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Floor Statement of Senator Max Baucus (D-Mont.)
Regarding the Anniversary of the Children's Health Insurance Program
(as submitted for the record)

Mr. President, today the Children's Health Insurance Program (CHIP) turns 13. But instead of facing the difficulties of adolescence, CHIP is enjoying the advantages that come with being one of the most popular programs in the country.

I'd like to take this moment to reflect on the history of CHIP and to think about the role that CHIP will play in the future.

Prior to 1997, kids of the working poor had nowhere to go to get health insurance. Their parents' employers didn't offer health insurance benefits, and the individual market offered only low-quality insurance options at unaffordable prices.

Without health insurance, kids couldn't see the doctor for a checkup, couldn't get a prescription for an earache, and couldn't get treatment for common chronic conditions like asthma. Unhealthy kids can't run and play, can't do well in school, and can't grow into healthy and productive adults.

In 1997, Congress took action to address this problem by establishing the Children's Health Insurance Program. And today, we celebrate 13 years of success — expanding high quality coverage to kids all across the country.

I would like to remind my colleagues of CHIP's history — its bipartisan roots and its tremendous success in achieving what we created the program to do: cover low-income, uninsured kids.

Congress enacted the Children's Health Insurance Program as a bipartisan compromise back in 1997, with leadership from Senator Rockefeller, Senator Hatch, and the late Senators Kennedy and Chafee. At that time, members of Congress wanted to address the rising number of children without health insurance.

The Finance Committee reached a compromise that allowed states to set up Children's Health Insurance Programs that would meet their unique needs. CHIP is optional for states, but within

just two years of its creation, all states decided to participate to address the health care needs of our country's most vulnerable children.

I am proud to have helped write and pass CHIP 13 years ago. It has been a tremendous success.

In its first decade, CHIP cut the number of uninsured children by more than a third. Today, more than 7.5 million children get the doctor's visits and medicines they need to have a healthy childhood, enabling them to become healthy and productive adults.

After 10 years of success, CHIP came up for reauthorization in 2007. In the summer and fall of that year, Congress worked hard to pass a bipartisan reauthorization package. But President Bush vetoed it twice. Ultimately, we had to settle for an extension.

In January of 2009, with two of our former colleagues in the White House, I was thrilled to get started on a CHIP reauthorization bill as soon as possible. Finally, the stars had aligned — President Obama was looking forward to signing the CHIP reauthorization bill, and the Congress was prepared to act. We were finally able to deliver what Americans had asked for — re-establishing kids' coverage as a national priority.

President Obama signed the bill on February 4, 2009. The new law maintained coverage for all children in the program at that time and started on a path to reach more than four million additional uninsured, low-income kids.

We had a couple of goals in mind as we drafted the CHIP Reauthorization Act of 2009.

We kept CHIP focused on low-income kids. We prioritized coverage of the lowest-income kids, but without limiting state flexibility in designing CHIP programs. We set up parameters to transition adults out of CHIP and into Medicaid or other appropriate coverage. And we also encouraged states to improve their outreach practices and streamline their enrollment procedures in order to reach all eligible kids.

We maintained state flexibility. We gave states the option to cover legal immigrant children and pregnant women during their first five years in America and receive the corresponding Federal match. We also created a state option that allows states to designate CHIP funds to offer premium assistance, helping families afford private coverage offered by employers or other sources.

And we improved the quality of care. The CHIP Reauthorization Act launched a substantial new initiative to improve children's health quality. This initiative invested \$45 million a year for five years to develop national core measures for children's health quality, improve data collection in CHIP and Medicaid, and promote the use of electronic health records.

The CHIP Reauthorization Act I helped to craft allowed us to cover as many uninsured low-income kids as possible. I made sure that we respected our budgetary limits, and made compromises in good faith with my Republican Colleagues. In committee, further compromises were made which I hope strengthened the Act even more.

The only disappointment that came out of the 2009 CHIP Reauthorization Act was that we weren't able to come to agreement with Senators Grassley and Hatch, two colleagues that worked tirelessly to reauthorize CHIP in 2007. But I'm proud to say that CHIP's bipartisan reputation has not been marred.

Senators on both sides of the aisle continue to support CHIP and have even used it as a model for other programs. And I have continued to work with Senator Grassley and all Senators on the Finance Committee overseeing the implementation of the CHIP Reauthorization Act.

A year and a half after enactment, more than half the states have taken advantage of the new coverage options in the CHIP Reauthorization Act, including 15 states that expanded income eligibility levels for CHIP or Medicaid to cover more kids. States have also taken advantage of the enrollment simplification options — making it easier for kids to get enrolled and stay covered.

In health reform, we extended CHIP for an additional two years, ensuring that kids will have a stable source of coverage as we expand coverage to other groups. In 2015, Congress will revisit CHIP in a new context. CHIP has been instrumental in providing children with access to care where none existed before, but it may need to take on a different role as health reform is implemented.

Whatever happens in 2015, I'm confident that CHIP will continue to be an important part of our health system. CHIP is tried and true, and things just keep getting better and better in the program. As we celebrate CHIP's 13th birthday, we can be proud of everything Congress has done to provide low-income kids with high quality, affordable coverage.

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