

PALLONE STATEMENT ON COVERING UNINSURED KIDS: MISSED OPPORTUNITIES FOR MOVING FORWARD

January 29, 2008

"Good morning. Today's hearing is entitled 'Covering Uninsured Kids: Missed Opportunities for Moving Forward.'

"Last week, the House tried for a second time to override the President's veto of bipartisan bicameral legislation that would have reauthorized the Children's Health Insurance Program (CHIP) and moved our nation towards making sure no American child has to go without health insurance. Unfortunately, we fell short of the votes we needed to prevail.

"To be honest it's hard for me to understand the President's logic, or the rationale of those within Congress who voted to uphold his veto. I think they all have forgotten or simply do not understand the challenges that American families face in securing affordable health coverage for their children.

"Perhaps today's hearing will remind us about the day to day struggle millions of American families face in order to afford the cost of health insurance. As health care costs continue to rise, employer sponsored insurance is eroding. Employers are shifting more costs to workers, or they are dropping coverage altogether. And for those who don't have employer insurance purchasing health insurance in the individual market not been a viable option. The result has been a steady increase in the number of uninsured Americans since 2001, nine million of which are children.

"As the economy continues to slump, things are only going to get worse for these families. Unemployment rates are increasing, which means more and more Americans are going to lose the health coverage that was tied to their jobs, or will have fewer dollars in their pocket to pay for private insurance. Soon enough, many of these families are going to come to rely on CHIP or Medicaid for their children's health coverage. I think it's questionable whether or not the States will have the ability to respond to this increasing level of need.

"As we learned from last year's debate, States are already having great difficulty in meeting the needs of those presently enrolled, not to mention the millions of kids who are currently eligible but un-enrolled. Every year, the number of States that experience a shortfall increases. I distinctly remember Members of the Georgia legislature descending upon Washington last year, pleading with Congressional leaders to provide them with additional funds in order to prevent an enrollment freeze. We answered their call and filled in their shortfalls so no child on the program had to lose their health care.

"But we didn't stop there. We worked in a bipartisan fashion with our colleagues in the Senate to craft a bill that would strengthen CHIP so that there wouldn't be any more shortfalls. Our bill would have provided \$35 billion over five years to the States to maintain and expand coverage to 10 million children.

"We provided states with the tools and resources necessary to go out and sign up the lowest-income children first. We strengthened the benefits offered under CHIP, including the mental and dental benefits. We took note of the Administration's concerns and removed adults from the program, faster than the President could by simply disapproving waiver renewals. We also strengthened the program so that only U.S. citizens could enroll in CHIP or Medicaid.

"But none of this seemed to satisfy the President. Instead of living up to the promise he made to enroll millions of more children in CHIP during the 2004 presidential campaign, he issued veto after veto. But he also didn't stop there.

"It simply was not enough to deny the States the resources they need to insure the children of their State, the Bush Administration has also tried to tie their hands with a torrent of erroneous policies on CHIP and Medicaid. To date, this Administration has issued seven regulations that would collectively gut the Medicaid program and roll back coverage for millions of Americans. Some of the most egregious regulations are targeted towards health care services for low-income and disabled children.

"In addition to the Medicaid regulations, the Administration's misguided CHIP directive contained in the August 17th letter to State Medicaid Directors is truly atrocious. It would, amongst other things, force a child to go one full year without health insurance before they could enroll in CHIP. That is lunacy. I guess that kid can just go to the emergency room for his or her health care, like the President suggested. I'd like to see the President send one of his daughters to the emergency room instead of their family doctor. If it's good enough for hard working American families, it should certainly be good enough for his.

"The bottom line is that instead of working with us to move our nation forward and provide health care to kids, the President has chosen to wage an all out attack on our nation's safety net system and those who rely upon it.

"I am glad that we have someone from the Administration here today, Mr. Smith, who can try to justify these indefensible policies. But I also want to put Mr. Smith and the President on notice, that I do not intend to sit idly by as more and more Americans lose their health coverage.

"We are determined to work together to strengthen CHIP and Medicaid so every American child can access the care that they need to grow up healthy. And while the President may not be in the habit of living up to his promises when it comes to children's health care, that is a promise from me to you that you can take to the bank.

"I now recognize the Subcommittee's ranking member, Mr. Deal for an opening statement."

