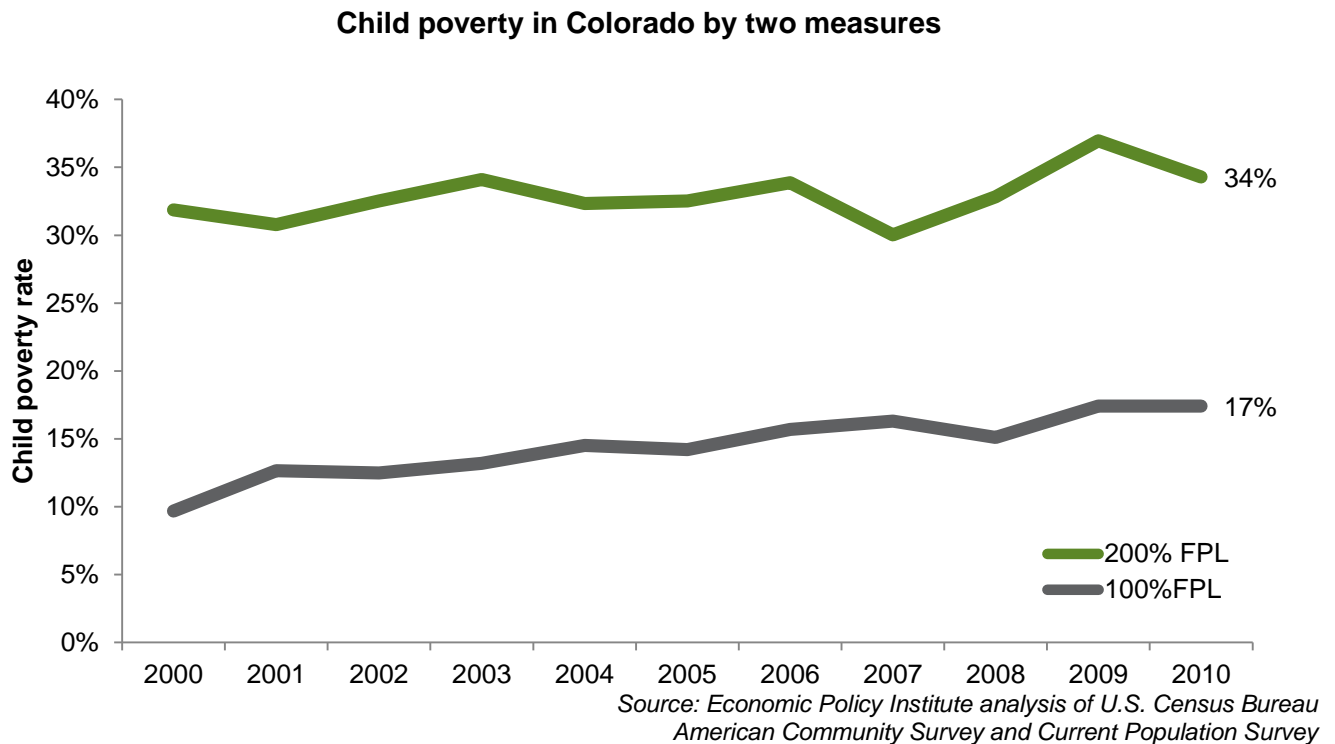
¹⁶ 100 percent FPL figures come from the ACS. 200 percent FPL figures come from the CPS. These measures are not statistically comparable, but are worth examining together. Note also that the timeframes for these two surveys are slightly different. However, annual figures from the ACS and CPS both fairly represent the year.

Child poverty

The child poverty rate is the percentage of children younger than 18 living in a household earning less than the federal poverty level. From 2000 to 2010, the number of Colorado kids in poverty increased from roughly 105,000 to 211,000.¹⁷ That was the second-fastest growth in child poverty recorded in any state.¹⁸

In 2010, that translated into child poverty rates of 17 percent; and 34 percent using twice the federal poverty level. (Figure 40) Disturbingly, both poverty measures are higher for children in Colorado than the state as a whole, demonstrating the added strain raising children brings to a family's budget. (Figures 39-40) Despite the growth of child poverty in Colorado, the state's 2010 child poverty rate ranks only 36th worst among other states.¹⁹

Figure 40



¹⁷ U.S. Census Bureau American Community Survey, 2010

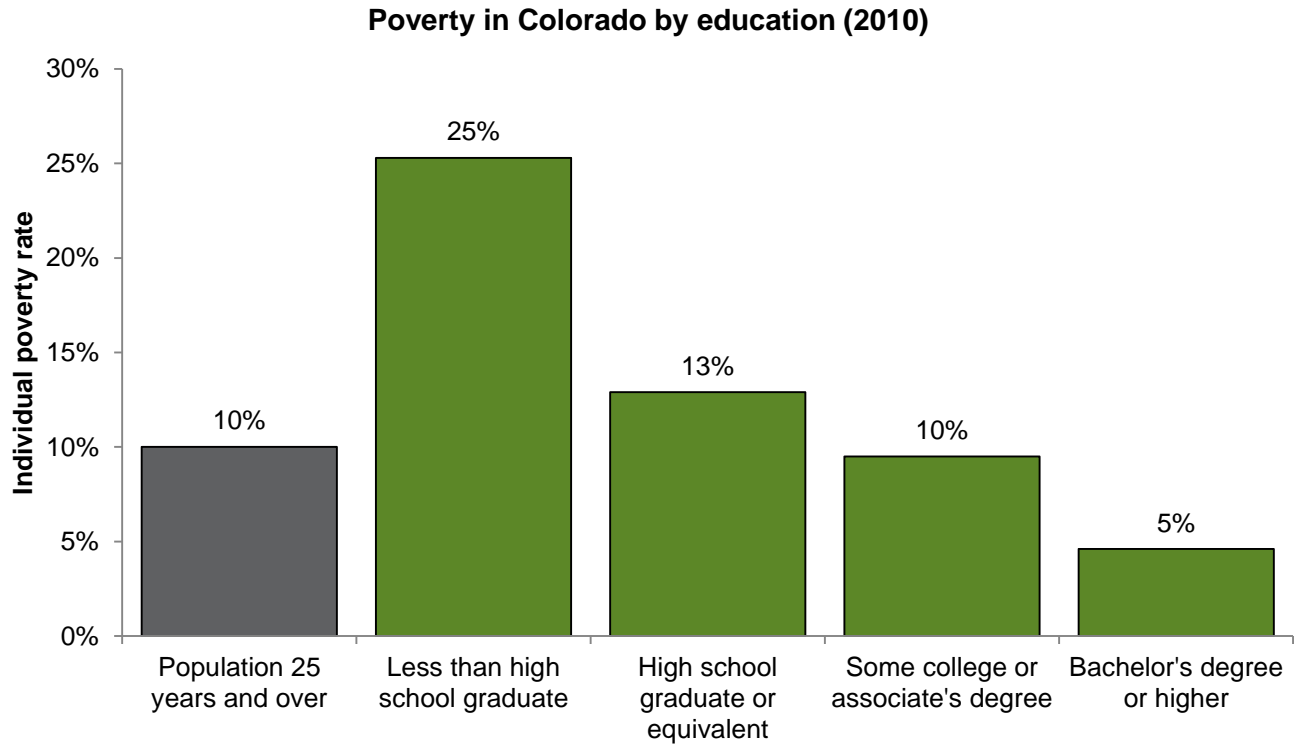
¹⁸ Colorado Children's Campaign analysis of U.S. Census American Community Survey, 2000-2010.

¹⁹ U.S. Census Bureau American Community Survey, 2009

Poverty and education

As is the case with employment and income, the education one receives has a direct effect on the likelihood of living in poverty. The less education a person has received, the less money he or she is likely to make, and consequently the more likely he or she is to have income less than the federal poverty level. In 2010, about one-quarter of Coloradans without a high school diploma were living with incomes less than below the federal poverty level. (Figure 41) Once again, the necessity of providing access to quality education for all Coloradans in helping to reduce poverty is clear.

Figure 41

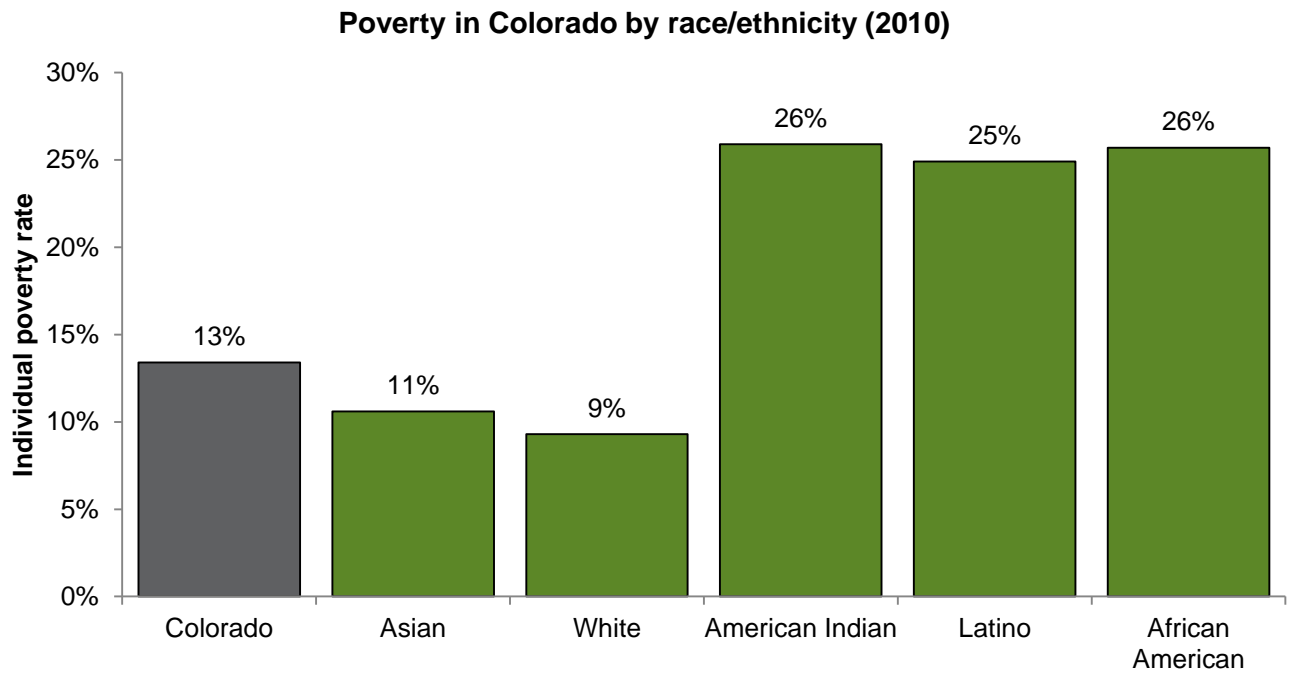


Source: U.S. Census Bureau American Community Survey. Rates based on 100 percent FPL

Poverty and race/ethnicity

Like income, poverty in Colorado affects some race and ethnic groups more so than others. In 2010, about one-quarter of American Indians, Latinos and African Americans lived with incomes less than the federal poverty level, compared to roughly one in 10 whites and Asians. (Figure 42)

Figure 42



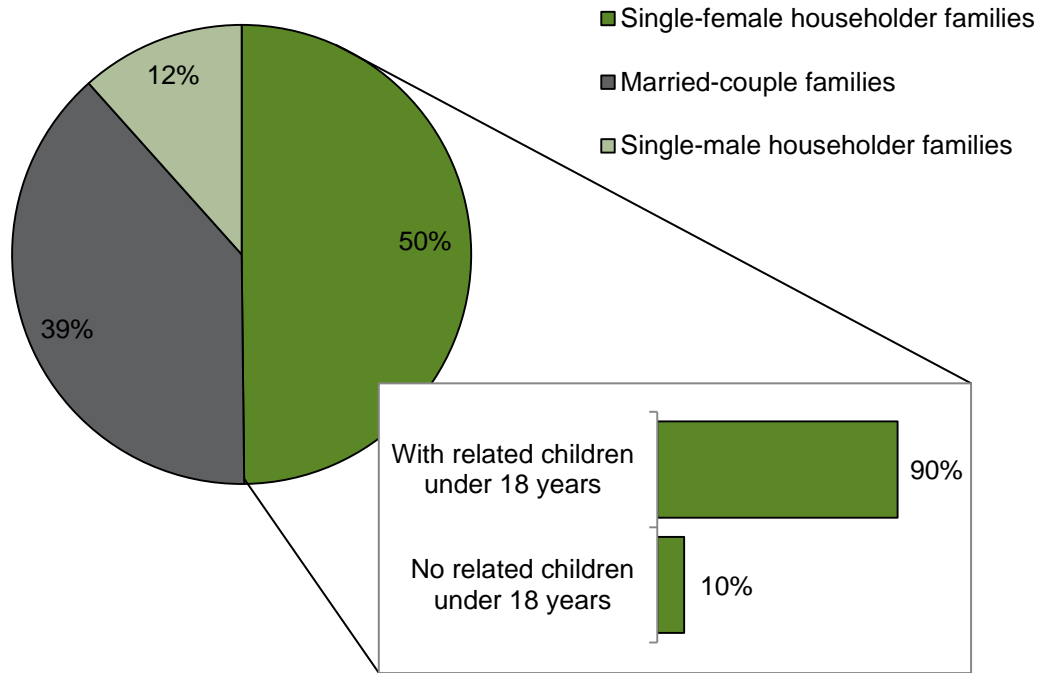
Source: U.S. Census Bureau American Community Survey
Rates based on 100 percent FPL

Poverty and household type

Not all family types are equally susceptible to poverty. Of those families living in poverty in Colorado, half are single-female households, while about 12 percent are single-male households. (Figure 43) Of those single-female households, 90 percent are women supporting children. (Figure 43)

Figure 43

Colorado family types below federal poverty level are overwhelmingly single women with children (2010)

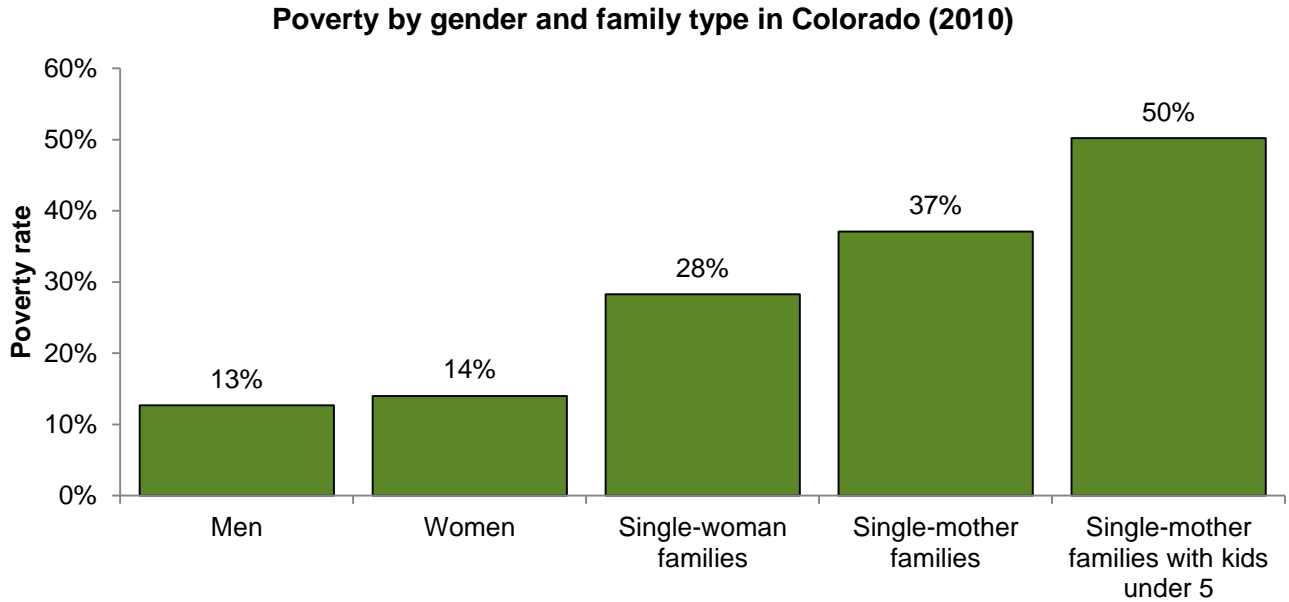


Source: U.S. Census Bureau American Community Survey

Women in poverty

Women are generally harder hit by poverty in Colorado than men, especially single-mother families. Disturbingly, 50 percent of all single-mothers with children under five live below the poverty line. (Figure 44) This statistic highlights the serious need for public policy to facilitate adequate family support systems like child care.

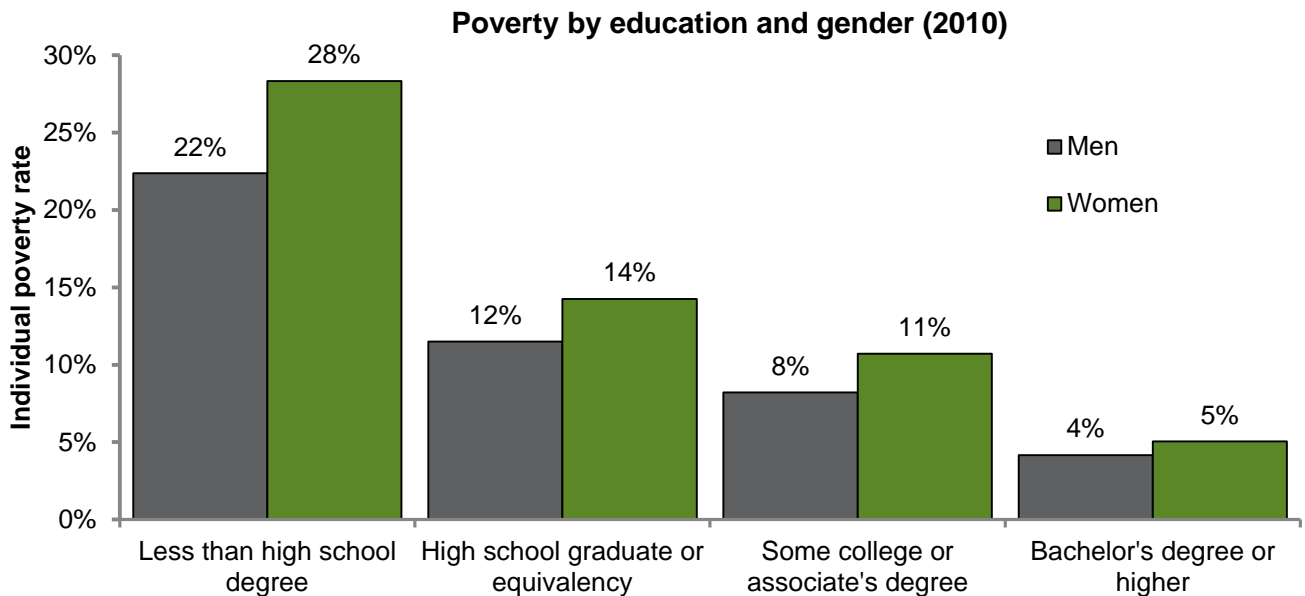
Figure 44



Source: U.S. Census Bureau American Community Survey. Rates based on 100 percent FPL

Though more education helps reduce one’s likelihood of living in poverty, gender disparities in pay contribute to a persistent gap in the likelihood of men and women living in poverty. Even with higher level of education, a higher percentage of women live in poverty than do men. (Figure 45)

Figure 45



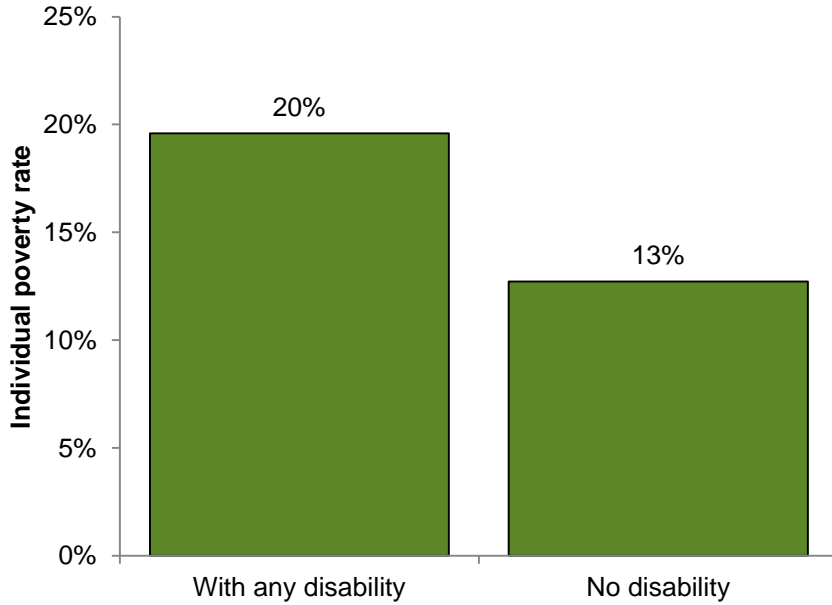
*Source: U.S. Census Bureau American Community Survey
Rates based on 100 percent FPL*

Poverty and disability

People with disabilities in Colorado experience a rate of poverty roughly 50 percent higher than those Coloradans without a disability.²⁰ One in five Coloradans with a disability lived in poverty in 2010, compared to a little more than one in 10 without a disability. (Figure 46)

Figure 46

Colorado poverty by disability status (2010)



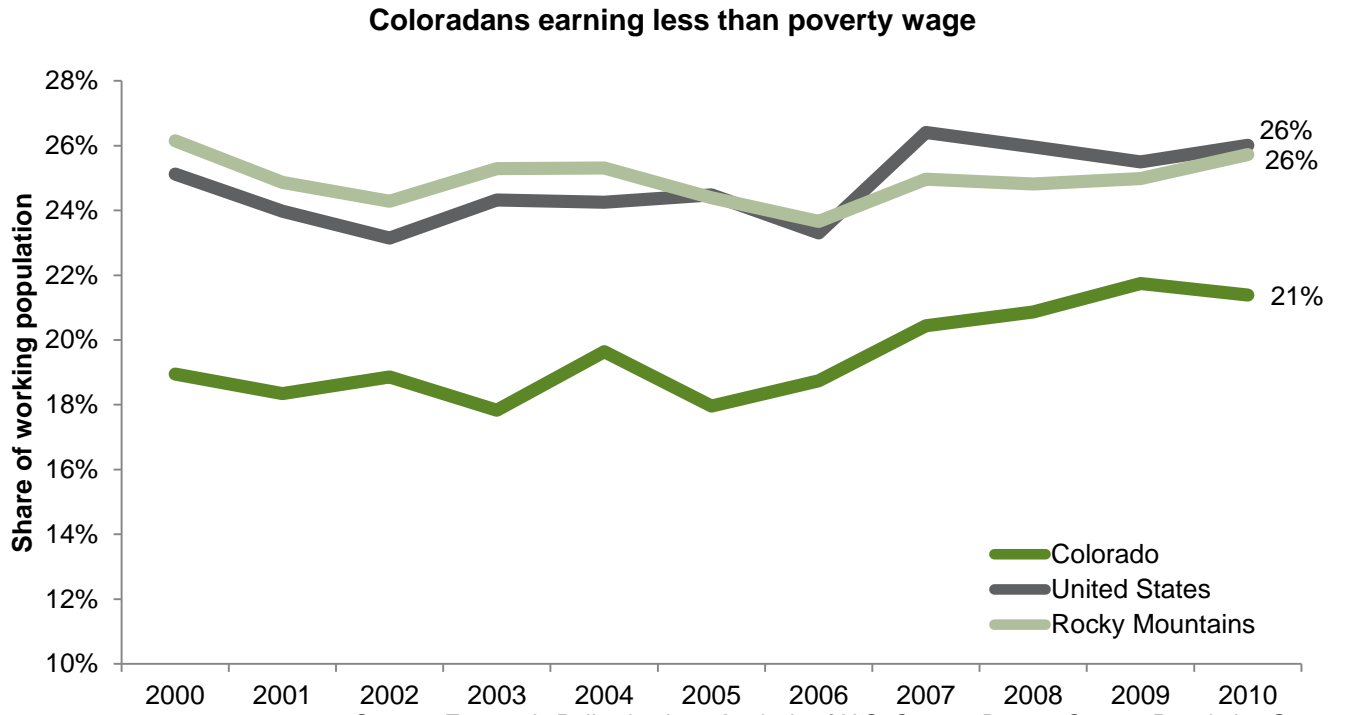
Source: U.S. Census Bureau American Community Survey. Rates based on 100 percent FPL.

²⁰ The ACS defines disability as, “serious difficulty with four basic areas of functioning – hearing, vision, cognition, and ambulation.” For more on ACS disability status determination, see: “American Community Survey: 2010 Subject Definitions,” U.S. Census Bureau.

Poverty wage

The poverty wage is the hourly wage equivalent of the federal poverty level. This number is calculated by dividing the annual federal poverty income level by the number of hours worked a year to arrive at a dollar-per-hour amount. Using the poverty level for a family of four, the 2010 poverty wage was \$10.73 per hour. In 2010, 21 percent of working-age Coloradans earned less than the poverty wage. (Figure 47) That means more than one in five Coloradans, working full time, were not able to earn enough to stay out of poverty. Those rates were even higher for both the region and nation as a whole. (Figure 47)

Figure 47



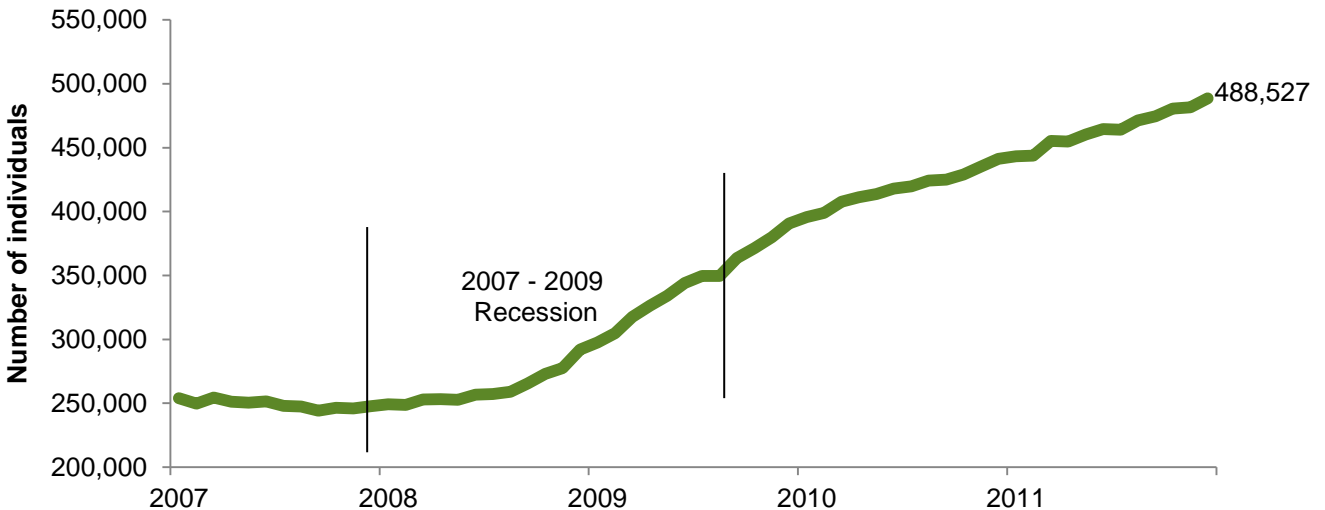
Source: Economic Policy Institute Analysis of U.S. Census Bureau Current Population Survey
The hourly poverty wage was \$10.73 in 2010 (based on poverty threshold for a family of four).

Food assistance

The 2007 recession accelerated Coloradans increasing reliance on food assistance provided by the U.S. Department of Agriculture’s Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps. Since 2007, food stamp use in Colorado has increased by 97 percent, in other words, almost twice as many Coloradans were enrolled in food stamps at the end of 2011 than were at the end of 2007. (Figure 48) That’s about 241,000 more Coloradans on food stamps.²¹ In December 2011, an estimated 488,527 Coloradans were enrolled in the program. Coloradans’ increased reliance on food assistance highlights the continued pain of the recession.

Figure 48

Colorado food stamp enrollment continues to grow after recession



Source: Analysis of U.S. Department of Agriculture SNAP program data (through December 2011)

Food stamp enrollment does not fully reflect hunger in Colorado. The most recent count from 2009 showed only 62 percent of Coloradans eligible for food stamps were enrolled. That ranks 45th among the states.²²

Many in Colorado are not able to access the food assistance they need because of problems with the state’s system of administering the food assistance. Eligible clients are required to complete a 26-page application, show multiple forms of identification and lawful residence documents, and verify income every three to six months.

The Colorado Benefits Management System (CBMS) presents additional difficulties. CBMS is used to administer many of Colorado’s assistance programs, and problems with the system create barriers to access of benefits for families at poverty level. Introduced in 2004, CBMS has consistently failed to deliver timely application processing, and has exhibited unreliable performance. Colorado needs to improve CBMS and its administration of assistance programs to ensure eligible families get the help they need.

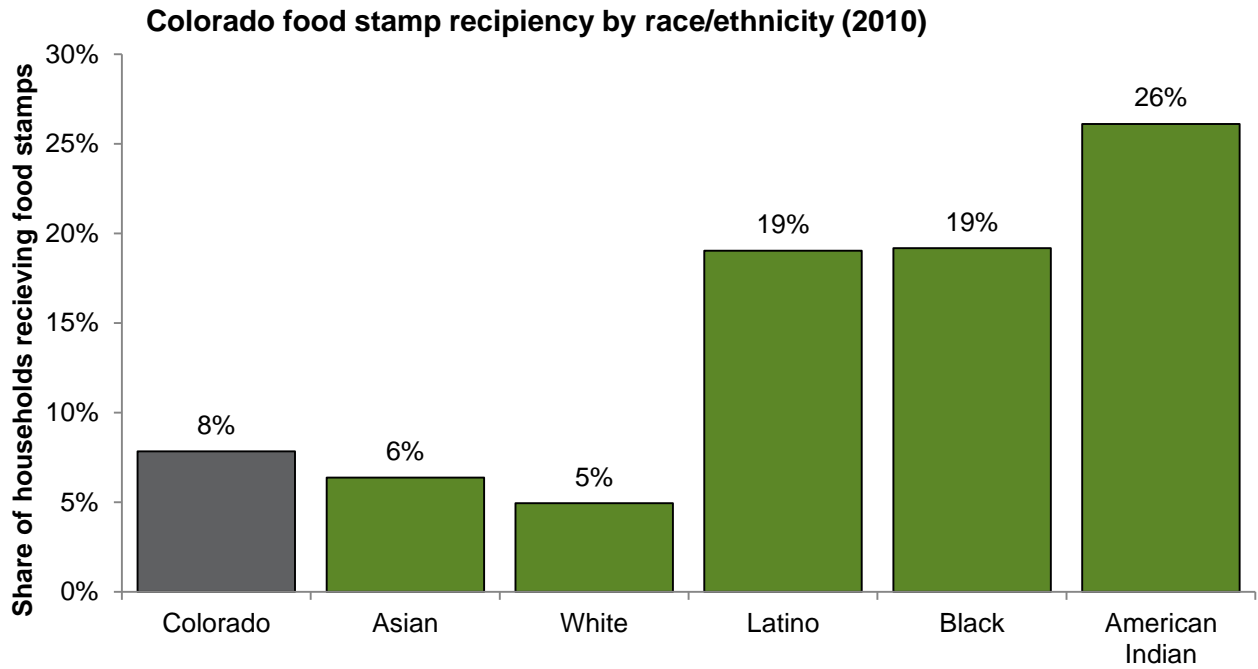
²¹ Analysis of U.S. Department of Agriculture SNAP program data, provided by: “Latest Available Month - State Level Participation,” *U.S. Department of Agriculture Food and Nutrition Service*, Accessed March 2012.

²² “State Supplemental Nutrition Assistance Program Participation Rates in 2009,” *U.S. Department of Agriculture: Food and Nutrition Service*, December 2011.

Food assistance by race/ethnicity

Food stamp reciprocity varies enormously by race and ethnicity in Colorado. While 5 percent of white households received food stamps in 2010, Latino and black households relied on food stamps almost four times that rate, and American Indian households more than five times that rate. (Figure 49)

Figure 49



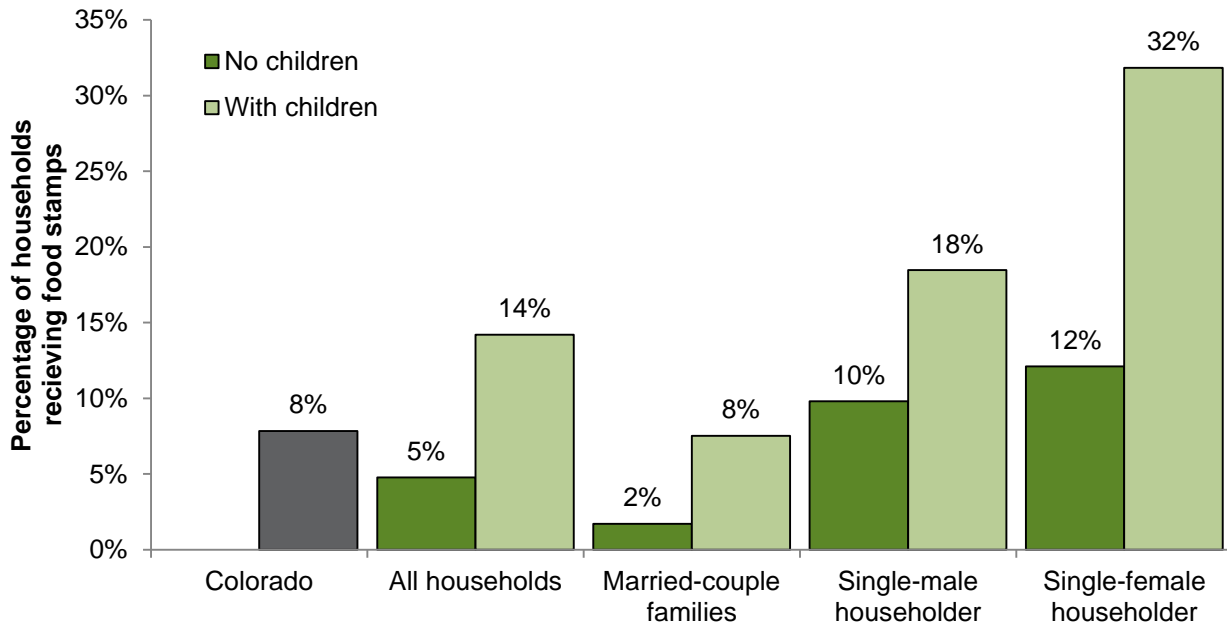
Source: U.S. Census Bureau American Community Survey

Families and food assistance

Among Colorado households, three distinctions emerge with respect to food stamps. First, single-parent homes have higher food stamp reciprocity rates than married-couple homes. Second, among single-parent homes, single-mother households have higher rates than single-father homes. Finally, across the board households with children have dramatically higher rates of food stamp reciprocity than childless households. (Figure 50) In 2010, single-mother families in Colorado relied on food stamps at roughly four times that rate of the state average. (Figure 50)

Figure 50

Colorado food stamp reciprocity by family type

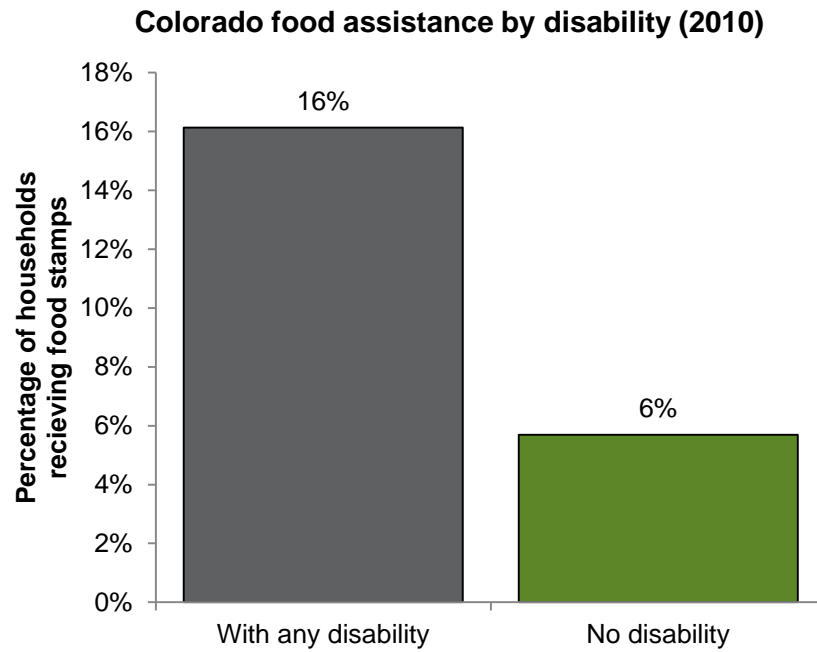


Source: U.S. Census Bureau American Community Survey
With/without children refers to the presence of children under the age of 18 in the household.

Food assistance and disability

Colorado households with disabilities rely on food stamps at a higher rate. In 2010, 16 percent of households with one or more disabled people received food stamps, compared to 6 percent of nondisabled households. (Figure 51)

Figure 51



Source: U.S. Census Bureau American Community Survey
Households "with any disability" have one or more persons with a disability.

County poverty and hunger

There is great variation in poverty and hunger across the state. Among the 11 out of 64 counties included in the American Community Survey's data,²³ poverty rates range from almost 22 percent in Denver County to 3 percent in Douglas County. Food stamp enrollment ranges from about 16 percent in Pueblo County to less than 2 percent in Douglas County. (Figure 52) Those data suggest a state-level examination of poverty only scratches the surface when looking at poverty and economic security in Colorado.

Figure 52

COLORADO POVERTY AND FOOD ASSISTANCE BY COUNTY (2010)				
	Individual poverty rate	Individuals in poverty	Households receiving food stamps	Households receiving food stamps
Colorado	13.4%	659,786	7.8%	153,681
Denver County	21.6%	127,754	11.6%	30,341
Pueblo County	20%	31,169	15.8%	9,920
Mesa County	16.4%	23,249	11%	6,314
Weld County	14.9%	37,004	9.2%	8,236
Boulder County	14.7%	41,754	4.8%	5,734
Larimer County	14.3%	41,800	6.1%	7,197
El Paso County	13.5%	82,496	8.9%	20,823
Adams County	13.1%	57,593	8.6%	12,952
Arapahoe County	11.7%	66,574	7%	15,708
Jefferson County	8.9%	46,890	4.9%	10,656
Douglas County	3.3%	9,493	1.6%	1,666

Source: U.S. Census Bureau American Community Survey

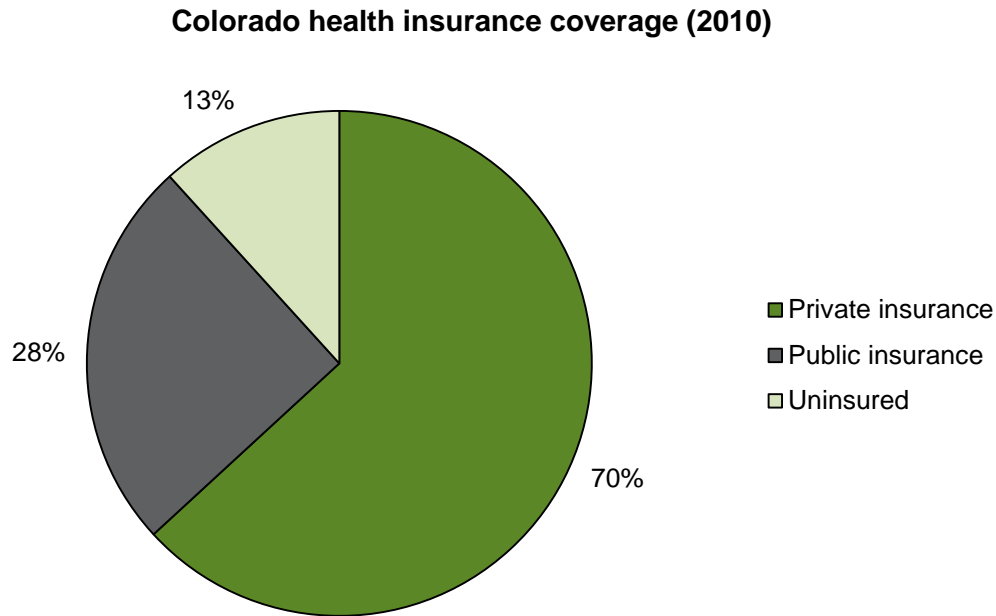
²³ ACS one-year estimates are for localities with 65,000 or more residents.

CHAPTER FIVE: HEALTH CARE

Health insurance coverage

While a majority of Coloradans have health insurance, many continue to go without it. In 2010, 13 percent of Colorado residents were uninsured. (Figure 52) That is the 18th highest rate of uninsurance in the nation.²⁴ Of insured Coloradans, most were covered under private health insurance, a growing segment was covered by government programs, and a small share was covered by both. (Figures 53 and 55) The “both” category is not broken out separately, but is included as a part of the public and private shared. Overall, 13 percent of Coloradans reported having no health insurance.

Figure 53



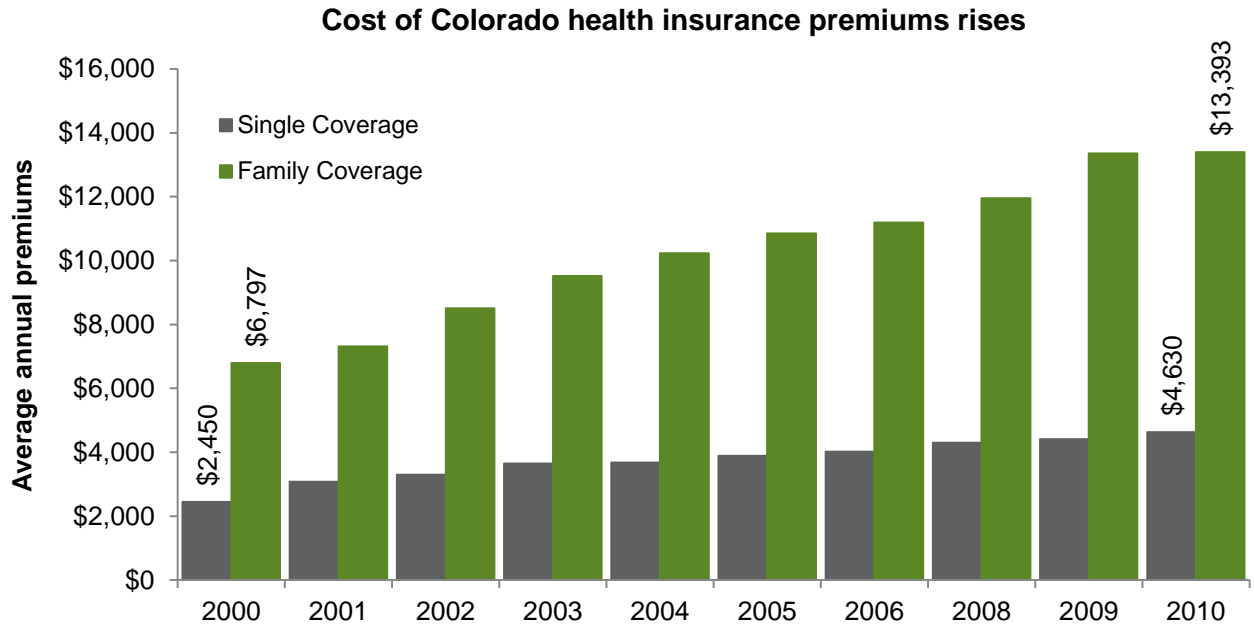
Source: EPI analysis of U.S. Census Bureau Current Population Survey (Annual Social and Economic Supplement)
Private and government coverage are not mutually exclusive, and totals add to more than 100 percent. Overall, 87percent reported having health insurance, and 16 percent reported no health insurance.

²⁴ U.S. Census Bureau American Community Survey, 2010

Health insurance coverage over time

Increased cost is a prominent trend in Colorado health insurance. In 2000, the average annual premium in Colorado was \$2,450 for single coverage and \$6,797 for family coverage. In 2010, those costs were \$4,650 and \$13,393 respectively. That represents a 94 percent increase in single coverage premiums, and a 97 percent increase in family coverage premiums.²⁵ (Figure 54)

Figure 54



Source: Colorado Department of Regulatory Agencies. Data are for employees of private-sector companies that offer health insurance

At the same time that costs are rising, the burden of payment is falling increasingly on Coloradans. In 2000, Colorado employers asked their workers to pay 17 percent of premiums for individual coverage and 23 percent of premiums for family coverage. From 2007 through 2009, Colorado employees were asked to pay a higher percentage of their health premiums than the national average. In 2010, Colorado's premium averages more closely match the U.S. as a whole with employees paying 19 percent for individual coverage and 21 percent for family coverage.²⁶

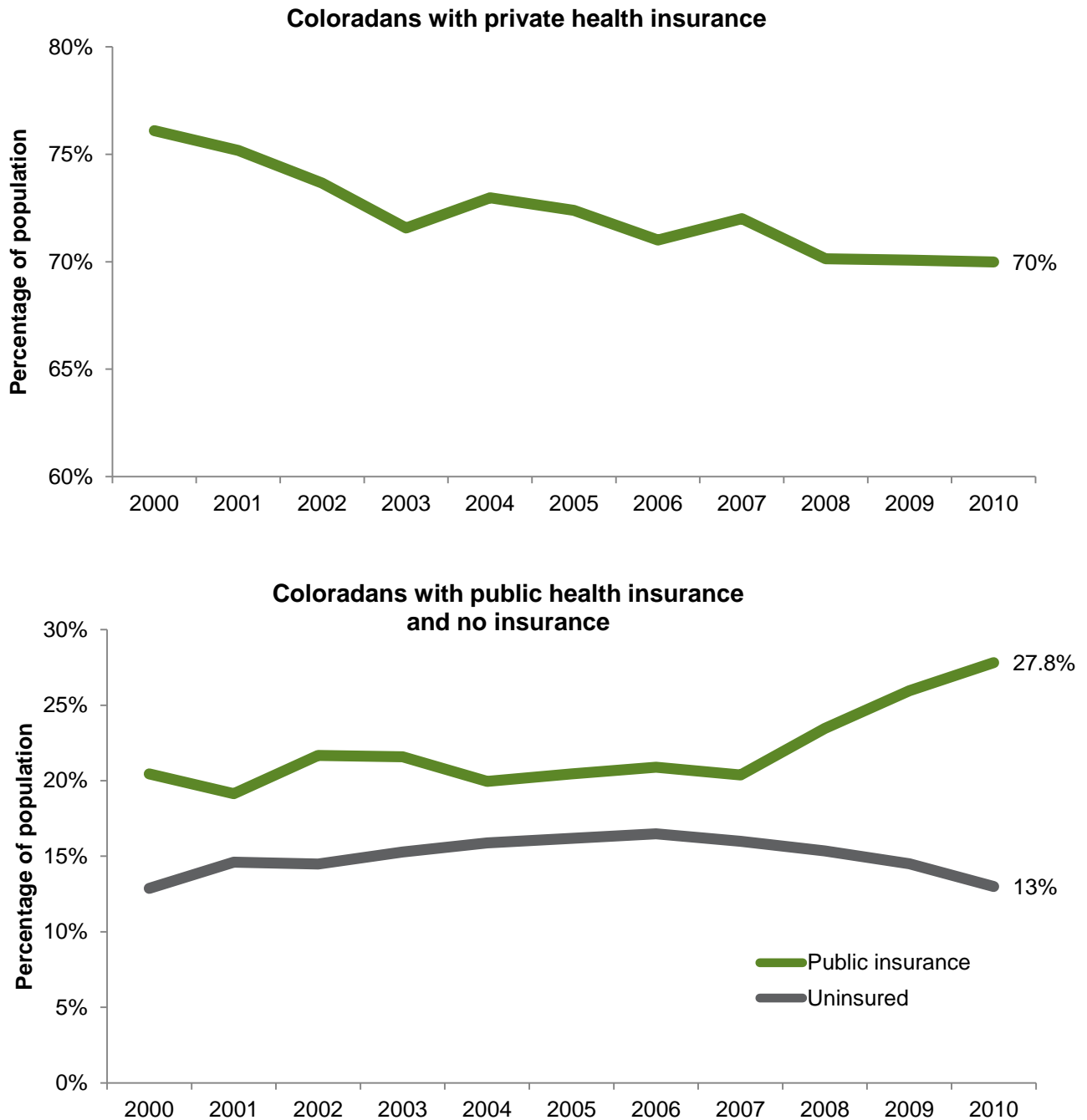
²⁵ "Annual Report of the Commissioner of Insurance on 2011 Health Insurance Costs," *Colorado Department of Regulatory Agencies: Report to the Colorado General Assembly, Feb. 2012*

²⁶ Ibid

Public health insurance fills the gap

Private health insurance coverage in Colorado has declined over the decade. Yet, the overall uninsurance rate has remained relatively stable despite the 2001 and 2007 recessions, which caused a large decrease in the share of Coloradans covered by employer-sponsored insurance. That stability is due to the availability of the state's public health insurance programs such as Medicaid and the Child Health Plan Plus (CHP+) program. These programs have filled the gap created by declining private health insurance. (Figure 55) The fact that uninsurance rates in Colorado actually declined modestly amid the worst recession since the Great Depression is a testament to the effectiveness and necessity of our public insurance programs. As unemployment rates increased, more Coloradans turned to public programs for health insurance.

Figure 55



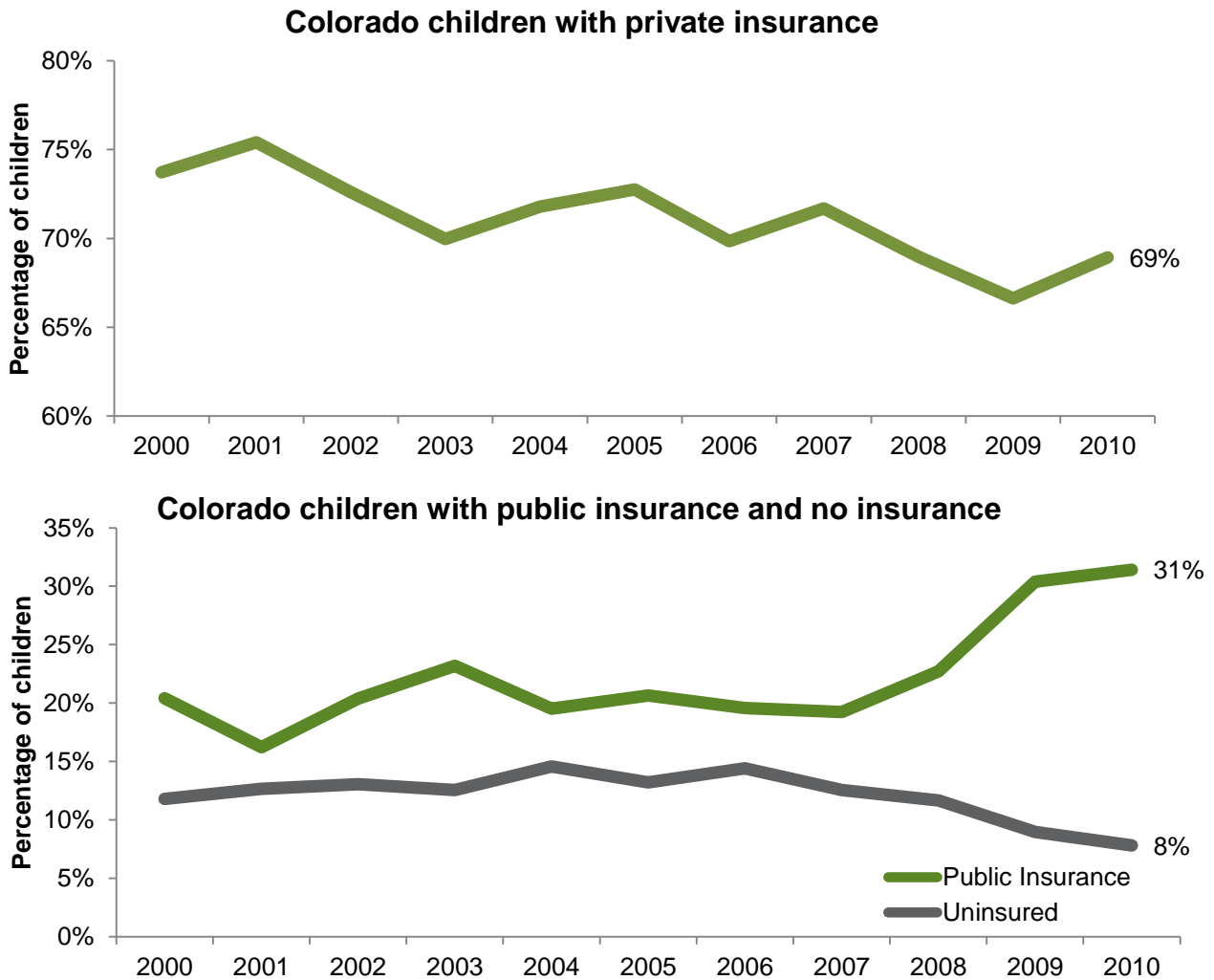
Source: EPI analysis of U.S. Census Bureau Current Population Survey (Annual Social and Economic Supplement)

Child health coverage

Children are generally dependent on their parents or guardians for health insurance coverage, and the availability of consistent, high-quality coverage and health care are indicators of overall child health and the ability to excel.

Consistent with other health coverage trends, a higher percentage of children are publically insured today than at the beginning of the 2000s. The recessionary surge in children covered by public programs has been dramatic — up from 19 percent of children covered by Medicaid and Child Health Plan Plus (CHP+) in 2007 to 31 percent in 2010. (Figure 56) Thanks to those public health insurance programs, the share of Colorado children who are uninsured has declined since the recession to 8 percent. That number is still high compared to other states, as Colorado has the 10th highest rate of uninsured children in the nation.²⁷

Figure 56



Source: EPI analysis of U.S. Census Bureau Current Population Survey (Annual Social and Economic Supplement)

²⁷ U.S. Census Bureau American Community Survey, 2010

Medicaid and CHP+

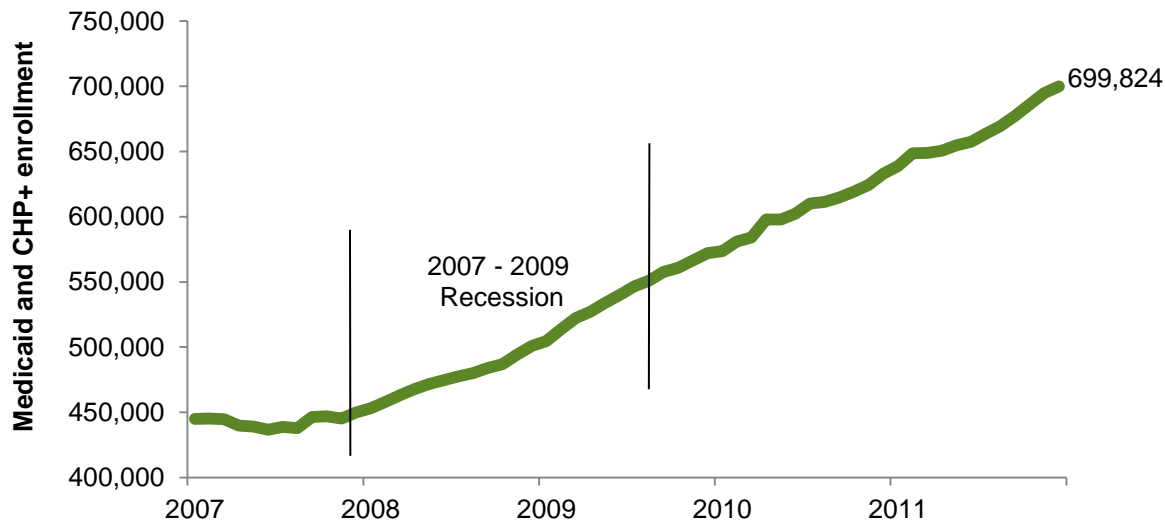
In recent years, Colorado has seen consistent and substantial caseload growth in Medicaid and the Child Health Plan Plus (CHP+), public health insurance programs that cover low-income parents, pregnant women, children and people with disabilities. Enrollment growth in those programs accelerated during the 2007 recession and continues to outpace population growth. (Figure 57-58) Just over half-way through state fiscal year 2011-12, Medicaid and CHP+ enrollment had grown by 45,000 people, with the programs serving 699,824 Coloradans.²⁸ As the effects of the recession reverberate, those programs continue to be crucial in providing health and security for vulnerable Coloradans.

In Colorado, Medicaid and CHP+ enrollment does not fully represent need. Many Coloradans are eligible but not enrolled (EBNE) in these programs. The most recent count in 2009 showed 28 percent of eligible adults (ages 19-64) were not enrolled in Medicaid (26,900 EBNE adults). The same year, 20 percent of eligible children (ages 0-18) were not enrolled in Medicaid or CHP+ (78,437 EBNE kids).²⁹

Colorado's sizeable EBNE populations are partially a result of problems with the state's system of administering medical assistance programs. The Colorado Benefits Management System (CBMS), the computer system used to administer many of Colorado's assistance programs, is a major contributor to the problem. Introduced in 2004, CBMS has consistently failed to deliver timely application processing, and has exhibited unreliable performance. Colorado needs to improve CBMS and its administration of assistance programs to ensure eligible families get the help they need.

Figure 57

Public health insurance enrollment increases steadily

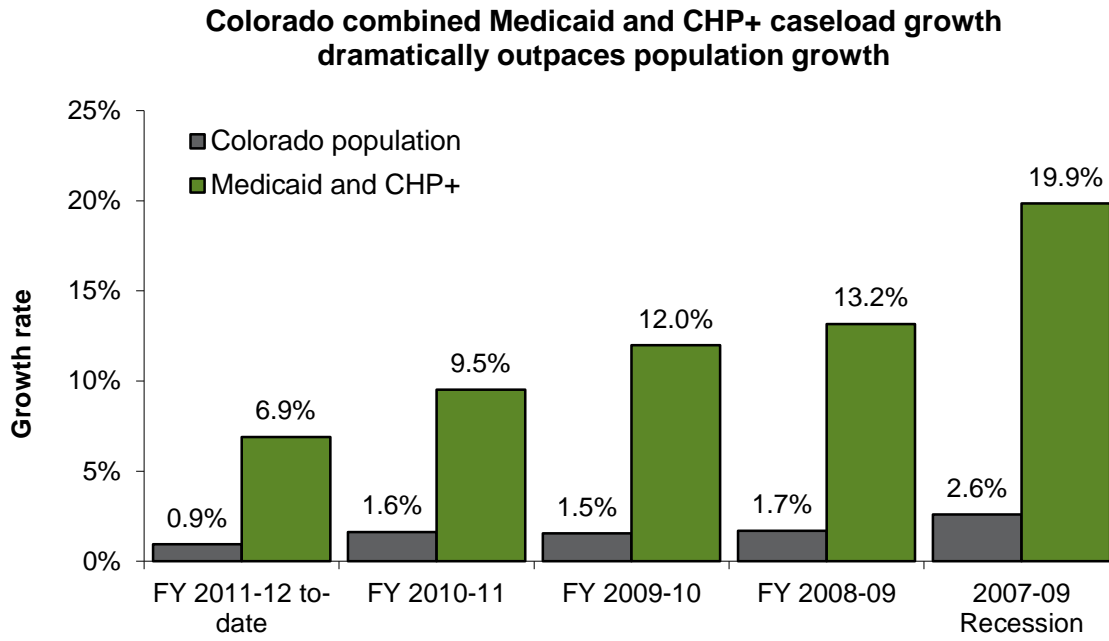


Source: Analysis of Department of Health Care Policy and Financing (data through January 2012)

²⁸ Analysis of "Premiums, Expenditures and Caseload Report," *Colorado Department of Health Care Policy Financing*, January 2012 report.

²⁹ Health insurance and uninsurance data: Eligible but not enrolled, *Colorado Health Institute*, Accessed February 2012.

Figure 58



Source: Analysis of Department of Health Care Policy and Financing and Colorado Legislative Council data
The 2007 recession lasted from December 2007 to June 2009. Data are through December 2011.

Health insurance across the state

Public health insurance rates varied considerably across Colorado counties in 2010. In counties where data are available, overall uninsured rates range from a low of 5.6 percent in Douglas County to a high of 25.3 percent in Mesa County. Douglas and Mesa counties also represent the extremes of child uninsurance with 19 percent of Mesa County children uninsured and 2 percent of Douglas County children uninsured. Public insurance coverage ranged from a low of 11 percent in Douglas County to a high of 38 percent in Pueblo County. (Figure 59)

Figure 59

COLORADO INSURANCE COVERAGE BY COUNTY (2009)						
	UNINSURANCE		CHILD UNINSURANCE		PUBLIC HEALTH INSURANCE	
	Uninsurance rate (individuals younger than 65)	Uninsured individuals (younger than 65)	Child uninsurance rate	Uninsured kids	Percentage of individuals (all ages) with public health insurance	Individuals (all ages) with public health insurance
Colorado	17.8%	786,087	10.1%	124,128	23.8%	1,179,736
Mesa County	25.3%	31,031	19.1%	6,560	30.7%	44,145
Adams County	24.4%	98,636	14.1%	17,870	23.3%	102,577
Denver County	20.4%	109,223	11.3%	14,570	28.9%	172,728
Pueblo County	19.8%	26,534	9.5%	3,274	37.7%	59,219
Arapahoe County	18.4%	94,307	9.7%	14,330	22.5%	127,780
Weld County	17.7%	40,305	9.5%	6,727	24.2%	60,690
El Paso County	16.6%	89,199	7.8%	12,776	24.3%	145,409
Jefferson County	15.2%	70,563	11%	13,027	21.5%	114,139
Larimer County	14.1%	37,030	6.4%	4,074	22%	65,745
Boulder County	12.7%	33,529	7.2%	4,501	18.1%	52,844
Douglas County	5.6%	15,019	2.3%	2,024	11.3%	32,484

U.S. Census Bureau American Community Survey

CONCLUSION

The Great Recession has raised unemployment to historic highs. As a result, poverty, enrollment in food programs, and reliance on public health coverage have increased dramatically. Also troubling, although economic hardship has been widespread, not all have been hurt equally. Racial and ethnic minorities, women, and the less educated have been disproportionately hit. Economic gains are going more to the wealthiest, while workers are increasingly productive and have little to show for it.

Even amid the crisis, Colorado maintained lower levels of unemployment and poverty than the nation as a whole. The state continues to attract and retain a highly educated workforce, which helps to maintain incomes above much of the nation. Moreover, the percentage of people without health insurance is decreasing, albeit slowly. Past public investments caught Colorado workers as they fell through recession, and they remain critical to rebuild and strengthen the state.

Now is the time for Colorado to renew its commitment to its workers and their prosperity. As the state continues to move through a tentative recovery, residents will need to ask difficult questions about their willingness to invest in services to move the state and its workers forward. Colorado's leaders should strive to organize society so that individuals and families can achieve their economic potential.

APPENDIX 1

2010 POVERTY THRESHOLDS BY SIZE OF FAMILY AND NUMBER OF RELATED CHILDREN UNDER 18 YEARS									
SIZE OF FAMILY UNIT	RELATED CHILDREN UNDER 18 YEARS								
	NONE	ONE	TWO	THREE	FOUR	FIVE	SIX	SEVEN	EIGHT OR MORE
One person (unrelated individual)									
Under 65 years	\$11,369								
65 years and over	\$10,481								
Two people									
Householder under 65 years	\$14,634	\$15,063							
Householder 65 years and over	\$13,209	\$15,006							
Three people	\$17,094	\$17,590	\$17,607						
Four people	\$22,541	\$22,910	\$22,162	\$22,239					
Five people	\$27,183	\$27,579	\$26,734	\$26,080	\$25,681				
Six people	\$31,266	\$31,390	\$30,743	\$30,123	\$29,201	\$28,654			
Seven people	\$35,975	\$36,199	\$35,425	\$34,885	\$33,880	\$32,707	\$31,420		
Eight people	\$40,235	\$40,590	\$39,860	\$39,219	\$38,311	\$37,158	\$35,958	\$35,653	
Nine people or more	\$48,400	\$48,635	\$47,988	\$47,445	\$46,553	\$45,326	\$44,217	\$43,942	\$42,249

Source: U.S. Census Bureau

APPENDIX 2

The cost of meeting basic needs varies dramatically among Colorado’s 64 counties, ranging from \$30,089 in Kit Carson County to \$66,607 in Pitkin County for a family with one adult, one preschooler and one school-age child. The annual median wage for many common occupations is less than the Self-Sufficiency Standard in some counties.

Working as a retail salesperson is the most common Colorado occupation, representing 3 percent of the state’s workers. With median hourly earnings of \$11.23 per hour (median annual earnings of \$23,358), the top occupation in Colorado provides workers with earnings that are less than half of the standard for that family type in Larimer County.

The following table is adapted from the Self-Sufficiency Standard for Colorado 2011, released Oct. 28, 2011, available online at <http://bit.ly/cosss2011>. Wages are adjusted for inflation using the West region Consumer Price Index from the Bureau of Labor Statistics.

Annual median wage for select occupations												
	All occupations	Retail salespersons	Secretaries, administrative assistants, except medical, legal and executive	Cashiers	Registered nurses	Waiters and waitresses	Customer service representatives	General and operations managers	Business operations specialists all other	Janitors and cleaners except maids and housekeeping cleaners	Sales representatives wholesale and manufacturing except technical and scientific products	
	\$37,836	\$23,358	\$33,700	\$19,644	\$68,089	\$18,573	\$32,238	\$98,084	\$65,269	\$22,370	\$54,197	
Annual median wage as a percentage of the Self-Sufficiency Standard for each occupation												
Annual Self-Sufficiency Standard for one adult, one preschooler and one school-age child	\$54,893	69%	43%	61%	36%	124%	34%	59%	179%	119%	41%	99%
Adams	\$37,435	101%	62%	90%	52%	182%	50%	86%	262%	174%	60%	145%
Alamosa	\$54,117	70%	43%	62%	36%	126%	34%	60%	181%	121%	41%	100%
Arapahoe	\$41,149	92%	57%	82%	48%	165%	45%	78%	238%	159%	54%	132%
Archuleta	\$31,791	119%	73%	106%	62%	214%	58%	101%	309%	205%	70%	170%
Baca	\$37,319	101%	63%	90%	53%	182%	50%	86%	263%	175%	60%	145%
Bent	\$60,567	62%	39%	56%	32%	112%	31%	53%	162%	108%	37%	89%
Boulder												

Annual median wage for select occupations												
		All occupations	Retail salespersons	Secretaries, administrative assistants, except medical, legal and executive	Cashiers	Registered nurses	Waiters and waitresses	Customer service representatives	General and operations managers	Business operations specialists all other	Janitors and cleaners except maids and housekeeping cleaners	Sales representatives wholesale and manufacturing except technical and scientific products
		\$37,836	\$23,358	\$33,700	\$19,644	\$68,089	\$18,573	\$32,238	\$98,084	\$65,269	\$22,370	\$54,197
Annual Self-Sufficiency Standard for one adult, one preschooler and one school-age child		Annual median wage as a percentage of the Self-Sufficiency Standard for each occupation										
Broomfield	\$58,916	64%	40%	57%	33%	116%	32%	55%	166%	111%	38%	92%
Chaffee	\$38,830	97%	60%	87%	51%	175%	48%	83%	253%	168%	58%	140%
Cheyenne	\$44,753	85%	52%	75%	44%	152%	42%	72%	219%	146%	50%	121%
Clear Creek	\$50,215	75%	47%	67%	39%	136%	37%	64%	195%	130%	45%	108%
Conejos	\$34,409	110%	68%	98%	57%	198%	54%	94%	285%	190%	65%	158%
Costilla	\$34,034	111%	69%	99%	58%	200%	55%	95%	288%	192%	66%	159%
Crowley	\$31,035	122%	75%	109%	63%	219%	60%	104%	316%	210%	72%	175%
Custer	\$38,333	99%	61%	88%	51%	178%	48%	84%	256%	170%	58%	141%
Delta	\$38,579	98%	61%	87%	51%	176%	48%	84%	254%	169%	58%	140%
Denver	\$50,243	75%	46%	67%	39%	136%	37%	64%	195%	130%	45%	108%
Dolores	\$34,050	111%	69%	99%	58%	200%	55%	95%	288%	192%	66%	159%
Douglas	\$63,607	59%	37%	53%	31%	107%	29%	51%	154%	103%	35%	85%
Eagle	\$62,297	61%	37%	54%	32%	109%	30%	52%	157%	105%	36%	87%
El Paso	\$47,300	80%	49%	71%	42%	144%	39%	68%	207%	138%	47%	115%
Elbert	\$46,955	81%	50%	72%	42%	145%	40%	69%	209%	139%	48%	115%
Fremont	\$36,951	102%	63%	91%	53%	184%	50%	87%	265%	177%	61%	147%

Annual median wage for select occupations												
	All occupations	Retail salespersons	Secretaries, administrative assistants, except medical, legal and executive	Cashiers	Registered nurses	Waiters and waitresses	Customer service representatives	General and operations managers	Business operations specialists all other	Janitors and cleaners except maids and housekeeping cleaners	Sales representatives wholesale and manufacturing except technical and scientific products	
	\$37,836	\$23,358	\$33,700	\$19,644	\$68,089	\$18,573	\$32,238	\$98,084	\$65,269	\$22,370	\$54,197	
Annual Self-Sufficiency Standard for one adult, one preschooler and one school-age child	Annual median wage as a percentage of the Self-Sufficiency Standard for each occupation											
Garfield	\$55,462	68%	42%	61%	35%	123%	33%	58%	177%	118%	40%	98%
Gilpin	\$49,712	76%	47%	68%	40%	137%	37%	65%	197%	131%	45%	109%
Grand	\$47,796	79%	49%	71%	41%	142%	39%	67%	205%	137%	47%	113%
Gunnison	\$47,500	80%	49%	71%	41%	143%	39%	68%	206%	137%	47%	114%
Hinsdale	\$47,535	80%	49%	71%	41%	143%	39%	68%	206%	137%	47%	114%
Huerfano	\$32,208	117%	73%	105%	61%	211%	58%	100%	305%	203%	69%	168%
Jackson	\$42,860	88%	54%	79%	46%	159%	43%	75%	229%	152%	52%	126%
Jefferson	\$55,620	68%	42%	61%	35%	122%	33%	58%	176%	117%	40%	97%
Kiowa	\$30,655	123%	76%	110%	64%	222%	61%	105%	320%	213%	73%	177%
Kit Carson	\$30,089	126%	78%	112%	65%	226%	62%	107%	326%	217%	74%	180%
La Plata	\$46,070	82%	51%	73%	43%	148%	40%	70%	213%	142%	49%	118%
Lake	\$50,917	74%	46%	66%	39%	134%	36%	63%	193%	128%	44%	106%
Larimer	\$51,435	74%	45%	66%	38%	132%	36%	63%	191%	127%	43%	105%
Las Animas	\$37,245	102%	63%	90%	53%	183%	50%	87%	263%	175%	60%	146%
Lincoln	\$34,070	111%	69%	99%	58%	200%	55%	95%	288%	192%	66%	159%
Logan	\$36,931	102%	63%	91%	53%	184%	50%	87%	266%	177%	61%	147%

Annual median wage for select occupations												
		All occupations	Retail salespersons	Secretaries, administrative assistants, except medical, legal and executive	Cashiers	Registered nurses	Waiters and waitresses	Customer service representatives	General and operations managers	Business operations specialists all other	Janitors and cleaners except maids and housekeeping cleaners	Sales representatives wholesale and manufacturing except technical and scientific products
		\$37,836	\$23,358	\$33,700	\$19,644	\$68,089	\$18,573	\$32,238	\$98,084	\$65,269	\$22,370	\$54,197
Annual Self-Sufficiency Standard for one adult, one preschooler and one school-age child	Annual median wage as a percentage of the Self-Sufficiency Standard for each occupation											
Mesa	\$43,084	88%	54%	78%	46%	158%	43%	75%	228%	151%	52%	126%
Mineral	\$45,054	84%	52%	75%	44%	151%	41%	72%	218%	145%	50%	120%
Moffat	\$45,630	83%	51%	74%	43%	149%	41%	71%	215%	143%	49%	119%
Montezuma	\$41,331	92%	57%	82%	48%	165%	45%	78%	237%	158%	54%	131%
Montrose	\$41,830	90%	56%	81%	47%	163%	44%	77%	234%	156%	53%	130%
Morgan	\$33,231	114%	70%	101%	59%	205%	56%	97%	295%	196%	67%	163%
Otero	\$33,718	112%	69%	100%	58%	202%	55%	96%	291%	194%	66%	161%
Ouray	\$52,037	73%	45%	65%	38%	131%	36%	62%	188%	125%	43%	104%
Park	\$60,776	62%	38%	55%	32%	112%	31%	53%	161%	107%	37%	89%
Phillips	\$35,983	105%	65%	94%	55%	189%	52%	90%	273%	181%	62%	151%
Pitkin	\$66,607	57%	35%	51%	29%	102%	28%	48%	147%	98%	34%	81%
Prowers	\$34,208	111%	68%	99%	57%	199%	54%	94%	287%	191%	65%	158%
Pueblo	\$38,955	97%	60%	87%	50%	175%	48%	83%	252%	168%	57%	139%
Rio Blanco	\$48,546	78%	48%	69%	40%	140%	38%	66%	202%	134%	46%	112%
Rio Grande	\$33,433	113%	70%	101%	59%	204%	56%	96%	293%	195%	67%	162%
Routt	\$60,620	62%	39%	56%	32%	112%	31%	53%	162%	108%	37%	89%

Annual median wage for select occupations												
		All occupations	Retail salespersons	Secretaries, administrative assistants, except medical, legal and executive	Cashiers	Registered nurses	Waiters and waitresses	Customer service representatives	General and operations managers	Business operations specialists all other	Janitors and cleaners except maids and housekeeping cleaners	Sales representatives wholesale and manufacturing except technical and scientific products
		\$37,836	\$23,358	\$33,700	\$19,644	\$68,089	\$18,573	\$32,238	\$98,084	\$65,269	\$22,370	\$54,197
Annual Self-Sufficiency Standard for one adult, one preschooler and one school-age child		Annual median wage as a percentage of the Self-Sufficiency Standard for each occupation										
Saguache	\$38,082	99%	61%	88%	52%	179%	49%	85%	258%	171%	59%	142%
San Juan	\$36,431	104%	64%	93%	54%	187%	51%	88%	269%	179%	61%	149%
San Miguel	\$58,210	65%	40%	58%	34%	117%	32%	55%	169%	112%	38%	93%
Sedgwick	\$35,719	106%	65%	94%	55%	191%	52%	90%	275%	183%	63%	152%
Summit	\$62,776	60%	37%	54%	31%	108%	30%	51%	156%	104%	36%	86%
Teller	\$41,580	91%	56%	81%	47%	164%	45%	78%	236%	157%	54%	130%
Washington	\$32,806	115%	71%	103%	60%	208%	57%	98%	299%	199%	68%	165%
Weld	\$47,068	80%	50%	72%	42%	145%	39%	68%	208%	139%	48%	115%
Yuma	\$32,817	115%	71%	103%	60%	207%	57%	98%	299%	199%	68%	165%

ACKNOWLEDGEMENT



The Colorado Fiscal Policy Institute acknowledges the Economic Policy Institute (EPI) and its staff, who provided data and technical support for this report.

The mission of the Economic Policy Institute is to provide high-quality research and education to promote a prosperous, fair and sustainable economy. The institute stresses real-world analysis and a concern for the living standards of working people, and it makes its findings accessible to the general public, the media and policy makers. EPI works to strengthen democracy by providing people with the tools to participate in the public discussion on the economy, believing such participation will result in economic policies that better reflect the public interest.



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