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National Data Shows Increase in Child Poverty and Uninsured Children

The Child Tax Credit and Cover All Kids Policies Protect Children from Harmful Effects

Providence, RI (**September 14, 2021**) — Today, the Census Bureau released the Current Population Survey. This survey provides a national picture of overall poverty rates and child poverty rates as well as overall health insurance coverage and children's health insurance coverage rates. It is not recommended that this survey be used to produce state-level estimates, particularly for smaller states like Rhode Island.

Key Poverty Findings

The official U.S. poverty rate in 2020 was 11.4 percent, up from 10.5 percent in 2019. This is the first increase in poverty after five consecutive annual declines.

- In 2020, there were 37.2 million people in poverty, approximately 3.3 million more than in 2019.
- The percentage of children living in poverty in the U.S. increased from 14.4 percent in 2019 to 16.1 percent in 2020.

Key Health Insurance Coverage Findings

In the U.S. in 2020, 5.6 percent of children under the age of 19 were uninsured, similar to the 2018 rate of 5.5 percent.

- More children under the age of 19 in poverty were uninsured in 2020 than in 2018. Uninsured rates for children under the age of 19 in poverty rose 1.6 percentage points to 9.3 percent.
- The biggest increases in uninsured children were among poor children, Black and Hispanic children, foreign born children, and noncitizen children.

Federal and state-level policies are needed to ensure that children and families have the health and economic supports they need to thrive. Investments in reducing poverty and increasing children's health insurance coverage are critical to reducing longstanding, unacceptable racial, ethnic, and income disparities.

Addressing Poverty: The Child Tax Credit (Federal)

The Child Tax Credit is a deliberate investment in children and families and is predicted to result in **a landmark reduction in child poverty**, reducing the number of children living in poverty by more than 40% and would have particularly large impacts on Black and Latino children. The *American Rescue Plan* improved the Child Tax Credit by raising the amount available* and allowed low-income families to receive the full amount. Before the *American Rescue Plan* expansion, 67,000 Rhode Island children in families with low incomes or no incomes were excluded from this important benefit.

Continued federal investments in the Child Tax Credit will result in a 40% decrease in child poverty. Rhode Island KIDS COUNT supports 1) increasing the Child Tax Credit amount through 2025 and 2) making the full Child Tax Credit permanently available to children in families with the lowest incomes.

Addressing Children's Health Insurance Coverage: *Cover All Kids* Bill (Rhode Island)

Nationally, the largest increases in children without insurance coverage were among poor children, Black and Hispanic children, and noncitizen children. Passing the *Cover All Kids* bill in Rhode Island would help our state finish the job and cover all of our kids, including children who are undocumented.

Children who have health insurance coverage are healthier and have fewer preventable hospitalizations than those who are uninsured. It is far more cost effective to provide access to primary, preventive care to undocumented children through the *Cover All Kids* bill than paying the far higher cost when a health condition that could have been prevented or treated early escalates to an emergency requiring emergency room care that the state pays for.

Federal and state investments are also needed in child care, paid family leave, child nutrition, and housing to ensure that children and families have the health and economic supports they need to thrive and for our economy to prosper.

** raised the maximum credit from \$2,000 to \$3,000 for children ages 6-17 (including 17-year-olds for the first time) and to \$3,600 for children under age 6.*