

United States Senate
Committee on Finance
Washington, D.C. 20510

MEMORANDUM

TO: Reporters and Editors
FR: Jill Gerber for Sen. Grassley, 4-6522
Jared Whitley for Sen. Hatch, 4-5251
RE: House vote on SCHIP legislation
DA: Thursday, October 25, 2007

Sens. Chuck Grassley and Orrin Hatch issued the comments below about the outcome of the vote this afternoon in the House of Representatives on children's health insurance legislation.

As Ranking Member of the Senate Committee on Finance and Ranking Member of the Finance Subcommittee on Health Care, Sens. Grassley and Hatch have co-authored bipartisan proposals this year, including this one, to reauthorize for five years the State Children's Health Insurance Program, which expired on September 30. Congress created the SCHIP program in 1997 to provide health insurance coverage to children in low-income families who are not eligible for Medicaid. Sen. Hatch was the lead Senate sponsor of the original legislation.

In subsequent years, due to waivers granted by both the Clinton and Bush administrations, the program has grown to include adults and high-income families. Sens. Grassley and Hatch have criticized the current administration's encouragement of states to add childless adults to the SCHIP program and approval of state requests to expand their programs in this way. Sens. Grassley and Hatch have fought throughout this year to refocus the program on its core mission of reaching low-income children.

The bill considered today by the House of Representatives made improvements to the previous compromise legislation by providing health coverage for an additional 4 million low-income uninsured children, accelerating the phase-out period for childless adults who were added to the program through administration-approved waivers, placing a hard cap of 300 percent of the federal poverty level for program eligibility, and providing states with bonus payments only for covering the poorest of the poor children who are eligible for Medicaid.

Sen. Grassley's comment:

"It's a shame that this legislation, which is even stronger than the compromise legislation passed earlier this month, did not secure a veto-proof majority of support from members of the House of Representatives. The bill gets rid of the bad policies in the current law, which will continue by way of the program extensions that are inevitable without new legislation. This bill offered a responsible way for Congress to do its job of renewing a program that states have made a success for lower-income working families. It was such a good opportunity to get reforms in place and a new law on the books."

Sen. Hatch's comment:

“I am very disappointed about the outcome of today's vote. I believe it is a lost opportunity for America's low-income, uninsured children. As one of the authors of the original program, I believe that reauthorizing CHIP is the right thing to do but unfortunately, CHIP has now become the center of a political battle. As a result, low-income children will continue to be uninsured. That is a shame.”