

THE BUSH-REPUBLICAN RECORD ON CHILDREN'S HEALTH INSURANCE

NEGLECT, OBSTRUCTION, AND ERODING COVERAGE

Health Insurance Coverage for Children and Families Has Deteriorated During the Bush Administration.

- **Since 2001, the number of uninsured has increased by 5.9 million people, to 46 million uninsured in 2007.** Forty-two States have an uninsured rate of 10 percent or more, 10 States more than had such a rate in 2001. Nineteen States have an uninsured rate higher than 15 percent compared to 12 States in 2001.¹
- **Health care costs are consuming a growing share of the family budget.** Health insurance premiums have increased by 97 percent between 2001 and 2007, compared to a 24 percent increase in wages over the same period.
- **Nine million children are uninsured.** In 2006, nearly 2,000 children lost coverage each day. Slow wage growth, high gas prices, and economic difficulty mean that number is almost certainly higher today.

The Bush Administration, Abetted by Republican Allies in Congress, Stymied Repeated Attempts at Improving and Expanding Health Insurance for Children.

The State Children's Health Insurance Program, or S-CHIP, is a highly successful insurance program that fills in the gap between Medicaid and unaffordable private insurance for low-income children. Though more than 7 million children were enrolled in S-CHIP in 2007, and more than 20 million more were served in Medicaid, 9 million remained uninsured.^{2,3}

¹ Center on Budget and Policy Priorities analysis of Census Bureau data, 2008.

² Statement of Peter Orszag before the Subcommittee on Health, Committee on Energy and Commerce, May 15 2008, available at http://www.cbo.gov/ftpdocs/92xx/doc9234/SCHIP_Testimony.1.1.shtml, Center on Budget and Policy Priorities, *Improving Children's Health*, <http://www.cbpp.org/schip-chartbook.pdf>.

³ Center on Budget and Policy Priorities, "More Americans, Including Children, Now Lack Health Insurance," available at http://www.cbpp.org/8-28-07health.htm#_ftnref2.

Democrats in Congress recognized that America should not have nine million uninsured children, and thus moved with an array of supporters including State governors, provider groups, advocates for children, and others to address the problem. Democrats passed three bills that would have insured four million or more of those children. They were all vetoed by President Bush and sustained by Republicans in the House of Representatives.

- The Children’s Health and Medicare Protection Act (H.R. 3162, the CHAMP Act), passed by the House of Representatives by a vote of 225 to 204, would have provided \$50 billion in new funding to States over five years to expand S-CHIP; CHAMP would have reduced the number of uninsured children by almost 5 million.⁴ That legislation was fully offset by changes in other government activities.
- The Children’s Health Insurance Reauthorization Act (H.R. 976, CHIPRA) would have provided \$35 billion in additional funding to States to expand S-CHIP, reducing the number of uninsured kids by nearly 4 million. CHIPRA was fully offset by changes in other government activities. The bill passed the House and the Senate by overwhelming margins but was vetoed by President Bush and the veto was barely sustained by his Republican allies in the House.
- Democrats modified CHIPRA to respond to Republican concerns and passed it again as H.R. 3963. That bill also would have reduced the rate of uninsurance among children by almost four million, and it too was defeated by a narrow coalition of Republicans backing the Bush veto.
- The Democratic proposals were carefully targeted to provide help to uninsured American children while maintaining maximum State flexibility. Peter Orszag, Director of the Congressional Budget Office, said that reducing the uninsured rate without reducing private coverage is a “difficult task” but that the Democratic bill was “pretty much as good as it’s going to get.”⁵
- The bills would have improved the benefits of current S-CHIP programs by adding coverage for dental and mental health services, benefits America’s children need for comprehensive health care.

⁴ Congressional Budget Office, Preliminary Estimate of the CHAMP Act, July 25, 2007, available at <http://www.cbo.gov/ftpdocs/84xx/doc8458/07-25-CHAMP.pdf>.

⁵ BNA’s Health Care Policy Report, “Governors, Health Officials Seek Withdrawal of CMS Rules Targeting ‘Crowd-Out’ by SCHIP,” September 10, 2007.

Administrative actions against children's health insurance

The Bush Administration was not content to block expansions of children's health insurance – it also **intentionally** undermined State programs.

The Administration's infamous letter to States on August 17, 2007, during the thick of the legislative effort to expand S-CHIP, undermined at least 24 State programs in several ways:⁶

- Required 13 States to stop enrolling many low-income children in their S-CHIP programs;
- Forced five States to not expand their S-CHIP programs;
- Required States seeking to cover low-income children to make them wait a full year for coverage during which time they are *required* to be uninsured;
- Forced States to charge families with low-to-moderate income as much in premiums and co-pays as permitted by law.

The record is clear: Democrats stand for improving access to health insurance for children – the Bush Administration and Congressional Republicans stand in the way.

⁶ Center for Children and Families, "CMS August 17th Directive Fact Sheet," available at <http://ccf.georgetown.edu/index/cms-file-system-action?file=policy/cms%20directive/august%2017th%20directive%20fact%20sheet%20.pdf>