

Rural by the Numbers 2006

A Look at Pennsylvania's Rural Population



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The Center for

Rural Pennsylvania
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About Rural by the Numbers

To better understand current conditions facing the Commonwealth's 3.4 million rural residents, the Center for Rural Pennsylvania conducted its second annual Rural Pennsylvania Current Population Survey, or RuralPA-CPS, which is modeled after the March Supplement of the federal Current Population Survey (CPS).

The Center asked a sample of rural residents questions about their families, home, income, employment, educational attainment, and health insurance.

The first RuralPA-CPS, conducted in 2005, surveyed more than 2,000 rural households. In 2006, the Center expanded the survey to include 1,000 urban households.

By comparing the results of the 2005 and 2006 RuralPA-CPS, the Center can present a more statistically valid and reliable picture of today's rural Pennsylvanians and how conditions for these residents are changing. With the inclusion of the urban responses, the Center can identify the similarities and differences between rural and urban residents.

This year's report focuses on health insurance. The Center's analysis looks at the characteristics of households with different types of health insurance and those without health insurance.

A summary of the 2006 RuralPA-CPS results is included in the Appendix along with a comparison of the 2005 and 2006 results.

Health Insurance Coverage

According to the most recent data from the U.S. Census Bureau, in 2005, 247.3 million Americans had health insurance and 46.6 million, or 16 percent, did not. The Census Bureau estimated that 11 percent of residents in Pennsylvania did not have health insurance. Compared to other states, Pennsylvania had the 12th lowest rate of uninsured residents. Texas, New Mexico and Florida had the highest rates of 20 percent or more, while Minnesota, Iowa, and Hawaii had the nation's lowest rates of less than 10 percent.

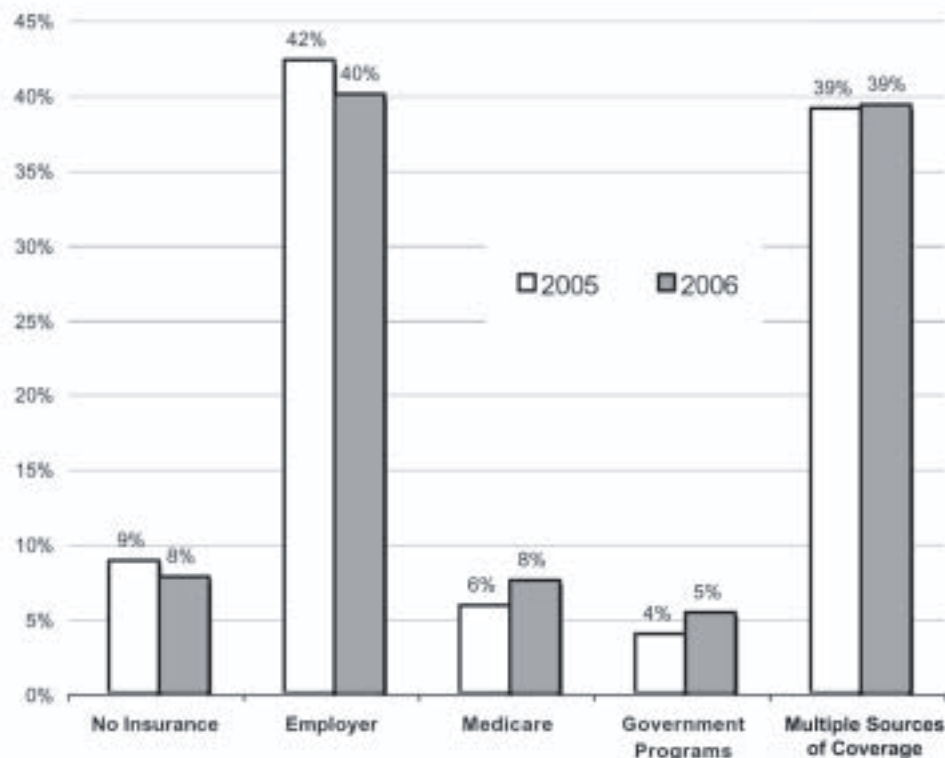
Between 2000 and 2005, the Census Bureau estimated that the number of uninsured residents nationwide increased by 6.7 million or 17 percent.

Using the 2006 RuralPA-CPS, the Center analyzed the characteristics of four different types of rural Pennsylvania households: those with different types of health insurance coverage and those without coverage.

The analysis does not include the 39 percent of rural households and 38 percent of urban households that have health insurance from multiple sources, such as Medicare and employers, or employers and privately purchased insurance. These households were excluded from the analysis because they share many of the same characteristics as households with a single source for health insurance.

The following analysis is based on the 2006 RuralPA-CPS, unless noted otherwise.

RURAL PENNSYLVANIA HOUSEHOLD HEALTH INSURANCE COVERAGE, 2005 AND 2006



Households Without Health Insurance

Approximately 8 percent of rural households and 6 percent of urban households did not have health care insurance for the past 12 months.

Regionally, western Pennsylvania has the highest percent of households without insurance at 46 percent. In central Pennsylvania, 36 percent of households do not have health insurance, and in eastern Pennsylvania, 18 percent do not have insurance. From 2005 to 2006, rural households without insurance declined 1-percentage point.

Following are characteristics of the typical rural household without health insurance:

- **Age and household:** The typical rural householder without health insurance is 47 years old, married (69 percent) and living in a household without children (71 percent). Between 2005 and 2006, these characteristics did not change significantly.
- **Income:** The median income for households without insurance is \$42,000, or \$3,000 below the median for all rural households. However, income among these households is not evenly distributed as 17 percent of households without insurance have incomes below the poverty level and another 17 percent have incomes over \$75,000. Between 2005 and 2006, there was an upward shift in incomes among the uninsured.
- **Employment:** Sixty-five percent of householders in households without insurance are employed. Among these householders, 83 percent are employed full-time and 17 percent are employed part-time. The unemployment rate for this group is 14 percent. Between 2005 and 2006, these characteristics did not change significantly.
- **Education:** Householders who are 25 years old and older in households without health insurance have slightly lower educational attainment levels than all other rural householders. Forty-five percent have a high school diploma, 16 percent have less than a high school diploma, 11 percent have some college but no degree, and 28

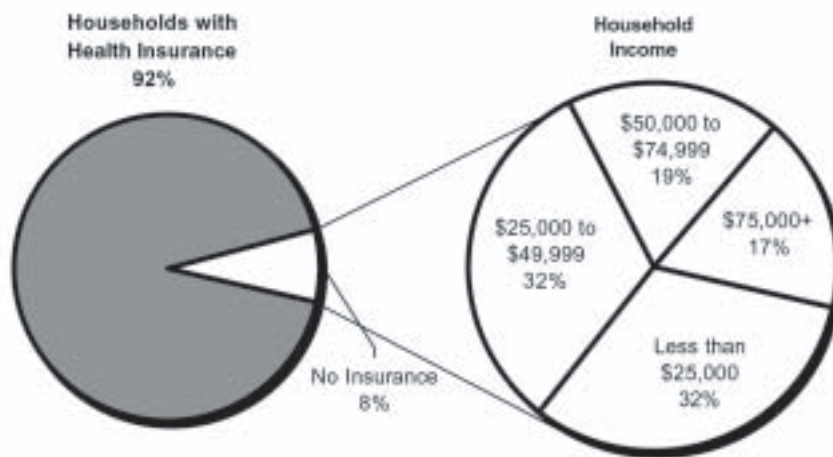
percent have an associate's degree or higher. This situation did not change significantly between 2005 and 2006.

Rural and urban households without insurance have some basic similarities: both are typically comprised of a married couple without children and the average age of the householder is between 45 and 47 years old.

The following differences, however, are also notable:

- **Incomes:** Among urban households without health insurance, the median income is \$44,500, or \$2,500 higher than similar rural households. In addition, more than 33 percent of urban households reported incomes greater than \$75,000 compared to only 17 percent of rural households.
- **Education:** Among urban householders who are 25 years old and older in households without health insurance, 40 percent have an associate's degree or higher compared to 28 percent of rural householders.
- **Employment:** More than 78 percent of the urban householders without health insurance are employed compared to 65 percent of rural householders. The unemployment rate for urban householders is lower than for rural householders.

INCOME RANGE FOR RURAL HOUSEHOLDS WITHOUT INSURANCE, 2006



Employer Provided Health Insurance

Forty percent of rural households and 46 percent of urban households have health insurance exclusively from their employer.

Regionally, western Pennsylvania has the highest percent of households with employer-based insurance at 38 percent. In central Pennsylvania, 32 percent of households have employer-based insurance while 30 percent of households in eastern Pennsylvania have employer-based insurance. From 2005 to 2006, the percent of rural households with employer-based health insurance declined from 42 percent to 40 percent.

Following are characteristics of the typical rural household with employer-based health insurance:

- Age and household:

The typical rural householder is 46 years old, married (86 percent) and living in a household without children (60 percent). There was no significant change in these characteristics between 2005 and 2006.

- Minorities: Minorities make up less than

3 percent of the householders who have their health insurance through an employer in both 2005 and 2006.

- Homeownership: Ninety percent own their home. Approximately 70 percent pay a monthly mortgage, and in both years, the average amount paid was \$770.

- Incomes: The median household income is \$57,000, or \$12,000 higher than the median household income for all rural households. In 2005 and 2006, less than 2 percent of households had incomes below the poverty level. Similarly, participation in government programs, such as the Food Stamp Program, heating assistance, and

Temporary Assistance for Needy Families (TANF) was less than 1 percent.

- Education: Forty-three percent of rural householders who are 25 years old and older have an associate's degree or higher. Less than 5 percent do not have a high school diploma. There was no significant difference in educational attainment between 2005 and 2006.

- Employment: Approximately 80 percent of householders are employed; 85 percent of whom are employed full-time. This pattern was the same for both years.

As the table below shows, there were some slight, but statistically significant, changes in the portion of health insurance paid by employers between 2005 and 2006.

PORTION OF HEALTH INSURANCE COVERAGE PAID BY EMPLOYER, 2005 AND 2006

	Rural Counties		Urban Counties
	2005	2006	2006
Pays for all coverage	27%	24%	24%
Pays for some coverage	69%	71%	67%
Pays none of the coverage	4%	5%	9%
Total	100%	100%	100%

There was little difference between rural and urban households that have health insurance solely through their employer. Some notable differences are:

- Incomes: Urban households tend to be more affluent, with a median income of \$78,200, or \$21,200 higher than the rural median.

- Educational attainment: More than 60 percent of urban adult householders who are 25 years old and older have an associate's degree or higher.

Medicare Insurance

Eight percent of both rural and urban Pennsylvanians depend solely on Medicare for their health insurance. This federal program is for people who are 65 years old and older and for certain younger people with disabilities.

Regionally, 42 percent of the Medicare-insured households are in western Pennsylvania, 31 percent are in the eastern region and 27 percent are in the central region. Between 2005 and 2006, the percentage of rural households relying exclusively on Medicare increased 2 percentage points, from 6 percent to 8 percent.

Following are characteristics of a typical rural Medicare-dependent household:

- **Age and household:** The typical rural householder is a 67-year-old single (43 percent) female (58 percent). These characteristics did not significantly change between 2005 and 2006.
- **Homeownership:** Seventy-eight percent own their home and 79 percent have no monthly mortgage payments. Between 2005 and 2006, the homeownership rate increased 7-percentage points, but the rate of those not paying a monthly mortgage did not change.
- **Income:** The median household income is \$15,000, or \$30,000 below the median household income for all rural households.
- **Poverty:** The poverty rate among these households is 20 percent. Between 2005 and 2006, there was a 7-percentage point decline in households with incomes below the poverty level.
- **Employment:** Thirteen percent of these householders are employed, while 85 percent are retired, disabled, or not in the labor force for other reasons. Between 2005

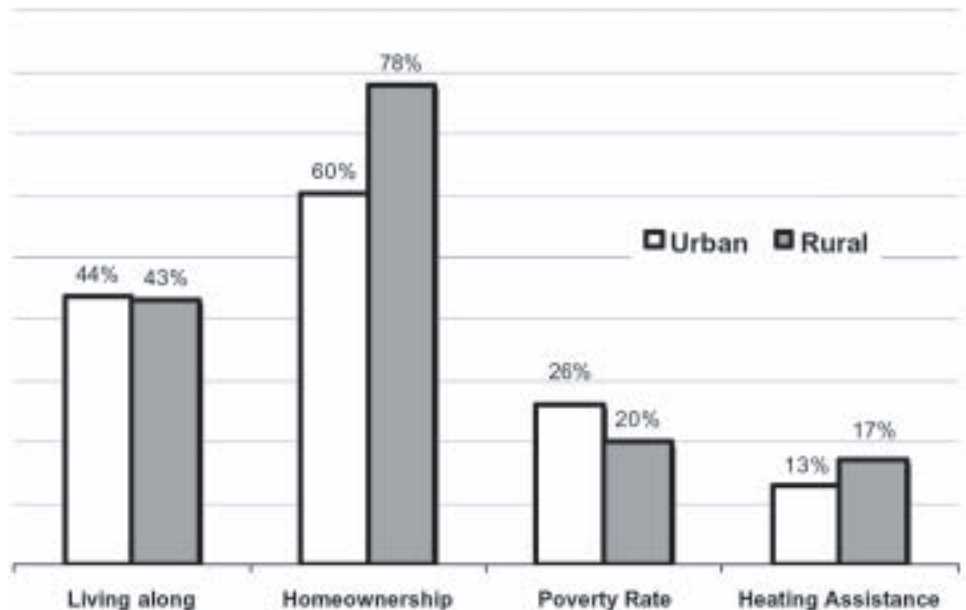
and 2006, there was a 1-percentage point drop in householders who were employed.

- **Educational attainment:** Twenty-five percent of householders who are 25 years old and older do not have a high school diploma, and 53 percent have only a high school diploma. These rates did not change significantly from 2005 to 2006.

Rural and urban Medicare-dependent households are very similar. The average age of the householder is nearly identical as is the percentage that lives alone. There are, however, some differences:

- **Homeownership:** Approximately 60 percent of urban households own their homes while 78 percent of rural households own their homes.
- **Poverty:** Among urban households, the poverty rate is 26 percent compared to 20 percent among rural households.
- **Minorities:** More than 15 percent of urban householders are minorities. Among rural householders, 5 percent are minorities.

SELECTED INDICATORS OF RURAL AND URBAN HOUSEHOLDS INSURED BY MEDICARE, 2006



Other Government Health Insurance

Five percent of rural Pennsylvania households and 2 percent of urban households receive their health care insurance through one of four other government programs: Medicaid, or Medical Assistance (MA); the Children's Health Insurance Program (CHIP); adultBasic, which is a program for low-income adults; and CHAMPUS, a military health insurance program.

The largest of these non-Medicare government programs is MA, which accounts for 51 percent of all the rural households participating in these government insurance programs. Because of the relatively small survey sample of households participating in any of these four programs, the Center combined the programs and analyzed them as a single program.

Between 2005 and 2006, there was a 1-percentage point increase in the number of rural households participating in government insurance programs.

Following are characteristics of a typical rural household insured through a government program:

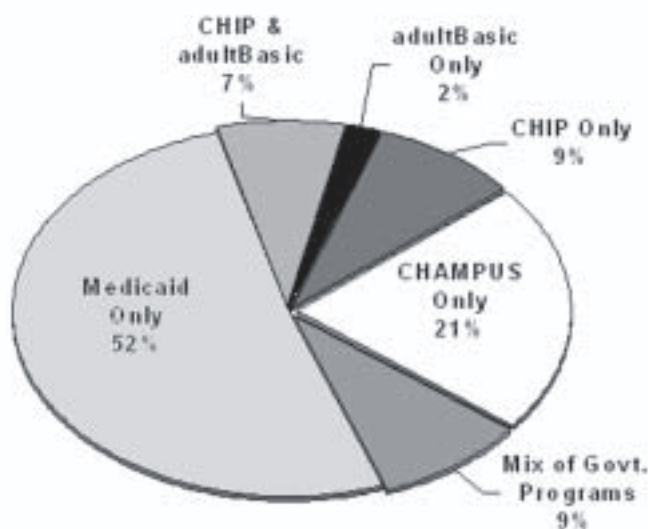
- Age and household: The typical rural householder is 42 years old. More than 64 percent of these households have children. Thirty-one percent of households are headed by a single parent, 23 percent are headed by a married couple, and 10 percent are headed by unmarried couples with children.
- Poverty: The poverty rate is 47 percent, or 1-percentage point lower than it was in 2005.
- Income: The median household income is \$16,000.
- Homeownership: Sixty-four percent of households own their home. In 2005, 58 percent of households owned their home.
- Employment: Approximately 45 percent

of householders are employed: 69 percent work full-time and 31 percent work part-time. The unemployment rate for these householders is 22 percent.

- Education: In 2005 and 2006, 18 percent of householders who were 25 years old and older had no high school diploma and 48 percent had just a high school diploma. In both years, approximately 11 percent of householders were enrolled in school; 60 percent of whom were enrolled full-time.

There are many similarities between urban and rural households that participate in government health-insurance programs. For both household types, nearly one-half have incomes below the poverty level. These households also have high percentages of children and similar levels of educational attainment.

**RURAL HOUSEHOLD PARTICIPATION
IN OTHER GOVERNMENT INSURANCE PROGRAMS,
BY PROGRAM TYPE, 2006**



Appendix: Profile of Rural and Urban Households

	Rural		Urban, 2006
	2005	2006	
TYPES OF HOUSEHOLDS			
Married couple, no children	42%	40%	37%
Married couple, with children	24%	25%	26%
Male householder, no wife present, no children	1%	2%	2%
Male householder, no wife present, with children	1%	1%	1%
Female householder, no husband present, no children	2%	3%	4%
Female householder, no husband present, with children	3%	4%	4%
Unmarried individuals, no children	2%	3%	3%
Unmarried individuals, with children	2%	2%	2%
Single person household	21%	20%	21%
Group quarters	4%	1%	1%
HOUSEHOLDS WITH CHILDREN			
Households without children	70%	68%	67%
Households with children	30%	32%	33%
HOMEOWNERSHIP			
Housing unit owned or being bought by a household member	84%	85%	79%
Housing unit rented for cash	15%	13%	20%
Housing unit occupied without paying cash rent	2%	2%	2%
MONTHLY RENT OR MORTGAGE PAYMENTS			
No monthly payments	48%	47%	39%
Less than \$500	22%	21%	11%
\$500 to \$749	15%	17%	17%
\$750 to \$999	6%	7%	10%
\$1,000+	9%	8%	23%
RANGE OF HOUSEHOLD INCOME			
Less than \$5,000	1%	1%	2%
\$5,000 to \$9,999	5%	4%	4%
\$10,000 to \$14,999	8%	8%	4%
\$15,000 to \$19,999	6%	6%	4%
\$20,000 to \$24,999	7%	6%	4%
\$25,000 to \$29,999	6%	5%	3%
\$30,000 to \$34,999	7%	8%	6%
\$35,000 to \$39,999	5%	6%	6%
\$40,000 to \$49,999	12%	12%	9%
\$50,000 to \$59,999	10%	13%	9%
\$60,000 to \$74,999	11%	12%	11%
\$75,000+	20%	20%	39%
HOUSEHOLDS IN POVERTY			
Households in poverty	10%	10%	9%
Households not in poverty	90%	90%	91%

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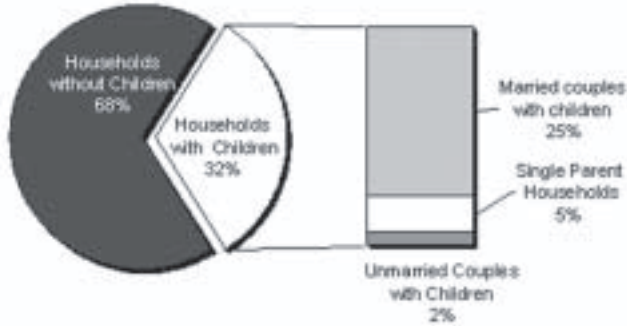
Appendix: Profile of Rural and Urban Households

	Rural		Urban, 2006
	2005	2006	
HOUSEHOLDS THAT RECEIVED THE FOLLOWING PAYMENTS¹			
Unemployment Compensation benefits	11%	11%	8%
Worker's Compensation payments	2%	3%	2%
Supplemental Security Income (SSI)	6%	6%	4%
Temporary Assistance for Need Family (TANF)	1%	1%	1%
Food Stamps	8%	6%	5%
Heating Assistance	9%	7%	4%
HOUSEHOLD HEALTH INSURANCE			
No health insurance	9%	8%	6%
Employer-based health insurance only	42%	40%	46%
Medicare only	6%	8%	8%
Government-provided insurance only	4%	5%	2%
Purchased health insurance only	4%	4%	5%
Other types of health insurance	35%	35%	34%
AGE COHORTS			
Under 10 years old	11%	11%	12%
11 to 19 years old	14%	15%	14%
20 to 29 years old	9%	9%	10%
30 to 39 years old	12%	11%	11%
40 to 49 years old	15%	16%	16%
50 to 59 years old	18%	17%	16%
60 to 69 years old	11%	11%	9%
70 to 79 years old	8%	8%	7%
80+ years old	3%	3%	5%
MARITAL STATUS FOR PERSONS 18 YEARS OLD & OLDER			
Married	68	67	64
Widowed	7	8	6
Divorced	7	7	8
Separated	1	1	1
Never married	17	17	21
HIGHEST LEVEL OF EDUCATIONAL ATTAINMENT FOR PERSONS 25+ YEARS OLD			
No high school diploma	9%	10%	6%
High school diploma or equivalency	41%	44%	33%
Some college, no degree	13%	14%	14%
Associate's degree	10%	11%	9%
Bachelor's degree or higher	26%	23%	39%
EMPLOYMENT STATUS FOR PERSONS 18+ YEARS OLD			
Currently working	58%	57%	62%
Currently not working and looking for work	4%	5%	4%
Retired -- not working and not looking for work	10%	22%	21%
Disabled -- not working and not looking for work	22%	6%	5%
Other -- not working and not looking for work	6%	9%	9%

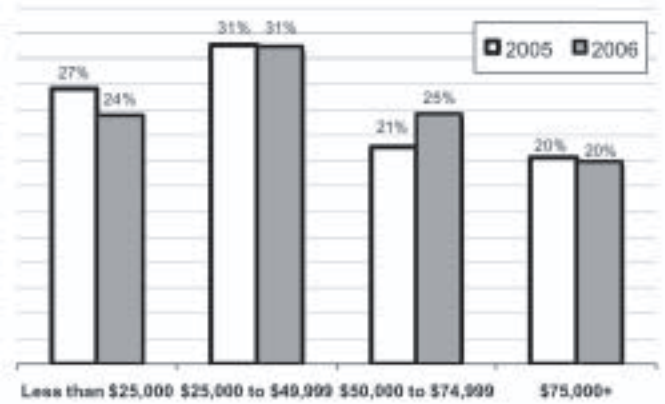
¹ Totals do not add up to 100 percent due to multiple responses.

Appendix: Profile of Rural and Urban Households

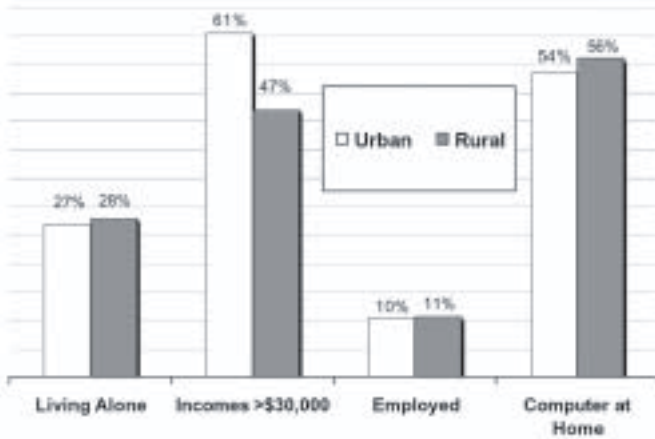
RURAL HOUSEHOLDS WITH CHILDREN BY HOUSEHOLD TYPE, 2006



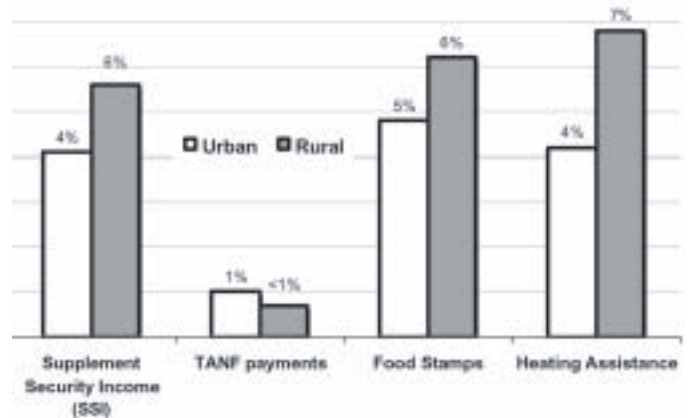
RANGE OF RURAL HOUSEHOLD INCOMES, 2005 AND 2006



SELECTED CHARACTERISTICS OF RURAL AND URBAN SENIOR CITIZEN HOUSEHOLDERS, 2006



RURAL AND URBAN HOUSEHOLDS THAT RECEIVED INCOME FROM SELECTED GOVERNMENT PROGRAM, 2006



Methodology

The RuralPA-CPS is a joint project of the Center for Rural Pennsylvania and Penn State Harrisburg's Center for Survey Research (CSR). The Center and CSR collaborated on the design of the survey instrument, which was closely modeled after the March Supplement of the federal Current Population Survey (CPS).

The federal CPS model represents a comprehensive approach on the part of the federal government to gather demographic data about the nation's households. In March of each year, the CPS collects additional socio-economic data such as employment, income, education, and health insurance coverage. This enhanced dataset is referred to as the CPS March Supplement. This data is collected through mail and personal interviews.

While the RuralPA-CPS was designed to function as a CPS March Supplement for Pennsylvania, the research team made some changes. First, the RuralPA-CPS was designed to be a telephone survey, not a mail survey or personal interview. Second, some questions were eliminated or restructured to fit within a standard 20-minute telephone survey. And third, the RuralPA-CPS was targeted to households in rural Pennsylvania. These changes affected both the structure and comparability of the results with the federal CPS March Supplement.

The data presented in this report are from the first two annual RuralPA-CPS surveys.

Data Collection

Telephone interviewers collected data for both surveys. Data collection for the 2005 survey began on January 5, 2005 and ended on March 9, 2005. For the 2006 survey, data collection began on January 3, 2006 and ended on April 10, 2006. Standard callback methods were used to increase the response rate.

Sample Design

The sample consisted of telephone numbers selected at random from the 48 counties that the Center for Rural Pennsylvania has designated as rural. A county is considered rural when the population density of the county is less than the statewide population density of 274 persons per square land mile. According to U.S. Census Bureau 2005 population estimates, the Commonwealth's 48 rural counties had

a total population of 3.4 million residents. In 2006, the survey was also conducted in 19 urban counties. These counties had an estimated population of 8.9 million.

The random-digit-dialing (RDD) telephone sample frame was purchased from a marketing firm. The sampling methodology ensured that every household with a telephone in rural and urban Pennsylvania had an equal chance of selection. This procedure is a rigorous methodology that plays a key role in producing sample estimates that accurately reflect true population values.

Interviewers asked for survey participation from a household member who was 18 years of age or older and best qualified to answer detailed questions about his/her household and its members.

Response rate

Interviews were conducted from the offices of the Center for Survey Research at Penn State Harrisburg until 3,156 interviews had been completed in 2006 (3,028 completed interviews plus 128 partially completed interviews). The goal was to complete full interviews with at least 2,000 rural households and 1,000 urban households. Based on the 3,028 completed interviews, the confidence level achieved is 95 percent with a sampling error of plus or minus 1.6 percentage points. This means that if the survey were conducted 100 times, the resulting data would be within 1.6 percentage points of the percentage reported in 95 of the 100 surveys. The overall cooperation rate for the survey was 53 percent, calculated as the total number of completed interviews divided by the sum of the completed interviews, partially completed interviews and refusals.

SURVEY COOPERATION RATE, 2005 & 2006

	2005	2006
Number of completed interviews	2,014	3,028
Number of partial interviews	39	128
Number of refusals	2,190	2,099
Number who hung up during the interview	2,243	447
Cooperation rate	31%	53%
Margin of error	2.2%	1.6%

Data Limitations

As in any survey, there are a number of limitations that may affect the reliability and validity of the results. The more significant limitations to this survey follow.

Limited comparability with the federal CPS

There are two aspects of this comparability issue. First, some questions used in the RuralPA-CPS were modified to fit a telephone survey format. This process included rewording or eliminating some questions that are found in the federal CPS. As a result, a direct comparison with certain federal CPS questions is not possible.

Comparability may also be limited because of the way in which data was collected: again, the federal CPS uses a mail survey and personal interviews while the RuralPA-CPS uses a telephone survey. The difference in the two formats may have resulted in questions being answered differently.

Undersampling of renters

According to the RuralPA-CPS, 84 percent of households were in owner-occupied units and 16 percent lived in rental units. The percentage of households in rental units is low when compared to the 2000 Census, where approximately 25 percent of households were renters and 75 percent were homeowners. While six years have passed since the decennial Census, it is very unlikely that there was a 9-percentage point decline in households living in rental units. Consequently, readers should recognize that renters, who generally have lower incomes, are underrepresented in the RuralPA-CPS.

Does not report on non-household aspects of rural communities

A community is comprised of households and individuals, but also of businesses, hospitals, schools, and social and service clubs. The RuralPA-CPS provides detailed information on households and their members, but data from other sources is needed to obtain a complete picture of conditions in Pennsylvania's rural communities.

Poverty Estimates

In 2006, respondents were asked for their household income: 80 percent provided the exact dollar amount and 20 percent used a range to report income. For the 80 percent that provided a dollar amount, poverty status was determined by using the 2006 U.S. Department of Health and Human Service's (HHS) Poverty Guidelines. For the 20 percent that used a range to report their income, poverty status was estimated based on whether the top of the range was at or below HHS Guidelines. In 2005, respondents were only able to report their income in a range. The poverty rate for 2005 was also estimated based on whether the top of the range was at or below the 2005 HHS Guidelines. The use of income ranges limits the ability to precisely identify the percent of households in poverty. Therefore, the poverty rates reported here are not entirely comparable to Census figures.

Definitions

The terms below were used by the Center for Rural Pennsylvania to identify and describe rural residents.

Adults: Persons 18 years old and older.

Children: Persons under 18 years old.

Educational attainment: Highest level of education attained for persons 25 years old and older.

Families: Households comprised of two or more related persons.

Household income: Income of all household members from all sources, such as salaries, interest, and businesses.

Households with children: Households that have one or more persons under 18 years old.

Labor force: Persons 16 years old and older who are either employed or are not working and looking for work.

Poverty rate: The percent of households with incomes at or below the poverty level.

Senior citizen: Persons 65 years old and older.

Working poor: Employed persons whose total household income is below 200 percent of poverty.

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