

Census 2021

Louisiana: Poverty, Income and Health Insurance



Louisiana Budget Project

October 2022

Key Findings for Louisiana

- ❖ **19.6% - Official Poverty Rate**, which doesn't account for all government aid, rose to the highest in the nation representing about **883,000** Louisianans in 2021.
- ❖ **11.7% - Supplemental Poverty Measure**, an updated measure of poverty that *does* account for government assistance, continued to fall amid the pandemic representing about **533,000** Louisianans in 2021.
- ❖ **7.6% - health uninsured rate** fell in 2021 representing about **343,000** Louisianans without health insurance.
- ❖ **\$52,087 - Median household income** fell 3.8% in 2021 inflation-adjusted dollars. Income inequality in Louisiana is the third highest in the nation.

Federal aid helped families amid Covid-19.

Expiring protections leave them vulnerable.

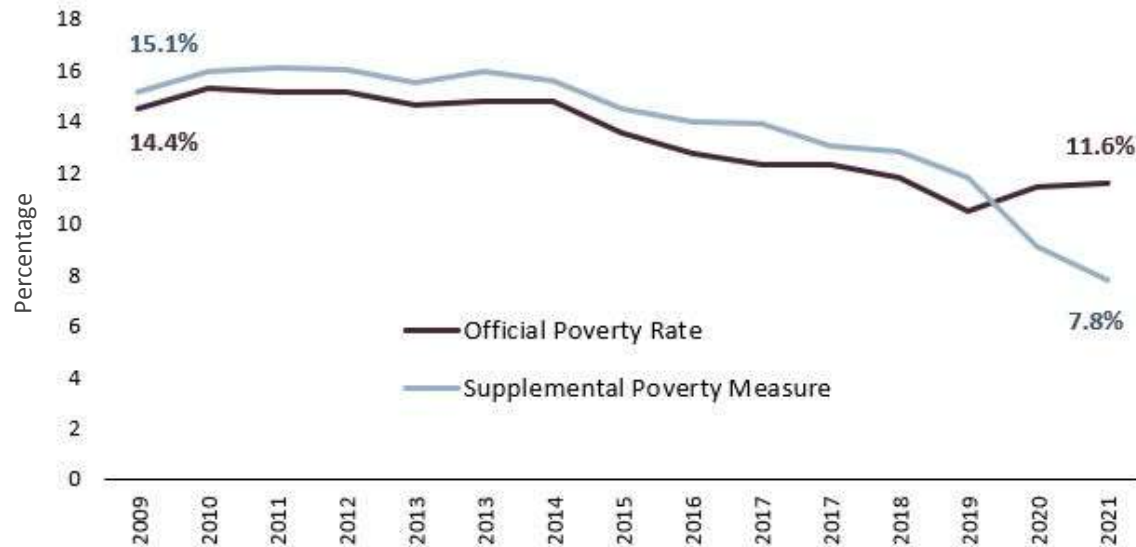
Each fall, the U.S. Census Bureau releases detailed data about poverty, income and health insurance coverage for each state and the nation as a whole. Last year, the Bureau only released national data due to pandemic-related disruptions in data collection that made state estimates unreliable. This year's American Community Survey (ACS) results provide our first glimpse into how pandemic-era economic conditions compare to 2019 state data.

While the pandemic and natural disasters have caused tremendous hardship for Louisiana families, **federal aid and safety-net programs helped people make ends meet**. The **fully refundable child tax credit** (CTC) drove child poverty to historic lows. **Safety net programs**, both traditional and emergency relief, lifted tens of thousands of Louisianans out of poverty. Pandemic-related enrollment protections kept a record number of Louisianans covered by **health insurance** during an ongoing public health emergency.

The data show that poverty is a policy choice. A strong federal safety net helped low-income families. But, as programs have been allowed to expire, such as the CTC, and the public health emergency draws near an end, policymakers must act to help families amid an unequal recovery. Going back to the pre-pandemic status quo is not good enough.

Federal aid continues to lift millions out of poverty amid difficult conditions in 2020 and 2021

National Official Poverty Measure and Supplemental Poverty Measure rates from 2009 to 2021



Source: U.S. Census Bureau, Current Population Survey, John Creamer, Emily A. Shrider, Kalee Burns, and Frances Chen, "Poverty in the United States: 2021," September 13, 2022, Report Number P60-277

Federal aid makes all the difference

For the second year in a row, the national Supplemental Poverty Measure fell below the official measure to the lowest point in its history as federal aid flowed to families in need. The national official poverty measure remained high in 2021.

Spotlight: Supplemental Poverty Measure

The official poverty measure was created in the early 1960s when President Lyndon Johnson declared war on poverty. While it is the longest running measure of economic hardship reported by the Census Bureau, it is a flawed measure that routinely undercounts the number of people unable to meet their basic needs.

The SPM was developed to provide a more accurate picture. It differs from the official measure in several significant ways, including: calculating the cost of covering basic needs, the resources available to meet basic needs (including from safety net programs), who is counted as part of a household, and differences in the cost of living between geographic areas.

Safety net programs bridge the gap

Public programs help with basic needs such as food, housing and income supports. These safety-net programs lift millions of families out of poverty each year.

Before the pandemic, the safety net played a vital role in helping families make ends meet. Throughout the unprecedented hardship of Covid-19, traditional anti-poverty programs and emergency federal relief helped lift over **25.6 million** people above the poverty line in 2021.

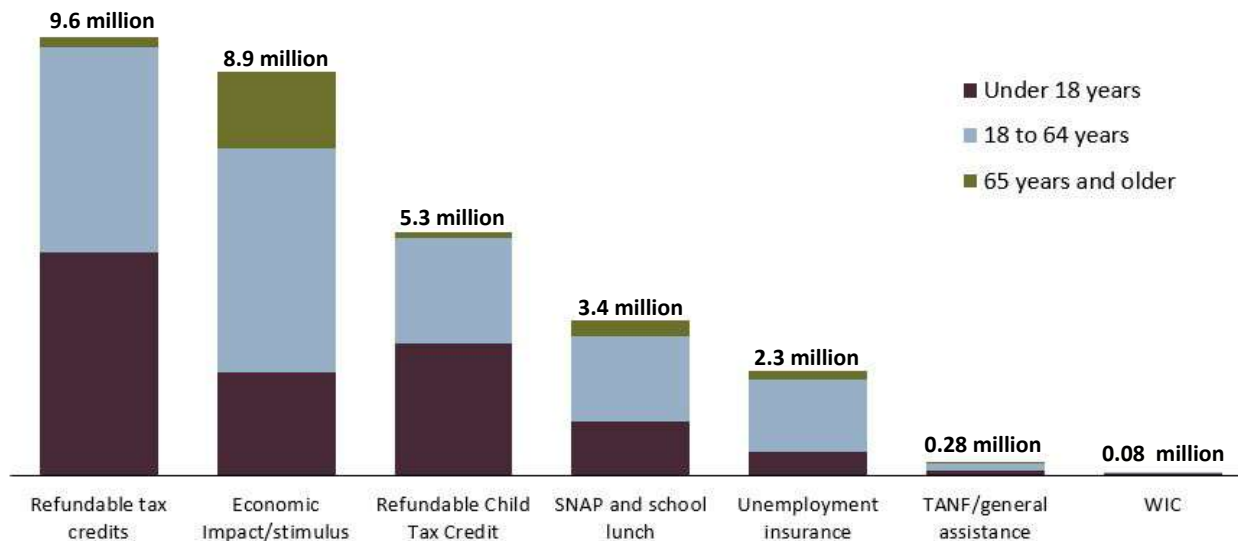
Spotlight: Child Tax Credit

In 2021, Congress enacted a fully refundable Child Tax Credit (CTC), which helped cut child poverty nearly in half - bringing it to a new national low of **5.2% SPM**. The CTC alone was responsible for lifting **5.3 million children** above the poverty line in 2021.

Since Congress failed to make these changes permanent, next year's Census numbers will likely show a reversal of positive gains.

Safety Net continues to lift millions out of poverty amid Covid-19 recession

Number of people lifted out of poverty in 2021 by federal safety net programs



NOTES: Refundable tax credits included the Earned Income Tax Credit (EITC), Child Tax Credit, and the Child and Dependent Care Credit. Economic Impact/ Stimulus included third round of stimulus payment only. The entire Child Tax Credit was refundable.

Source: U.S. Census Bureau, John Creamer, Emily A. Shrider, Kalee Burns, and Frances Chen, "Poverty in the United States: 2021," September 13, 2022, Report Number P60-277

Louisiana benefits from federal aid

Louisiana families received much-needed aid during the pandemic, including economic stimulus payments, enhanced unemployment insurance and the refundable child tax credit.

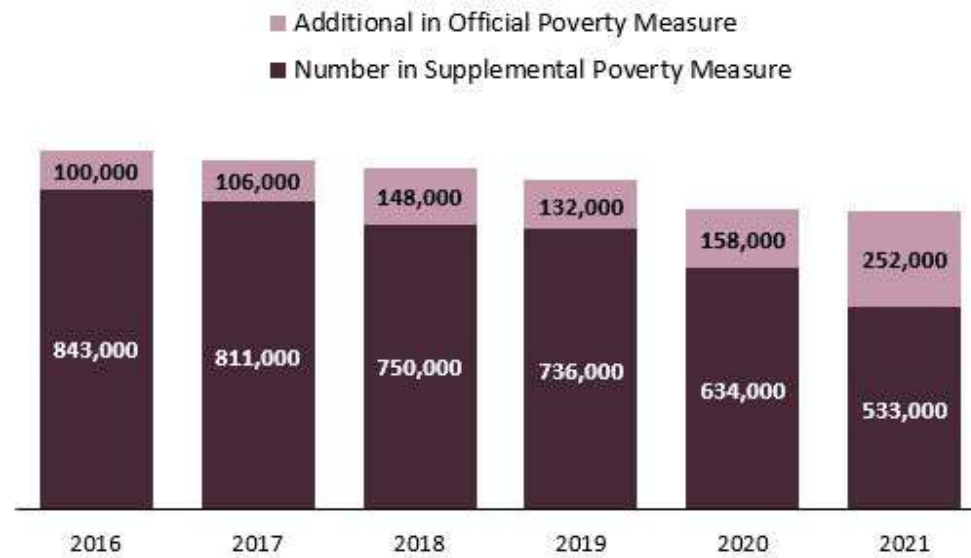
The Supplemental Poverty Measure (SPM) provides a clearer picture of the impact of pandemic-related federal aid and traditional anti-poverty programs on Louisiana families.

At **11.7% in 2021**, representing **533,000** people, Louisiana SPM fell from 13.9% in 2020 and 16.2% in 2019. Louisiana ranks **sixth-highest in the nation** in SPM in 2021 behind D.C., California, New York, Florida and Mississippi.

Note: The full economic impact of Covid-19-related relief is somewhat obscured in state SPM data because the numbers are based on 3-year averages instead of a single year like the national SPM. Louisiana's OPM is presented in this graph in 3-year averages to make comparison to the SPM possible. Louisiana's OPM is presented as 1-year estimates in the rest of the report.

Louisianans benefit from federal aid amid difficult economic conditions of Covid-19

Difference in the number of Louisianans in poverty by Official Poverty Measure and Supplemental Poverty Measure from 2016 to 2021 (based on 3-year average)



Source: U.S. Census Bureau, Current Population Survey, John Creamer, Emily A. Shrider, Kalee Burns, and Frances Chen, "Poverty in the United States: 2021," September 13, 2022, Report Number P60-277, Table B-5. Number and Percentage of People in Poverty by State Using 3-Year Average: 2019, 2020, and 2021. The Supplemental Poverty Measure annual reports.

How Louisiana Ranks Nationally

1st
highest

Poverty

The overall poverty rate in Louisiana was 19.6% in 2021 compared to 19% in 2019 making it the highest in the nation. This means 883,000 Louisianans lived at or below the federal poverty rate last year.

2nd
highest

Child Poverty

The share of children living in poverty in Louisiana remained high at 26.7% in 2021 from 26.8% in 2019. This leaves 285,000 Louisiana children to struggle, including over 146,000 in deep poverty.

3rd
lowest

Income

Household median income remained among the lowest in the nation, falling slightly to \$52,087 in 2021 from an inflation-adjusted \$54,125 in 2019. Racial disparities in household income persist.

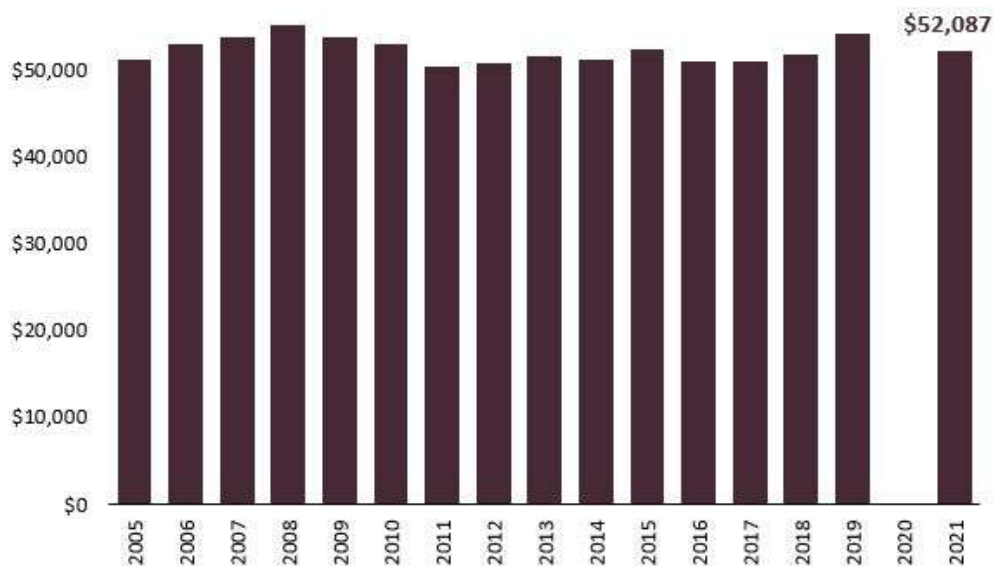
3rd
highest

Income Inequality

Income inequality remained high in Louisiana largely due to the high concentration of poverty - not high accumulation of wealth. The Gini Coefficient (measure of inequality) was 0.4988 in 2021.

Louisiana median household income falls as inflation dampens spending power

Louisiana median household income (inflation adjusted) 2005 to 2021



Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates (B19013); Bureau of Labor Statistics, CPI-U-RS

Doing more with less

Louisiana's median household income - or the level at which half of household incomes are higher and half lower - fell to **\$52,087** in inflation-adjusted 2021 dollars from \$54,125 in 2019, while national median household income stalled at **\$70,800**.

These numbers obscure stark racial disparities in the Pelican State. For reasons rooted in current and historic systemic racism, it is more difficult for Black and Brown families to earn enough to cover their basic needs and invest in their families' futures. For example, years of redlining denied Blacks equal access to home buying, a main source of wealth for Americans.

Louisiana median household income by race:

- ❖ **Black** \$33,576
- ❖ **Latino** \$54,249 (any race)
- ❖ **White** \$64,728 (non-Hispanic)

Income across the Pelican State

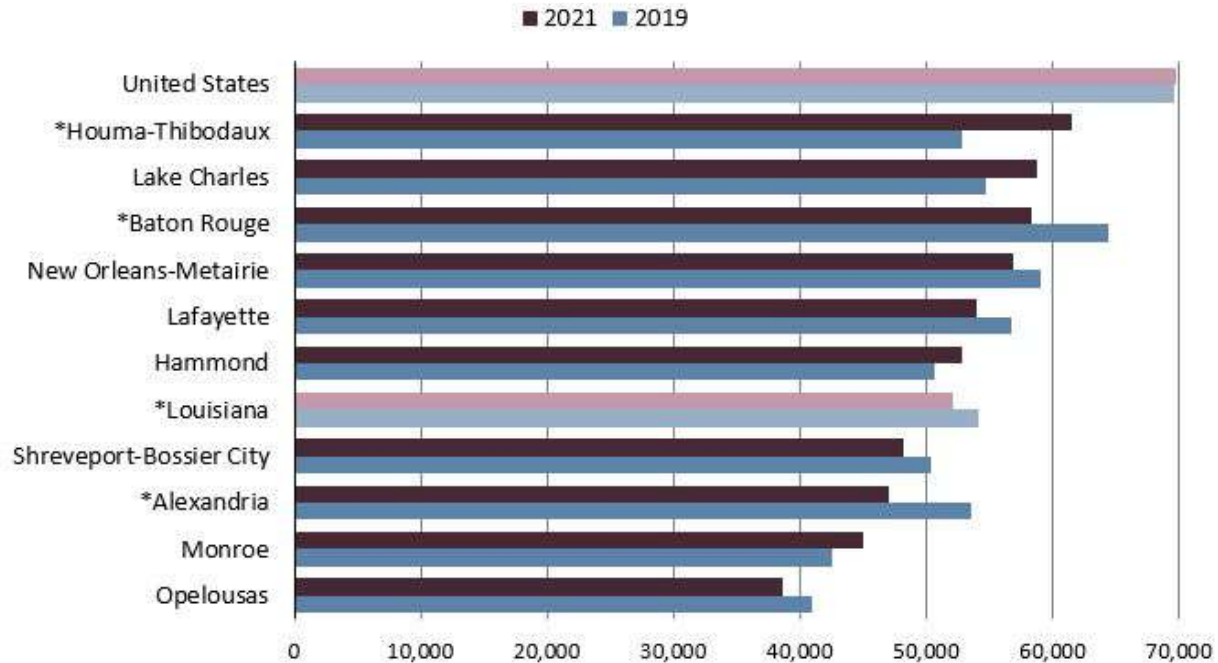
Income in Louisiana varies by where you live. Major metropolitan areas tend to have higher median household income, while more sparsely populated regions tend to have lower incomes.

Though income fell overall in the state, **Houma-Thibodaux** experienced an increase in median household income to \$61,478 in 2021. **Alexandria** and **Baton Rouge** both experienced decreases, and **Opelousas** had the lowest median income at \$38,599. (See Appendix 1 for details.)

Low incomes not only make it harder to make ends meet, but it also makes it harder to save for a rainy day, or, as is too often the case in Louisiana, evacuate ahead of a natural disaster. Income supports and a strong safety net are vital to helping families stay afloat.

Income in Louisiana varies by region

Median household income (inflation-adjusted) for United States, Louisiana and select metro areas for 2019 and 2021



Note: *Denotes a statistically significant change at the 90% confidence level from 2019 to 2021.

Source: U.S. Census Bureau, American Community Survey, 2019 and 2021 1-year estimates.

Poverty increases in Louisiana

The share of Louisianans living in poverty remained high at 19.6% - the highest in the nation - in 2021.

- ❖ **Black:** 31.9% or 441,000 people
- ❖ **Latino:** 21.6% or 53,000 people (any race)
- ❖ **White:** 12.4% or 319,000 people (non-Hispanic)

The Official Poverty Measure only accounts for annual pretax dollars - not public aid, like the child tax credit and stimulus payments - and varies by household size.

2021 Poverty Thresholds

\$12,880
Individual

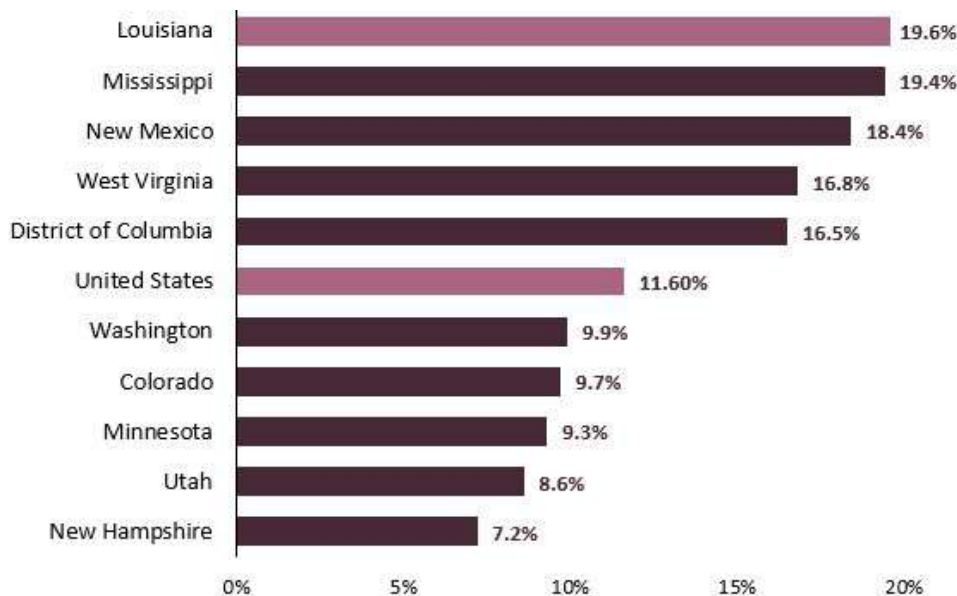
\$17,420
Family of Two

\$21,960
Family of Three

\$26,500
Family of Four

Louisiana poverty rate rises to the highest in the nation

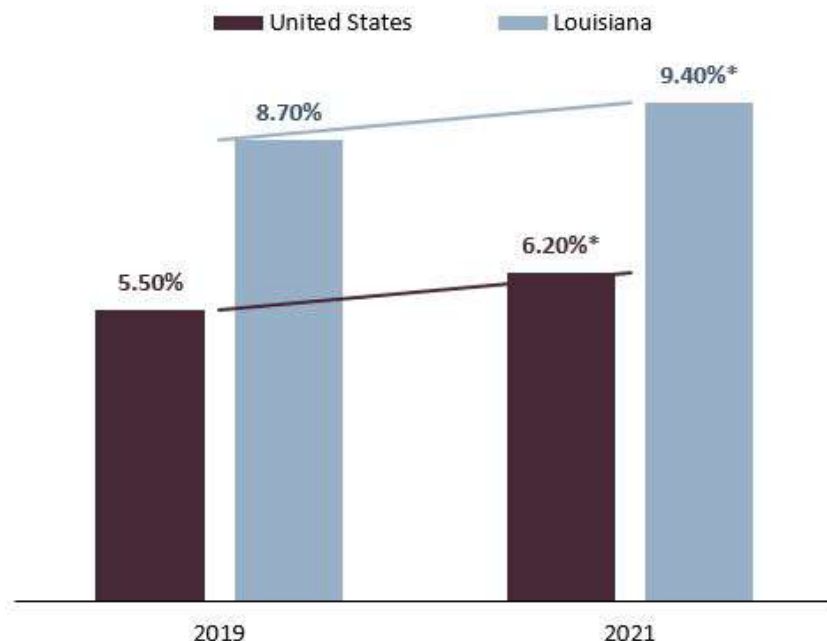
Official Poverty Rate for top and bottom five states and United States in 2021



Source: U.S. Census Bureau, American Community Survey, 2021 1-year estimates. (Table DP03)

Deep poverty in Louisiana

Deep poverty rates (below 50% of poverty) in the United States and Louisiana in 2019 and 2021



Note: *Denotes a statistically significant change at the 90% confidence level from 2019 to 2021.

Source: U.S. Census Bureau, American Community Survey, 2019 and 2021 1-year estimates.

(Table S1703)

Deep poverty on the rise

The share of Louisianans living in deep poverty - below half the federal poverty line (**\$13,875** for a family of four) - increased to **9.4%** in 2021 from 8.7% in 2019. The national rate also increased to **6.2%** amid the pandemic.

Deep poverty has harmful, long-lasting effects on families. It disproportionately affects women, children, those without a college degree, female headed households, and people of color.

In Louisiana, **13.9% of children** lived in deep poverty in 2021. **Women (10.2%)** and people **without a high school diploma (13.9%)** were more likely than **men (8.5%)** and people with a **college degree (3.1%)** to be affected. Female headed households without a spouse were among the most impacted at **20%**. **Black Louisianans (15.4%)** were more than twice as likely as **whites (6.2%)** to live in deep poverty.

Child poverty - including deep poverty - remains too high

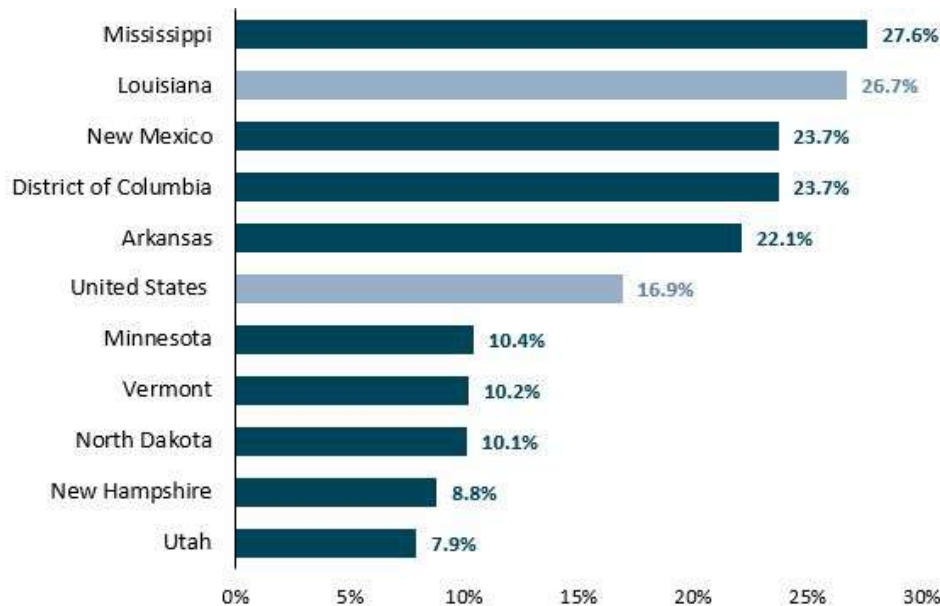
Child poverty in Louisiana remained stubbornly high at **26.7% in 2021**, making it the second-highest child poverty rate in the nation.

This means that more than **285,000 Louisiana children** lived in households that struggled to put food on the table and pay rent and utilities each month last year. Of these, **more than 146,000 children lived in deep poverty** - or below 50% of the official poverty level.

The national child poverty rate - as measured by the Official Poverty Measure - remained high at **16.9% in 2021** from 16.8% in 2019. The OPM does not account for government aid, including the child tax credit, which, when taken into account, drove child poverty rates to record lows.

Louisiana child poverty rate remains among the highest in the nation

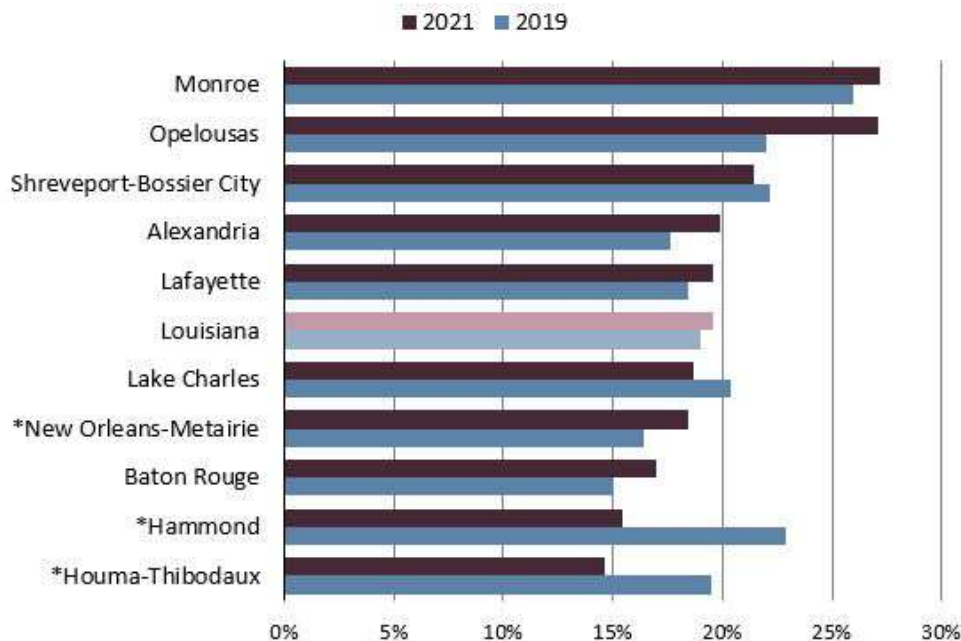
Child poverty rate from Official Poverty Measure for top and bottom five states and United States for 2021



Source: U.S. Census Bureau, American Community Survey, 2019 and 2021 1-year estimates.

Poverty in Louisiana by metro area

Poverty rate (Official Poverty Measure) for Louisiana and select metro area



Note: *Denotes a statistically significant change at the 90% confidence level from 2019 to 2021.

Source: U.S. Census Bureau, American Community Survey, 2019 and 2021 1-year estimates.

Poverty rates change in several Louisiana metros

The poverty rate in Louisiana varies greatly by metro area - with the highest concentrations in the northeast in Monroe at 27.2% and the lowest in the southeast in Houma-Thibodaux at 14.6% in 2021.

During the pandemic, one Louisiana metro area, New Orleans, experienced an increase in the share of residents living below the federal poverty level at 18.4% in 2021, while two metro areas - Hammond and Houma-Thibodaux - saw a decline to 15.4% and 14.6% respectively.

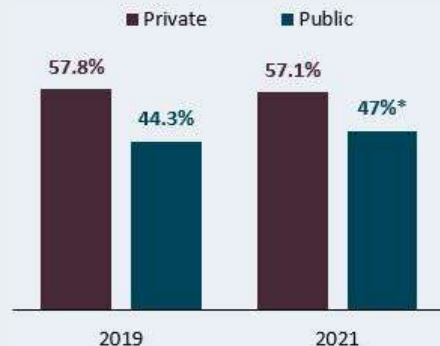
Poverty rates in all Louisiana metro areas remained above the national average.

Health coverage matters

Louisiana's uninsured rate **fell to 7.6%** in 2021, statistically matching the record set in 2018, largely due to the expansion of Medicaid to low-income adults. Stark racial disparities remained between **White** 5.8% (151,000 people), **Black** 7.4% (104,000) and **Hispanic** 26.3% (65,000) Louisianans.

Public health insurance keeps Louisianans covered during pandemic

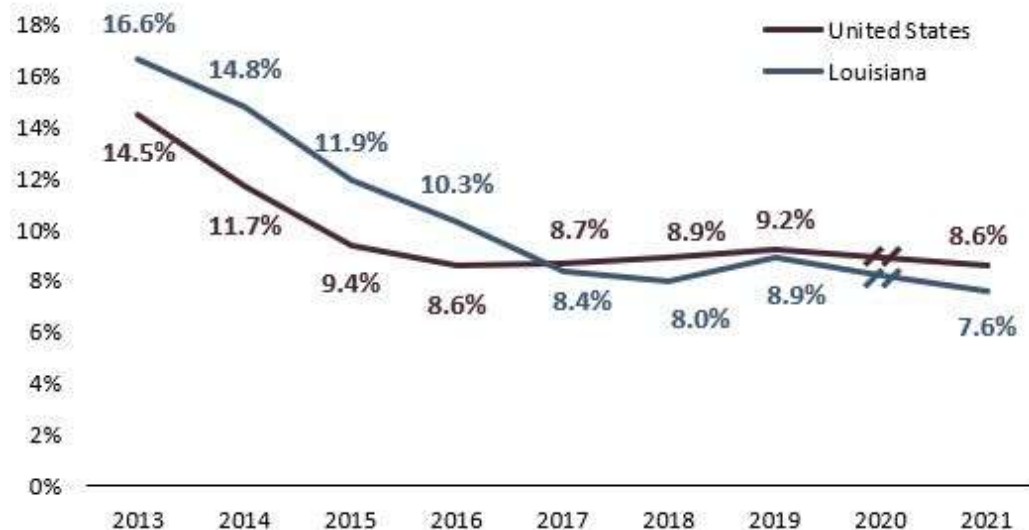
Louisiana health insurance coverage by public and private plans in 2019 and 2021



Note: *Denotes a statistically significant change at the 90% confidence level. Source: U.S. Census Bureau, American Community Survey, 2019 and 2021 1-year estimates.

Health insurance coverage increases in Louisiana and the nation amid pandemic-era protections

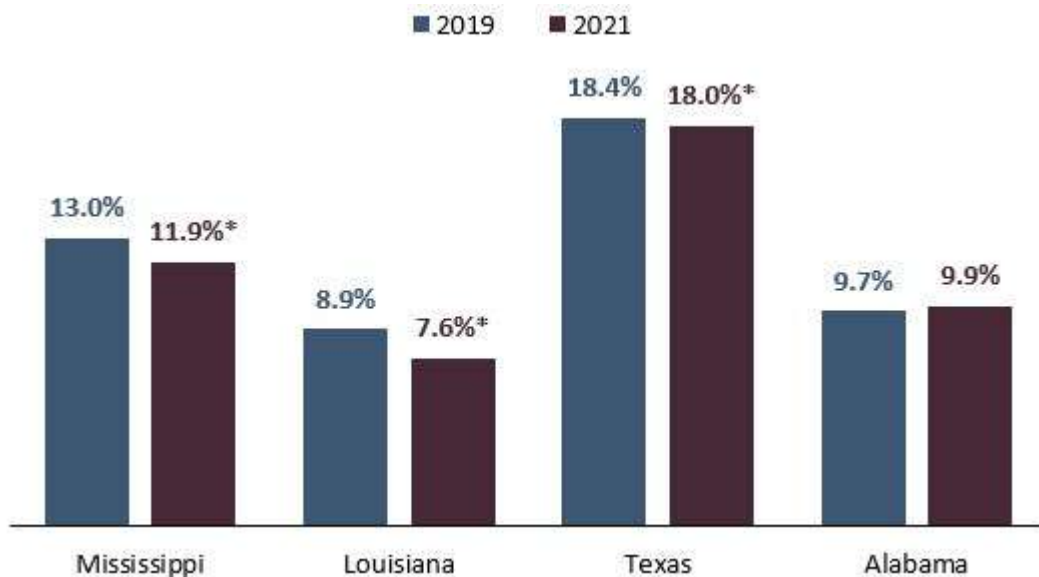
Uninsured rate for Louisiana and United States 2013 to 2021



Source: U.S. Census Bureau, American Community Survey, 1-year estimates.

Medicaid expansion keeps Louisiana uninsured rate low amid pandemic

Uninsured rate in neighboring non-expansion states 2019 and 2021



Note: *Denotes a statistically significant change at the 90% confidence level.

Source: U.S. Census Bureau, American Community Survey, 2019 and 2021 1-year estimates.

Keeping people covered

Uninsured rates in states that expanded Medicaid, including Louisiana, average half of those in non-expansion states. This keeps medical costs affordable for those who need care and can least afford it.

Medicaid expansion states have lower uninsured rates

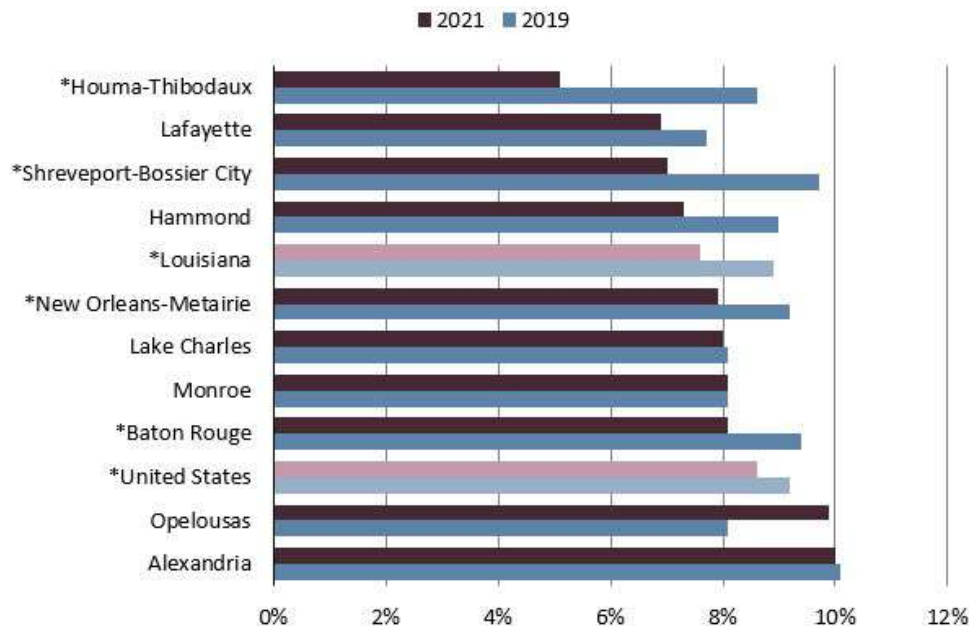
Uninsured rate in all 36 expansion and 14 nonexpansion states 2019 and 2021



Note: *Denotes a statistically significant change at the 90% confidence level. Source: U.S. Census Bureau, American Community Survey, 2019 and 2021 1-year estimates.

Majority of Louisiana metro areas enjoy higher health insurance rates than national average

Uninsured rate for select Louisiana metro areas, Louisiana and United States 2019 and 2021



Note: *Denotes a statistically significant change at the 90% confidence level.

Source: U.S. Census Bureau, Current Population Survey, 2019 and 2021 Annual Social and Economic Supplement

Coverage varies across the Bayou State, and among different groups

Medicaid expansion touches every corner of the state. As a result, Louisianans enjoy higher health insurance coverage rates than the national average.

There are large **regional difference** in coverage ranging from Houma-Thibodaux at 5.1% uninsured to Alexandria at 10%. While Opelousas logged an increase in its uninsured rate, it was not a statistically significant change. All significant changes were decreases in metro area uninsured rates.

Louisiana did experience an historic increase in the number of **uninsured children** going into the pandemic in 2019. Unfortunately, those losses were not fully recovered as the child uninsured rate remained statistically unchanged at 4% or about 45,000 children in 2021 compared to 4.4% or about 50,000 children in 2019.

As the **public health emergency** draws to an end, Louisiana must ensure an orderly and equitable unwinding of the Medicaid rolls to ensure all eligible people, including children, remain covered.

Appendix 1. Household median income, poverty and health insurance rates for Louisiana and ten select metro areas

	Income		Poverty		Health Insurance	
Region	2021	2019	2021	2019	2021	2019
Alexandria	*\$47,032	\$53,574	19.90%	17.60%	10.00%	10.10%
Baton Rouge	*\$58,276	\$64,377	17.00%	15.00%	*8.1%	9.40%
Hammond	\$52,872	\$50,683	*15.4%	22.90%	7.30%	9.00%
Houma-Thibodaux	*\$61,478	\$52,855	*14.6%	19.50%	*5.1%	8.60%
Lafayette	\$53,931	\$56,690	19.60%	18.40%	6.90%	7.70%
Lake Charles	\$58,736	\$54,628	18.70%	20.40%	8.00%	8.10%
Monroe	\$45,001	\$42,535	27.20%	26.00%	8.10%	8.10%
New Orleans-Metairie	\$56,837	\$59,040	*18.4%	16.40%	*7.9%	9.20%
Opelousas	\$38,599	\$40,993	27.10%	22.00%	9.90%	8.10%
Shreveport-Bossier City	\$48,164	\$50,283	21.40%	22.20%	*7%	9.70%
Louisiana	*\$52,087	\$54,126	19.60%	19.00%	*7.6%	8.90%

Note: *Denotes a statistically significant change at the 90% confidence level.

Source: U.S. Census Bureau, American Community Survey, 2019 and 2021 1-year estimates.

Related LBP Reports

This report is the latest in a series of publications based on the Census Bureau data. Related LBP publications in the series include:

- ❖ “[Census 2020: Covid-19](#)” a chart book of national data amid Covid-19,
- ❖ “[Poverty in Louisiana: Census 2019](#)” a chart book on poverty and income,
- ❖ “[Louisiana Children Health Uninsured Rates Census 2019](#)” an in-depth look at the historic rise in uninsured rate for Louisiana children,
- ❖ “[Louisiana loses ground on uninsured rate along with the nation](#),” a policy brief on overall health insurance coverage in Louisiana in 2019, and
- ❖ “Census 2018: [Poverty Drops \(slightly\) in Louisiana](#)” a policy brief on income and poverty in Louisiana.

These and many other LBP publications may be found on our website at labudget.org.

What’s next?

Louisiana can build a stronger, more equitable economy that works for all Louisianans, including those struggling to rebuild from natural disasters and the economic hardship caused by the pandemic. State lawmakers can take action to provide a better tomorrow for Louisiana families by:

- ❖ Establishing a state minimum wage above the federal minimum that rises with inflation
- ❖ Reforming the state tax structure to ensure Louisiana raises enough revenue each year to support students, build strong communities and safeguard its most vulnerable citizens.
- ❖ Ensuring a strong safety net to help families when they need it most, including eliminating barriers for eligible people to enroll in anti-poverty programs.

Together we can [Invest in Louisiana](#) and ensure every family has what they need to thrive.

About the Census

American Community Survey

The American Community Survey (ACS), is an ongoing yearly survey conducted by the Census Bureau that provides data that gives communities up-to date information for planning and policy decisions. In addition to providing demographic information, the Survey asks about a variety of individual and household attributes, including income, family relationships, housing, etc. Because the Survey provides information at the local level, the ACS offers a larger sample than the CPS and other nationally representative samples, surveying more than 3 million people every year. Normally, this data can be used to provide state- and local-level data, but due to the Covid-19 pandemic disrupting survey collection through much of the spring and summer of 2020, the Census Bureau was unable to meet its data quality standards for normal release in 2021. Consequently, state and local data is compared to 2019 in this report, the last year it was available.

Current Population Survey

The Current Population Survey (CPS), which is conducted jointly by the Bureau of Labor Statistics (BLS) and the Census Bureau, is one of the oldest, largest and most well- recognized surveys in the United States. Because of its longevity - its beginnings date back to the 1930s - it is immensely useful in providing information on employment, income, and education among other statistics over long periods of time. The survey is administered throughout the year with special supplemental questions added to individual months. It is recommended for national level data and provides the basis for the national Official Poverty Measure, national and state Supplemental Poverty Measure, and national household median income.

Household Pulse Survey

After the onset of Covid-19, the Census Bureau initiated the Household Pulse Survey to quickly gather information about how the pandemic was impacting U.S. households. The Pulse Survey has been administered on a weekly or bi-weekly basis since April 2020 in 3 phases with multiple subsets. It has been featured in previous LBP publications.



Louisiana Budget Project

For further information:
Stacey Roussel
Deputy Executive Director
stacey@labudget.org

The Louisiana Budget Project (LBP) monitors and reports on public policy and how it affects Louisiana's low- to moderate-income families. We believe that the lives of Louisianans can be improved through profound change in public policy, brought about by: creating a deeper understanding of the state budget and budget-related issues, looking at the big picture of how the budget impacts citizens, encouraging citizens to be vocal about budget issues that are important to them, and providing insight and leadership to drive the policy debate.

This chart book was created by Stacey Roussel. This work was made possible by generous financial support from the Annie E. Casey Foundation, the W.K. Kellogg Foundation, the Ford Foundation, the Mary Reynolds Babcock Foundation, and individual donors. LBP is a member of the State Priorities Partnership, coordinated by the Center on Budget and Policy Priorities, and the Economic Analysis and Research Network, managed by the Economic Policy Institute.