

Dear Member of Congress:

The reauthorization of the State Children's Health Insurance Program (SCHIP) represents a singular opportunity to move closer to the widely-shared goal of ensuring that all of America's children have health care coverage. Congress has taken a significant step in that direction by signaling in the House and Senate budget resolutions a willingness to provide \$50 billion in new funding for SCHIP reauthorization. Now, relying on the bipartisan support for SCHIP, Congress must work to ensure in a timely manner that SCHIP reauthorization legislation is fully funded and that it includes policies that will support states' efforts to cover more children.

There are 9 million uninsured children in our country, the vast majority of whom are in families with jobs that do not offer their children access to affordable coverage. Seven out of ten of these children are eligible for either SCHIP or its companion program, Medicaid. To encourage and support state efforts to reach these children, Congress first needs to extend and strengthen the federal-state financing partnership. In addition, Congress should give states new tools, incentives and flexibility to enroll more children in SCHIP and Medicaid while simultaneously finding ways to improve upon the quality of care that all children receive.

As Congress reauthorizes SCHIP and works to identify ways to pay for at least \$50 billion in new funding, a diverse array of organizations that work on child health issues agree it should, at a minimum:

- **Act expeditiously to reauthorize SCHIP.** If the fate of the SCHIP program is not determined well in advance of the September 30, 2007 reauthorization deadline, it will be extraordinarily disruptive to states and, potentially, families. Similarly, if Congress simply extends the existing program states will be unable to expand coverage to the eligible, yet unenrolled children. SCHIP reauthorization should be completed before Congress turns to the far more controversial and time-consuming challenge of tackling the nation's larger health care problems.
- **Deliver on the pledge of at least \$50 billion in new funding.** It is vital that Congress deliver on its pledge to children's health coverage by providing, at a minimum, the full \$50 billion in new funds for SCHIP and Medicaid allowed for in the congressional budget resolutions. This level of funding is the minimum amount that will suffice to allow states to sustain their existing SCHIP programs, reach a significant share of the uninsured children already eligible for SCHIP and Medicaid, and support ongoing state efforts to expand coverage. It is vital that states are provided with a predictable and stable source of funding that enables them to continue to move forward in their effort to cover eligible children.
- **Provide states with new tools, options, and financial support to cover more children.** States across the country are poised to move forward in covering more

children. Along with the commitment of \$50 billion in new federal funds, states should be provided with the tools they need to cover more children, including:

- **Eligibility options.** States should have the option to cover pregnant women through SCHIP without relying on waivers, cover the kids of low-wage state employees, 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.
- **Enrollment tools and financial support.** With close to seven in ten uninsured children now eligible to enroll in Medicaid or SCHIP, states should be provided with more tools to reach such children, including an “Express Lane” option that allows them to use financial information from other programs (e.g., school lunch, WIC) to enroll eligible children and relief from the red-tape intensive federal mandate to document citizenship status in Medicaid. In addition, if states are successful in enrolling eligible children, the federal government should help with the added coverage costs that result through enhanced federal funding in Medicaid.
- **Promote care that fosters children’s healthy development.** Simply providing children with an insurance card – through SCHIP or Medicaid, or through private insurance – is not sufficient; it is vital that coverage can be used to secure the services needed for healthy development, including mental health and dental care.
- **Invest in Health Care Quality for Children.** Since efforts to improve health care quality focus on adults' health care, Congress should establish a new child health quality initiative. It would give the federal government the authority and resources necessary to promote the private sector's development, testing, and use of pediatric quality measures, including advancing measures through "consensus development process" involving consumers, payers, and providers. The initiative also would encourage state reporting on child health quality
- **Do no harm to coverage.** Since SCHIP stands on the shoulders of Medicaid, Medicaid should not be weakened in order to finance SCHIP. And, it would be a travesty if SCHIP reauthorization actually increased the number of uninsured Americans, such as by cutting off children in more moderate-income families who cannot afford coverage entirely on their own or weakening family-based coverage programs operated under SCHIP waivers.

Reauthorization of SCHIP offers Congress an historic opportunity to come together – on a bipartisan basis for the nation’s children-- to build on the SCHIP and Medicaid’s remarkable successes for children. The undersigned organizations look forward to working with you to take this important next step towards covering all of our nation's uninsured children. If you would like further information, please contact Bob Hall at 202/347-8600 (Rhall@aap.org).

Sincerely,