



For Immediate Release
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**Floor Statement of Senator Max Baucus (D-Mont.)
Regarding Renewal of the Children's Health Insurance Program (CHIP)**

In the Catholic and Eastern Orthodox Bibles, the book of Ben Sirah counsels: "Observe the opportunity."

This year, the Senate has the opportunity to improve the health of millions of American children, for the next decade.

The Senate has the opportunity to renew and improve the State Children's Health Insurance Program, or CHIP.

Let us seize the opportunity.

There is no greater health care priority for me this year.

In a few short weeks, the Finance Committee will consider legislation to re-authorize and strengthen this successful 10-year-old program.

Many of us were present in this chamber when we created CHIP in 1997. And since then, this program has proven to be a true success.

Since its inception, CHIP has brought health insurance to more than 40 million low-income children.

It has saved the lives of many children. And it has improved the availability and quality of care for many more.

In my home state of Montana, Fawn Tuhy has some pretty active kids. Montana is a state full of active kids. And active kids get hurt.

Fawn's 2-year-old needed stitches after hitting her head. Fawn's 6-year-old broke his arm, twice.

Fawn's medical bills could have sunk their family of six. But she credits CHIP with keeping her kids healthy, and her family afloat.

CHIP has made that kind of difference for millions of Americans, in the last 10 years.

Among families with incomes less than about \$34,000 a year — that's twice the poverty level — the share of uninsured children has dropped by a quarter.

CHIP has held the number of uninsured children down, even as the number of uninsured adult Americans has increased.

But Congress cannot rest on its laurels. We have to continue CHIP. We have to build on its success. And we have to do it before CHIP's funding expires, on September 30.

The Finance Committee is poised to act, with a mark-up early next month.

In this reauthorization, we will pursue five principles:

First, we must provide adequate funds to keep coverage for those who have it now.

Last week, the Congressional Budget Office reported that CHIP needs an additional \$13.4 billion, just to maintain current coverage.

Maintaining level funding is just not good enough. If funding stays flat, then 4 million American children could lose health coverage, over the next 10 years.

Second, we must also reach the 6 million uninsured children who are eligible for either CHIP or Medicaid coverage, but not enrolled.

CBO says that the best opportunity to further reduce the number of uninsured children is to target CHIP enrollment toward more families whose incomes are below twice the poverty level.

Third, we must support state efforts to expand CHIP coverage to more kids. States have found innovative ways to reach as many uninsured kids as possible. States have acted according to their unique abilities and needs.

Fourth, we must improve the quality of health care that children receive.

We are making great strides to improve the quality of health care for adults through Medicare. Yet there is no comparable investment in quality standards for children. We can and must do more.

And fifth, whatever we do, we must not add to the numbers of the uninsured.

Right now, Federal waivers let some states provide CHIP coverage to pregnant women, to parents of eligible children, and even to some adults without children.

Congress may not want CHIP to cover all those groups in the future. But we must not pull the rug out from under anyone who has health coverage today.

Too many CHIP recipients are already in imminent danger. Right now, 14 state programs are facing shortfalls for this year — even before CHIP's 10-year authorization expires.

I worked hard to include funds to cover funding shortfalls in the supplemental appropriations bill.

But even if we fix this year's shortfalls, many more states will face funding gaps in the coming years. We need to ensure greater predictability and stability of CHIP funding.

Ten years ago, we simply did not know how much funding CHIP would take. We know much more now. And we should make the appropriate financial commitment to keep kids healthy.

We must take a forward-thinking approach.

We must consider the likelihood of continuing increases in health-care costs. And we must consider likely population changes.

We must consider that a child born today may have a shorter life expectancy than his or her parents. But that is what we face, due to the threats of obesity and related illnesses.

So reauthorization must strengthen prevention and early screening benefits.

And as we tackle CHIP, we should keep in mind the deep need for broader health reform.

There are still too many families whose health stories don't have happy endings.

CHIP cannot help them all. But it should help more.

One morning last year, Kearstin Jacobson woke up in Whitefish, Montana, with a severe headache. Tests showed that the high school senior had a clot, preventing the blood flow from her brain.

Kearstin got wonderful care. But it cost almost a quarter of a million dollars. And her family did not have health insurance.

So even as she hospital staff wheeled Kearstin out of the emergency room, this young lady with a life-threatening condition was worried about money.

She was telling her parents how concerned she was about the financial burdens that her care would cause.

Kearstin feared that her parents would be paying for her care for many years to come. And they are.

This year, Congress has a historic opportunity to help families like Kearstin's.

We have an opportunity to make a good health policy for children even better.

An overwhelming majority of Americans support CHIP.

I want to extend my hand to my Colleagues, on both sides of the aisle. Let's work together.

CHIP is not a Democratic priority, or a Republican priority. It's an American priority.

America's kids are depending on us to do this right. We must not disappoint them.

Let us observe the opportunity to improve the health of millions of American children. Let us observe the opportunity to give peace of mind and financial security to millions of families. And let us renew and improve the Children's Health Insurance Program.

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