

Keep SCHIP Strong

With reauthorization of the State Children's Health Insurance Program (SCHIP) required in 2007, Congress can move closer to the widely-shared goal of ensuring that all of America's children have health care coverage. Since SCHIP was enacted in 1997, the country has made notable progress in covering children. Despite swimming upstream against rising health care costs and declines in employer-based coverage, SCHIP and its larger companion program, Medicaid, have reduced the uninsured rate of low-income children by a third. But, clearly more needs to be done. The nation still has nine million uninsured children, the vast majority of whom are in working families and yet still lack access to affordable coverage. A host of child health advocates agree Congress should, at a minimum:

- **Provide \$60 billion in new funds for children's health.** Congress should strengthen its commitment to the federal-state partnership that has led to SCHIP and Medicaid's success. With \$60 billion in new SCHIP and Medicaid funding over five years, states will be able to maintain their existing SCHIP programs, and avoid the tragedy of children losing health care coverage because the federal government did not maintain the commitment made in 1997 when SCHIP was created. As importantly, this level of funding also will allow the country to move forward by enrolling most of the uninsured children already eligible for Medicaid and SCHIP and providing support to those states seeking to further expand coverage for children.
- **Offer states new options to expand coverage.** States should have additional flexibility and financial support to expand coverage to more children. This flexibility should include a state option to cover pregnant women through SCHIP without relying on waivers, as well as to provide SCHIP and Medicaid coverage to those legal immigrant children and pregnant women who currently cannot be covered until they have been in the country for five years.
- **Extend new tools and financial support to states seeking to enroll more eligible children.** With close to seven in ten uninsured children now eligible to enroll in Medicaid or SCHIP, the single most important step the country could take in covering children is to eliminate the remaining barriers that keep eligible children from gaining or retaining public coverage. Some new options to simplify enrollment will help. Congress should also offer states targeted financial support if they are successful in boosting the percentage of eligible children enrolled or in maintaining high take-up rates already achieved..
- **Promote care that fosters children's healthy development.** Simply providing children with an insurance card is not sufficient; it is vital that the coverage can be used to gain access to the range of services needed for healthy development, including mental health and dental care. Congress should establish a new child health quality initiative that reflects children's unique health care needs and facilitates the assessment of the success of SCHIP and Medicaid in meeting those needs.
- **Keep existing coverage strong.** Since SCHIP stands on the shoulders of Medicaid, Medicaid must not be weakened in order to finance SCHIP. Congress also should not force states to shut down successful family-based coverage programs or other, existing coverage initiatives adopted during an earlier era when SCHIP funds were in surplus and states were actively encouraged to pursue such initiatives.