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January 12, 2009

President-elect Barack Obama  
Transition Office  
451 6<sup>th</sup> St NW  
Washington, DC 20270

Re: State Children's Health Insurance Program (SCHIP) – Enhancing Access to Funding  
for States with High Budget Deficits and High Percentages of uninsured children

Dear Mr. President-elect Obama:

Congratulations! Floridians are so proud of your victory and are eager to help you succeed as our 44<sup>th</sup> President. We look forward to watching you take the oath of office next week.

We write to encourage you to establish a waiver for states such as Florida that are unable to benefit from SCHIP funding due to serious budget shortfalls. We need temporary relief from the matching requirements for this critical children's health insurance program.

Florida has over 800,000 uninsured children, which is the second highest percentage of uninsured children in the country. To make matters worse, we have a budget deficit of 6 billion dollars estimated for the upcoming fiscal year that is more than a quarter of our general revenue budget.

This week the Florida Legislature cut \$2.3 billion from the state budget including harmful cuts to education and health care. Data shows that Florida is not alone in the struggle to provide funding to insure thousands and in some cases millions of uninsured children in individual states. Nearly 20 percent of states face rates of greater than 10 percent of uninsured children. And many states are facing billions of dollars in projected deficits for the upcoming fiscal year.

We are eager to implement your economic recovery package and the new Congress' SCHIP legislation. However, we are concerned that states like Florida will not be able to participate and help reach the goals of the recovery programs and SCHIP expansion because of our budget situation and the state's increased inability to provide health care to one million uninsured children. In short, given the program's current

requirements that states match the funding, we suggest a temporary waiver for states that meet the following criteria:

1. Fall within the lower quartile of the ranking of children covered by insurance, and;
2. Possess a minimum of a 10% projected budget deficit in the upcoming fiscal year

It is our belief that our recommendations will allow us to immediately impact the health and wellbeing of millions of uninsured children, ensure that our national goals of SCHIP expansion are met, and aid a successful economic recovery effort. With these recommendations we believe we can address our short term crisis and begin to make sound investment in our states, long into the future.

SCHIP expansion will contribute directly to the economic recovery that we are all working hard to bring about. As stated in a Families USA report released this week, with more and more income directed to higher health insurance costs the ability of families to contribute to the wider economy collapses. Increasing federal assistance to states will ensure that the health of millions of low-income children and their use of any dollars that flow from recovery plans for health insurance does not become an obstacle to economic growth.

Respectfully,



Kathy Castor  
United States Representative  
Florida District 11



Alex Sink  
Chief Financial Officer  
State of Florida

cc. Governor Charlie Crist