



#### Children's Defense Fund



American Academy  
of Pediatrics



DEDICATED TO THE HEALTH OF ALL CHILDREN™



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### Statement of the Children's Community Urging Congress to Act Quickly on a Strong, Five-Year Extension of Funding for the Children's Health Insurance Program

As advocates for children and pregnant women, **today we call on Congress to take immediate action to stabilize CHIP in its current form and enact a five-year extension of CHIP funding.** Congress should protect the gains in children's health coverage that have resulted in more than 95 percent of all children in America being enrolled in some form of insurance coverage. Together, Medicaid and the Children's Health Insurance Program (CHIP) are an integral part of this success and we urge Congress to ensure that coverage for children and pregnant women provided through Medicaid and CHIP is protected and not disrupted in any upcoming legislation.

Our organizations are deeply distressed about the devastating consequences for children and pregnant women that would result from drastic cuts to Medicaid or restructuring Medicaid into a per capita cap or block grant. Today, 37 million children get health coverage, including important health services in schools, through Medicaid. Medicaid covers roughly half of all births in this country, including the majority of care provided for preterm and low birthweight infants. Any proposal that imposes deep cuts to Medicaid or turns Medicaid into a per capita cap or block grant would have a significant impact on the health and well-being of half of our nation's children and pregnant women. Congress should abide by a "do no harm" principle when it comes to coverage for children and pregnant women.

As the House Energy and Commerce Subcommittee on Health meets today for a hearing "to Examine Extending Funding for Health Programs Strengthening the Safety Net," our organizations are focused on the future of CHIP. We call on Congress in the strongest possible terms to take immediate action to fully extend CHIP in its current form for five years.

CHIP is a 20-year old bipartisan health coverage program for children in working families that enjoys near-universal support in Congress and in statehouses across the nation. Senators, representatives, and governors all recognize the importance of CHIP in providing affordable, pediatric-specific coverage to almost 9 million children in low-income working families who cannot afford private coverage or lack access to employer-based coverage. CHIP also provides quality, affordable care to pregnant women in 19 states, allowing them to obtain the care they need to have healthy pregnancies and give birth to healthy infants.

Despite its enormous success, CHIP's funding is set to expire on September 30, 2017 and states are just weeks away from setting in motion processes to establish waiting lists and send out disenrollment notices to families. Once undertaken, these actions will have an immediate effect, creating chaos in program administration and confusion for families. This is a fiscally irresponsible and eminently avoidable problem.

Extending CHIP is particularly important in light of the ongoing debate on and uncertainty regarding the future of the Affordable Care Act (ACA), Medicaid, and the stability of the individual insurance markets. With state budgets already set for the coming year, states are counting on CHIP to continue in its current form. Changes to CHIP's structure – including changes to the Maintenance of Effort or the enhanced CHIP matching rate – would cause significant disruption in children's coverage and leave states with critical shortfalls in their budgets. Given CHIP's track record of success, now is not the time to make changes to CHIP that would cause harm to children.

CHIP was a smart, bipartisan solution to a real problem facing American families when it was adopted in 1997 and its importance and impact in securing a healthy future for children in low-income families has only increased. Today, we stand united in urging Congress to ensure that their actions match their words in protecting and preserving the health and well-being of all of America's children and pregnant women. As Congress works to reform our nation's health care systems, a primary goal should be to improve health coverage for children, but at a minimum, no child should be left worse off. To this end, a long-term extension of federal funding to sustain existing CHIP programs is a necessary first step.

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