May 24, 2011



Dear Representative:

Medicaid and the Children's Health Insurance Program (CHIP) have provided millions of children who are poor or have disabilities – many from communities of color – with health coverage that has enabled them to become productive taxpaying members of society. The State Flexibility Act (H.R. 1683/S. 868) would repeal the Medicaid and CHIP maintenance of effort (MOE) provisions, allowing states to roll back eligibility and erect new barriers to prevent eligible children from enrolling. This legislation is a direct threat to health coverage for ***more than 14 million children who are covered at "state option".*** At a time when the number of uninsured children is at the lowest level on record, it is unthinkable that Congress would allow this dangerous and short-sighted legislation to move forward, disproportionately harming children.

Together, Medicaid and CHIP provide critical health services to *38* million children each year, including more than half of all low income children in the United States. Repealing the MOE would place health coverage at risk not just for the 14 million children covered at state option, but also for the children who remain eligible as many of them could also lose coverage as states change eligibility procedures, making it harder to get and keep coverage. According to the Congressional Budget Office (CBO), if the MOE is repealed, ***two thirds*** of those who would lose coverage would be children. Further, CBO's analysis indicates that by 2016, ***half the states would eliminate their CHIP programs*** entirely. Clearly, this would be a great crippling blow to children, especially those in communities of color, who constitute more than half of Medicaid and CHIP enrollees today and will constitute a majority of our child population in 2019.

We need our nation's children to survive, thrive, and drive tomorrow's economy. Repealing the MOE would take our nation backwards - the wrong direction – at the wrong time – in our competitive globalized economy. Because health needs do not magically vanish when health coverage disappears, repealing the MOE would actually create significant new costs for local communities, low income families, and providers. Since child health impacts educational attainment, repealing the MOE would compromise returns on other major investments in children from Early Head Start to college. The negative impact would be lifelong, affecting adult health, employment and wages.

The health of our nation's children should not be a partisan issue. Together, we can and must move forward, not backwards, and ensure every child a healthy start in life. For the sake of our nation's children and future, I strongly urge you to oppose the State Flexibility Act.

Sincerely yours,

Marian Wright Edelman
President

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