

The Face of Poverty in the Coulee Region

Annually, Couleecap reports on the greatest needs of people living in poverty in the Coulee Region. The following comments from low-income households help describe the top three greatest needs – assistance with health care, housing, and transportation:

- *“Based on my income, I find it very hard to make ends meet and I am in desperate need of prescription glasses but can’t afford them. The winter is hard because my income varies so I fall behind on rent and electric bills.”*
- *“My health insurance does not cover dental costs.”*
- *“My job has good health insurance, that’s why I stay there, but the hourly pay is very low.”*
- *“My current energy bill in the winter months is around \$600-\$800.”*
- *“I need help with security deposit and bills.”*
- *“We are really in need of a vehicle. Transportation is a big factor in getting to and from a job for us.”*

In February 2007, Couleecap conducted the “2007 Couleecap Needs Assessment” to gather information regarding the needs of low-income people in our service area. The comments above are from low-income people responding to that survey. Surveys were distributed to low-income households, staff, Board of Directors/Planning Committee members, and service providers in Crawford, La Crosse, Monroe, and Vernon counties.

A total of 1,754 surveys were distributed and 815 (46.5%) returned. Of the 815 surveys returned, 627 of them were from low-income households, which represented a total of 1,585 people (children and adults).

- Of the 627 households, 478 (76%) have annual incomes less than \$21,463; 344 (55%) have income from wages and/or self-employment; 289 (46%) are renters; and, 243 (39%) have children.
- Of the 1,585 people, 259 (16%) work full-time; 311 (20%) have a disability; and 401 (25%) have a high school diploma.

Households were asked to rate problem areas and most significant concerns in their household. The top three problem areas are listed in priority order and the two top concerns within each problem area are also listed. Responses from key agencies, Couleecap staff and Board/Planning Committee members tend to generally agree with these results:

| Problem Area | Significant Concerns |
|---------------------|---|
| Health | Cost and availability of dental care; Cost and availability of health care/insurance. |
| Housing | Cost of heating bills; Cannot afford to buy a house. |
| Transportation | Cost of gasoline; Cost of car repairs is too high. |

What Impact Do the Top Three Problem Areas Have on Low-Income Families?

- **Health:** In 2006, the average annual cost of family health insurance was \$11,500, with the employee's portion of the health insurance premium for family coverage almost \$3,000. According to the 2007 Couleecap Needs Assessment, 40% of low-income households indicated that getting a job with health benefits is a serious or very serious problem for them. In Couleecap's four-county area, approximately 11% of people are uninsured at any given time. The average charge for an emergency room visit is \$675; the average charge for a primary care visit at a clinic or physician office ranges from \$100 - \$150. The absence of health insurance can destroy a family's economic well-being and even lead to homelessness. Getting or not getting health care has life-threatening implications.

Affording dental care is very difficult for low-income families as well. According to the needs assessment, 58% of low-income households indicated that the cost of dental care is a serious or very serious problem for them. A very low percentage of Medicaid recipients in our area are receiving dental services. In 2005, only 18.7% of people on Medicaid received dental services primarily because of the lack of dentists in our area that will accept Medicaid recipients.

- **Housing:** According to the U.S. Census 2000, the median value of a house in Couleecap's service area is as follows: Crawford County - \$75,100; La Crosse County - \$96,900; Monroe County - \$77,500; and Vernon County - \$73,400. According to the 2007 Couleecap Needs Assessment, 58% of low-income households indicated that the inability to afford to buy a house is a serious or very serious problem for them. Today, families can purchase a home with no down-payment from a multitude of mortgage companies, but these companies charge interest rates that are 2-3% higher than the prime interest rate and they also charge higher closing fees. Many of these families come to Couleecap two to three years down the road seeking assistance because they cannot afford their mortgage payments and are facing foreclosure.

Increasing energy costs play a substantial role in the financial pressures facing low-income people. 47% of low-income households indicated that the cost of heating bills is a serious or very serious problem for them via the needs survey. Energy costs for low-income households take a much bigger portion of the household budget than for higher income families. The average Wisconsin household pays 2.6% of its income on heating fuel, in contrast to households receiving fuel assistance, who use 10.6% of income for heating fuel. Families that receive fuel assistance are at or below 150% of the federal poverty guidelines.

- **Transportation:** Transportation is a critical element for most people to get to work, go to school, reach needed services, and prosper. Many low-income families cannot afford to own a car and those that do often have older, unreliable cars and struggle to properly maintain their vehicles. A 2003 BTS (Bureau of Transportation Statistics) study found that the working poor spend nearly 10% of their incomes on getting to and from work. This compares to just over 2% for individuals earning \$45,000 or more annually, and 3.9% for all working Americans. For the 66% of the working poor who commuted by private vehicle, the expense of commuting is even more burdensome. Those individuals spent 21% of their income to get to and from work.

According to the 2007 Couleecap Needs Assessment, 42% of low-income households indicated that the cost of car repairs and/or cost of gasoline is a serious or very serious problem for them. Recently, one of Couleecap's program participants stated "Our transportation is starting to get unreliable. We don't have the money for repairs. If anything out of the ordinary happens to our car, our budget falls apart." When budgets fall apart, lives can fall apart. Families already struggling to survive can be severely affected by problems with transportation.

Other problem areas with most significant concerns identified by households include:

| Problem Area | Significant Concerns |
|-------------------------------|--|
| Employment | Wages are too low; Getting health benefits with job. |
| Education | Cost of going to school; Getting training for a better job. |
| Child Care | Cost of child care; Availability of care when child is sick. |
| Child-Related Issues | Dealing with my teenager; Correcting/disciplining my child. |
| Crisis and Emergency Services | Feeling increased levels of stress; Food insecurity. |

What is the Poverty Line?

In 2007, the federal government classifies a family of four as “poor” if its gross cash income is less than \$20,650; for a family of three, \$17,170; for a family of two, \$13,690; and for an individual, \$10,210. In Crawford, La Crosse, Monroe, and Vernon counties, more than 21,000 people live at or below the poverty line, including 6,500 who are children under the age of 18 and 2,100 who are over age 65.

“Poverty is like a war. It takes prisoners and it kills. The difference is that death from poverty is slow and blamed on the victims.” – Anonymous. Poverty is a state of life in which no one should live.

Each of us has the power to help people find a way out of poverty. Here are some ways you can get involved in your community:

- Make a donation to Couleecap’s People Helping People Fund. Your donation will be used to help our program participants buy gas to get to work, buy books for school, buy food for their families, etc.
- Increase affordable housing by joining a local housing coalition.
- Help preschool children by assisting in a Head Start classroom.
- Support and vote for local elected officials who care about poverty issues.
- Educate yourself about poverty issues. Visit your local library or websites on the Internet. Some good websites are Wisconsin Community Action Program (WISCAP) – www.wiscap.org; Couleecap – www.couleecap.org; Institute for Research on Poverty – www.ssc.wisc.edu/irp.
- Advocate for a higher minimum wage, more assistance for child care, more assistance with healthcare costs, and more assistance with transportation costs, so working families can get out of poverty.
- Support your local food pantries all year round.

Couleecap, Inc. is a private non-profit 501(c)3 charitable organization created in 1966. Our mission is to fight poverty and promote self-sufficiency for people in the Coulee Region. Our four-county service area includes Crawford, La Crosse, Monroe, and Vernon counties in Wisconsin. For more than 41 years, we have been helping low-income people build on their strengths and become more self-sufficient. We currently operate over 40 programs in the areas of housing, family and youth services, and emergency services. Each year, Couleecap helps more than 10,000 people work towards self-sufficiency. For a copy of the 2007 Couleecap Needs Assessment, please visit www.couleecap.org.

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