Uninsured rates have dropped sharply since 2010, and poverty rates are down as well. During this decade, income has been distributed less equally among households across the Midwest; still, income inequality is less pronounced in most states in this region compared to the rest of the nation.

1. Since 2010, big drop in rates of uninsured, but small jump between 2017 and 2018

The percentage of people without health insurance dropped in every Midwestern state between 2010 and 2018, according to data released in September by the U.S. Census Bureau. The biggest decline occurred in Michigan: 5.4 percent in 2018 vs. 12.4 percent in 2010 (see map for trends in each Midwestern state).

Last year in this region, the rates of people without health insurance ranged from a high of 9.8 percent in South Dakota to a low of 4.4 percent in Minnesota. Every Midwestern state’s rate was below the national average; Minnesota and Iowa have among the lowest uninsured rates in the country. Nationwide, there was a slight uptick in the rate of uninsured Americans between 2017 and 2018, up to 8.9 percent from 8.7 percent, the bureau’s “American Community Survey” shows. Michigan and Ohio were among the eight U.S. states with “statistically significant” increases during this period.

2. In most Midwest states, Medicaid is covering higher percentage of residents

Health insurance trends over the past decade reflect, in part, the impact of the U.S. Affordable Care Act. A key component of this 2010 law was expansion of the state-federal Medicaid program. Because of a U.S. Supreme Court decision in 2012, the decision on whether to expand the reach of Medicaid (to cover all adults with incomes below 138 percent of the poverty level) was left to states.

According to the Commonwealth Fund, four states in the Midwest adopted a traditional expansion of Medicaid: Illinois, Minnesota, North Dakota and Ohio. Three others — Indiana, Iowa, and Michigan — expanded their public health insurance programs for the poor via federally approved waiver programs. (Nebraska’s expansion, the result of a successful 2018 ballot initiative, won’t be implemented until next year.)

The Census Bureau data show that in all seven of these expansion states, Medicaid is now covering many more people than it did in 2013. As of last year, at least one in five residents was enrolled in the program in three Midwestern states: Michigan (22.5 percent), Ohio (20.8 percent) and Illinois (20.0 percent). In contrast, between 2013 and 2018, the percentage of people receiving insurance through Medicaid fell in South Dakota and Wisconsin, two of the Midwestern states that did not expand the program. The rate in the region’s third non-expansion state, Kansas, was largely unchanged (13.7 percent in 2013 vs. 13.9 percent in 2018). Most Americans still get health insurance through their employers, though the rate has fallen over the past decade — from 58.5 percent in 2008 to 55.1 percent in 2018.

3. Fewer people living in poverty; disparities among age groups, household types

With the exception of Michigan and Ohio, every Midwestern state’s poverty rate in 2018 was at or below the U.S. average of 13.1 percent (see table). Nationally, the rate has fallen for five consecutive years, and states in this region have largely followed this trend. Last year, Minnesota was one of seven U.S. states (the only one in the Midwest) with a
poverty rate below 10 percent. The U.S. Census Bureau also breaks down poverty rates by age group and household type in its latest “American Community Survey.” Here were some of the nationwide findings:

- Young people are much more likely to live in poverty than older people: 18 percent of U.S. children this past year compared to 9.4 percent of individuals 65 and over.
- Among married couples with children under age 18, the U.S. poverty rate is 6.4 percent. That compares to 35.1 percent among families with children under 18 and “no husband present.”

4. Income inequality less pronounced in Midwest, but still on the rise

The U.S. Census Bureau employs the commonly used Gini Index to measure income inequality across the country and within individual states. Compared to the rest of the nation, income is distributed more evenly in every Midwestern state except Illinois. Income equality is greatest in Iowa (third among all 50 states), North Dakota (fourth) and South Dakota (fifth). Between 2010 and 2018, income inequality increased in the United States and in each of this region’s 11 states.

5. Minnesota, Illinois and North Dakota have highest median household incomes

The real median household income in the United States was $61,937 in 2018, a figure surpassed by three states in the Midwest: Minnesota, $70,315; Illinois, $65,030; and North Dakota, $63,837. Last year, Indiana’s median household income level was $55,746, lowest in this region. Here are the median household incomes in the other six Midwestern states:

- Iowa, $59,955
- Kansas, $58,218
- Michigan, $56,697
- Nebraska, $59,566
- Ohio, $56,111
- South Dakota, $56,274
- Wisconsin, $60,773

By:
Monday, October 14, 2019 at 12:34 PM

Attachment Size
Stateline Midwest: October 2019 1.94 MB

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