

Statement for the Record

In support of the
Children's Health Insurance Program (CHIP)

Submitted to the Senate Finance Committee

The Children's Health Insurance Program: The Path Forward

September 7, 2017

The Children's Hospital Association represents 220 hospitals nationwide dedicated to the health and well-being of our nation's children. On behalf of our nation's children's hospitals and the patients and families they serve, we thank the Senate Finance Committee (the Committee) for its steadfast commitment to the Children's Health Insurance Program (CHIP). The Committee's support and dedication over CHIP's long bipartisan history has resulted in improved access to health care for millions of vulnerable children—improving their lives and the overall health of our nation. We greatly appreciate the joint statement by Chairman Hatch and Ranking Member Wyden, released on the 20th anniversary of the program, reaffirming their strong support for a swift and bipartisan CHIP renewal. We share these goals and it is our hope that, following the Committee's consideration of the program during its hearing, Congress will take prompt steps to renew funding for CHIP. We urge Congress to pass a long-term extension of current policy and funding of CHIP before the end of the fiscal year in order to give children and families the certainty and stability they need.

CHIP is an important health coverage program for over 6 million low-income children. Congress created CHIP in 1997, with strong bipartisan support, to fill a gap in the coverage landscape. CHIP builds off of a strong Medicaid program by providing coverage for children who fall above Medicaid eligibility levels, but lack access to other health coverage options. Congress designed CHIP with children in mind and included child appropriate benefits, access to pediatric providers, and cost-sharing limits to protect vulnerable children and families. CHIP, together with Medicaid, has brought the rate of uninsured U.S. children to an all-time low, with 95 percent of all children insured. If this program is not extended beyond 2017, many CHIP-enrolled children will likely become underinsured or uninsured altogether, threatening our nation's historic gains in insuring children over the past two decades. Healthy children grow up to become healthy adults, and CHIP helps ensure that the children covered by the program are able to reach their full potential.

Congress must act now to enact a long-term CHIP extension to give states and families the certainty they need. State budget cycles and regulations make it difficult for states to maintain their CHIP programs in the absence of federal funding certainty, and many states have already planned for the funding to continue. If CHIP funding were to lapse, states may be forced to make tough choices at the expense of vulnerable children, including steps to disenroll children, impose lock-outs and waiting periods, or wind down their CHIP programs altogether. A clean five-year extension of CHIP is supported by the National Governors Association, the Medicaid and CHIP Payment and Access Commission, and child health advocates because it provides predictability in the program and encourages states to make programmatic improvements.

Efforts to extend CHIP should maintain current policy, which includes the underlying CHIP program along with items like the Pediatric Quality Measures Program (PQMP), express lane eligibility, and outreach and enrollment grants — all of which are important components of CHIP. The PQMP is the only significant federal investment in pediatric health care quality. An extension of this program with CHIP is particularly important in order to continue to improve care and lower costs for families and purchasers of care, such as state and federal governments. To ensure maximum stability for children, families and states, we ask Congress to enact a five-year extension of current policy.

We thank the Chairman, Ranking Member, and Committee members for their leadership and resolute support for CHIP. We are thankful for champions for children like these leaders, and we look forward to working with the Committee this month to maintain a strong CHIP program and strengthen health care for children into the future.