









Kentuckians' Experiences with Reductions in Salaries and Benefits













Results From the Foundation for a Healthy Kentucky and The Health Foundation of Greater Cincinnati



Health Foundation

2009 will be remembered as a difficult economic year for most of the country, and Kentucky is no exception. Unemployment in Kentucky exceeded 11% in 2009 and was consistently higher than the national average. 1 Even Kentuckians who have jobs may still have difficulty making ends meet because of reductions in salary or benefits. The 2009 Kentucky Health Issues Poll asked Kentucky adults about whether they or a member of their family had a cut in pay or benefits over the last year, and whether these cuts were a serious problem.

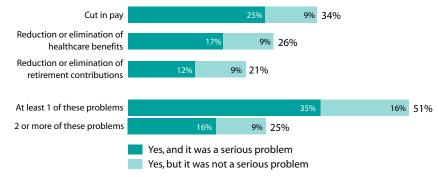
Over Half of Kentucky Adults Had a Cut in Salary or Benefits

The Poll asked Kentucky adults if they or their family members experienced one of three specific problems in the last 12 months:

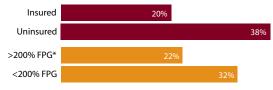
- a cut in pay,
- a reduction or elimination of healthcare benefits, and
- a reduction or elimination of retirement contributions.

Half of Kentucky's adults (51%) reported that they had at least one of these problems, and 1 in 4 (25%) said they had two or more

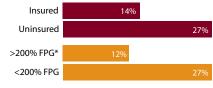
Have you or your family experienced any of the following problems in the past 12 months, **or not? Was this a serious problem, or not?** (Graphs present percentage of people reporting this was a problem only.)



Kentuckians reporting that a cut in pay was a serious problem, by subgroup



Kentuckians reporting that a reduction or elimination of healthcare benefits was a serious problem, by subgroup



 $[^]st$ 200% of the federal poverty guidelines (FPG) in 2008 was a household income of \$42,400 for a family of 4.

of these problems. For the specific problems:

- 1 in 3 (34%) reported they or a family member experienced a cut in pay,
- 1 in 4 (26%) reported they or a family member experienced a reduction or elimination of healthcare benefits, and
- 1 in 5 (21%) reported that they or a family member experienced a reduction or

elimination of retirement contributions.

Uninsured and Low-**Income Kentuckians Reported Serious Problems More Often**

Uninsured Kentuckians and Kentuckians living below 200% of the federal poverty guidelines

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These findings unless otherwise noted are from the 2009 Kentucky Health Issues Poll, funded by the Foundation for a Healthy Kentucky and The Health Foundation of Greater Cincinnati. The Kentucky Health Issues Poll was conducted October 8-November 6, 2009, by the Institute for Policy Research at the University of Cincinnati. A random sample of 1,669 adults from throughout Kentucky was interviewed by telephone. This included 1,464 landline interviews and 205 cell phone interviews with people who did not have a landline telephone. In 95 of 100 cases, the statewide estimates will be accurate to ±2.4%. In addition to sampling error, there are other sources of variation inherent in public opinion studies, such as non-response, question wording, or context effects that can introduce error or bias. For more information about the Kentucky Health Issues Poll, please visit www.healthy-ky.org or www.healthfoundation.org/khip.html.

¹ Bureau of Labor Statistics, U.S. Department of Labor, Local Area Unemployment Statistics, Jan-Oct 2009 [accessed December 2, 2009 from http:// www.bls.gov/lau/].

(FPG)² reported higher rates of serious problems with cuts in pay and healthcare benefits:

- 4 in 10 uninsured Kentuckians (38%) reported a serious problem experiencing a cut in pay, compared to 1 in 5 insured Kentuckians (20%).
- 1 in 4 uninsured Kentuckians (27%) reported a serious problem experiencing a reduction or elimination of healthcare benefits, compared to 1 in 7 insured Kentuckians (14%).
- 1 in 3 Kentuckians living below 200% FPG (32%) reported a serious problem experiencing a cut in pay, compared to 1 in 5 Kentuckians living above 200% FPG (22%).
- 1 in 4 Kentuckians living below 200% FPG (27%) reported a serious problem experiencing a reduction or elimination of healthcare benefits, compared to 1 in 8 Kentuckians living above 200% FPG (12%).

Reduction or Elimination of Retirement Income

The economic downturn affected not only working adults, but retirees as well. One in five Kentucky adults (20%) reported that they or their family experienced a reduction or elimination of retirement income in the past year, and it was a serious problem for one in seven (14%).

² 200% of the federal poverty guidelines (FPG) in 2008 was a household income of less than \$42,400 for a family of 4.