



Congressional Black Caucus
State Children's Health Insurance (SCHIP)

Fact Sheet

November 9, 2007

Background Information

- While the Congressional Black Caucus (CBC) and Democrats are Moving in a **New Direction**, Republicans are moving the State Children's Health Insurance Program (SCHIP) in the **Wrong Direction**.
- The CBC SCHIP Priorities include:
 - continued coverage of 6 million children who currently participate in CHIP;
 - extending coverage to nearly 4 million uninsured children;
 - comprehensive dental, mental and vision coverage;
 - providing coverage to low -income pregnant women;
 - an investment of \$35 billion in the program.
- The CBC will not allow Republicans to chisel away at the bedrock core tenets of the SCHIP program - protecting ten million eligible children of working families; ensuring access to preventive vision, mental and dental health care; and providing this coverage for five years.
- Politics is beginning to trump our most important priority -- to insure needy American children of working families.
- To date, the CBC has exercised the art of compromise. However, Republicans continue to move the goal post and appear to be calling plays to block the interest of ensuring the health, wellness and healthcare of the most vulnerable in our nation. While children might be 30% of our population, they are 100% of our future.
- Ultimately, SCHIP has been the cornerstone of children's health care reform and the centerpiece for national health reform. Its purpose is to move our nation closer to the goal of ensuring that all of America's children have health care regardless of race, ethnicity, income level, or



disability. Now 10 years old, SCHIP will expire on December 14, 2007, and states will run out of money starting in 2008 if Congress and the President do not reauthorize the program.

Victories:

On August 2nd, the CBC lauded the passage of H.R. 3162, the Children's Health and Medicare Protection Act (CHAMP Act), which would reauthorize an additional 5 million eligible children access to quality health care. The CHAMP Act will provide health, mental and dental care to uninsured children.

On September 25th, the House passed the Children's Health Insurance bill by a strong bipartisan vote of 265 to 159, with 45 Republicans voting in favor of the bill on final passage. This bill renewed and improved the Children's Health Insurance Program (CHIP), which would provide health care coverage for 10 million children, and preserve coverage to approximately 6 million and capturing an additional 4 million uninsured children into the program.

On October 2, Congress sent President Bush H.R. 976, the bipartisan SCHIP bill, which provided 10 million American children health care, at a cost of \$35 billion over 5 years. This bill passed with strong, bipartisan votes of 265 to 159 in the House and 67 to 29 in the Senate.

Step backs:

Democrats advanced two separate versions of SCHIP legislation to the President's desk. Conversely, Bush exercised his veto power for the fourth time during his presidency to stall SCHIP on the grounds that it would encourage an abundance of middle-income families with access to private insurance to join the government-funded program instead. He also opposed a 61 cents per pack tobacco tax increase that would pay for this expansion of health care to our nation's children. In sum, the President dubbed the bill 'too expensive', yet the war in Iraq costs the American people \$329,670,330 per day; it cost less than \$3.50 a day to cover a child through SCHIP.



On October 18th, the House failed to garner the two-thirds majority necessary to override President Bush's veto.

Compromises:

1)

Democrats – expand the \$5 billion-a-year program by an average of \$7 billion a year over the next five years, for total funding of \$60 billion over that period. *(Note: That would have been enough to boost enrollment to 10 million children, up from 6.6 million, and to dramatically reduce the number of uninsured children in the country, currently about 9 million.)*

Bush - \$5 billion over 5 years

2)

Democrats – states could receive the full federal matching rate to cover children from families earning as much as three times the poverty level, or \$61,950 for a family of four. States seeking to cover families with higher incomes would receive a less favorable federal matching rate.

Bush – supports expanding coverage to families of four making as much as \$42,000 a year, but wants to severely limit states ability to go beyond that level.

3)

Democrats – fund SCHIP expansion by instituting a 61 cent tobacco tax increase

Bush – wants lawmakers to either support higher co-payments at the pharmacy for some veterans who are not disabled, or force higher-income Medicare recipients pay more for their drug coverage and doctor's visits.

4)

Democrats – states would have to transition childless adults currently covered by SCHIP to Medicaid. The 11 states that cover parents on their SCHIP programs could continue to do so for two or three years. No other states could decide to start covering parents. Low-income pregnant women would remain eligible for coverage.



Bush - states must move an estimated 697,000 childless adults and parents off SCHIP within one year.

BOTTOM LINE:

- Members of the CBC refuse to concede any further on the urgency and importance of providing health insurance to the most vulnerable Americans. According to Center on Budget and Policy Priorities:
 - 2.4 million - or 63 percent - of the uninsured children obtaining health insurance under the SCHIP agreement would be minority children;
 - About 1.4 million (or 37 percent) would be Hispanic children;
 - About 800,000 (or 21 percent) would be African American children;
 - About 130,000 (or 3 percent) would be Asian American children.

- The CBC has earnestly attempted to broker a fair and comprehensive bill. Yet, Republicans have habitually violated the rules of engagement.

- Therefore, Congress should now prioritize fully funding an extension of the current SCHIP program for 1 year and bring a SCHIP reauthorization bill that will fully meet the needs of America's children.