

Health Care for the Homeless Mobilizer

The National Health Care for the Homeless Council

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Low-Income Children & Families in Jeopardy Act today to give children a “healthy start in life”

The State Children’s Health Insurance Program (SCHIP, commonly known as “CHIP”) will expire on September 30, 2007, unless it is reauthorized by the Congress. Congressional leaders are working now both to reauthorize the program and to ensure access to care for an estimated nine million uninsured American children, two thirds of whom are eligible for public safety-net health coverage but not enrolled – due in part to insufficient funding. In an apparent departure from an earlier promise to enroll eligible but uninsured children, the Administration now is signaling a strong intent to veto a proposed increase in the CHIP program. The National Council calls upon *Mobilizer* readers to act now to ensure continued and improved access to health care for vulnerable children and families.

Show Me the Money . . .

SCHIP is jointly financed by Federal and State governments and is administered by the states within broad Federal guidelines. Each state has the power to determine program design, eligibility requirements, benefit packages, and payment levels. Under the current authorization, states have used CHIP’s flexibility to serve low-income working families who cannot afford health insurance but earn an income too high to qualify for Medicaid. Though a dramatically successful and popular program, resources far exceed the need for services. Upon CHIP’s inception in 1997, Congress allotted the program \$40 billion over 10 years. This year alone, 14 states exhausted their federal CHIP funds and experienced shortfalls that jeopardized coverage for thousands of children.¹ Fortunately, Congress patched the budgetary hole for the current year. The Iraq supplemental spending bill (H.R. 2206), an embattled supplemental appropriations bill signed by President Bush on May 25, 2007, included an additional \$650 million for CHIP to alleviate state shortfalls through the end of the fiscal year (September 30, 2007). Without new and adequate federal funding for CHIP reauthorization, however, states will be in the same deprived financial position in which they began *this* fiscal year.

Flexibility Threatened

The current SCHIP reauthorization proposal, as passed by the Senate Finance Committee by a 17-4 vote earlier this week, ultimately will end coverage for certain parents and single adults in those states that used CHIP to improve access to care for these populations. By restricting coverage for custodial parents, the bill also could prevent families from enrolling in health plans altogether. Senate Bill 1224 allows no new waivers for the coverage of parents or single adults and requires

¹ Chris L. Peterson, *SCHIP Financing: Funding Projections and State Redistribution Issues* (Washington: Congressional Research Service, updated January 30, 2007).

states with SCHIP-funded adult coverage to pay for parents and single adults with “set aside” funding and transition these individuals into Medicaid by 2010 and 2009, respectively. If these provisions survive the reconciliation process, they seriously will limit state flexibility and further erode health coverage for low-income Americans.

Does President Bush really care about kids?

At the 2004 Republican convention, President George Bush declared that “America’s children must also have a healthy start in life.” He promised that in his new term in office, “we will lead an aggressive effort to enroll millions of poor children who are eligible but not signed up for government health insurance programs.” For the past several months, the Congress has worked in a bipartisan manner to fulfill the President’s promise. The Senate bill contains \$35 billion in new funding over the next five years; the House is considering a \$50 billion allocation, consistent with the 2008 Federal Budget Resolution. Unfortunately, the Administration is resisting these efforts.

On July 19, 2007, the same day the Senate Finance Committee marked up the SCHIP proposal, President Bush voiced opposition to a “massive expansion of the federal role” in health care and threatened to veto a substantial increase in CHIP funding. The Administration’s proposed \$5 billion increase would essentially flat line funding to the states, narrow the scope of services, and increase co-payments for America’s poorest families and children.

ACTION: Committee markups are happening now. The House Energy and Commerce Committee is considering a proposal similar to that passed by the Senate on July 27. Floor votes are expected before the Congressional recess in August. Contact your representatives today.

- **Call or write your Representative** and urge them to support a \$50 billion in new funds for the SCHIP Reauthorization Act of 2007 (H.R. 3162) as promised in the 2008 Budget Resolution. Ask them to preserve state flexibility so that states may continue to have the authority to offer coverage to uninsured families, including parents. Find out who represents you at www.house.gov or call the Capitol Switchboard at 202-224-2131.
- **Contact your Senators.** If members of the Senate Finance Committee, thank them for voting to reauthorize SCHIP with \$35 billion in new federal funding and seek their support for the full \$50 billion contained in the budget resolution. If not a Committee member, seek support on the floor for a \$50 billion commitment and the restoration of state flexibility. Find your Senator at www.senate.gov or call the Capitol Switchboard.
- **Contact the Administration** to encourage the swift adoption of Congressional measures to strengthen CHIP. Ask that President Bush reconsider his promised veto and instead work collaboratively with Congress to cover all America’s kids. Email the President at comments@whitehouse.gov.

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