

For Immediate Release

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More to Qualify for Oregon Health Plan as Poverty Line Rises

(Silverton) — The poverty line inched up today with the federal government’s release of the 2008 Federal Poverty Income Guidelines, affecting eligibility for a number of federal and state programs such as the Oregon Health Plan.

“The annual increase in the poverty level acknowledges that the rise in the cost of living makes it harder for working families to make ends meet and makes more people eligible for a variety of public benefits,” said Michael Leachman, policy analyst with the Oregon Center for Public Policy.

The guidelines’ definition of poverty varies according to family size. Under the guidelines published in today’s *Federal Register*, for example, a family of three with an annual income of \$17,600 or under qualifies as poor, compared to \$17,170 for 2007.

To rise above the 2008 poverty level, a full-time worker supporting a family of three would need to earn more than \$8.46 per hour. Oregon’s 2008 hourly minimum wage is \$7.95.

As a result of the increase in the poverty line, more Oregonians are likely to qualify for the Oregon Health Plan, which is gearing up to re-open enrollment, according to Leachman. He noted that enrollment has been closed since mid-2004.

Starting on January 28 and continuing through February 29, the Oregon Department of Human Services (DHS) will be accepting reservations for a lottery for new slots in the Oregon Health Plan, Oregon’s Medicaid program. Those on the reservation list will participate in a monthly lottery in which 2,000 names will be randomly chosen and invited to apply for the Oregon Health Plan. DHS will keep drawing 2,000 names per month until the program reaches its budgeted level.

At its peak, the Oregon Health Plan served 132,000 poor people, but starting with cuts passed in 1995 and concluding with the closure of the program in 2004, enrollment fell to the currently “meager and shameful” level of 19,000, according to Leachman.

“All low-income uninsured adults in Oregon need to get their names on the reservation list for the Oregon Health Plan lottery,” Leachman noted. “If they get lucky and are picked to apply, the

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state will use the new poverty guidelines released today to determine whether their recent income is low enough to qualify for the health insurance plan.”

The public policy center has links to information about how to get on the reservation list on its website, www.ocpp.org.

Besides the Oregon Health Plan, the federal poverty income guidelines are used to determine eligibility for programs such as National School Lunch, legal services and Food Stamps. The guidelines are not used for the state's cash assistance welfare program, called Temporary Assistance to Needy Families (TANF), or for determining eligibility for the federal or state earned income tax credits.

The Oregon Center for Public Policy is a non-partisan research institute that does in-depth research and analysis on budget, tax and economic issues. The Center's goal is to improve decision making and generate more opportunities for all Oregonians.

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NOTE TO REPORTERS AND EDITORS:

Attached please find a comparison of the 2008 and 2007 federal poverty income guidelines.

Federal Poverty Guidelines, 2008

Family Size	Yearly Income	Monthly Income	Hourly Income
1	\$10,400	\$867	\$5.00
2	\$14,000	\$1,167	\$6.73
3	\$17,600	\$1,467	\$8.46
4	\$21,200	\$1,767	\$10.19
5	\$24,800	\$2,067	\$11.92
6	\$28,400	\$2,367	\$13.65
7	\$32,000	\$2,667	\$15.38
8	\$35,600	\$2,967	\$17.12

For each additional person, add \$3,600 (yearly), \$300 (monthly), \$1.73 (hourly).

Source: *Federal Register* Vol. 73, No. 15, January 23, 2008, pp. 3971-397. Monthly and hourly data calculated by OCPP and rounded to the nearest dollar and cent, respectively. The hourly rate is based on 40 hours of work per week for a full year (2080 hours).

Federal Poverty Guidelines, 2007

Family Size	Yearly Income	Monthly Income	Hourly Income
1	\$10,210	\$851	\$4.91
2	\$13,690	\$1,141	\$6.58
3	\$17,170	\$1,431	\$8.25
4	\$20,650	\$1,721	\$9.93
5	\$24,130	\$2,011	\$11.60
6	\$27,610	\$2,301	\$13.27
7	\$31,090	\$2,591	\$14.95
8	\$34,570	\$2,881	\$16.62

For each additional person, add \$3,480 (yearly), \$290 (monthly), \$1.67 (hourly).

Source: *Federal Register* Vol. 72, No. 15, January 24, 2007, pp. 3147-3148. Monthly and hourly data calculated by OCPP and rounded to the nearest dollar and cent, respectively. The hourly rate is based on 40 hours of work per week for a full year (2080 hours).