



For Immediate Release  
June 21, 2007

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**FINANCE CHAIRMAN QUESTIONS HHS SECRETARY ON STUDY  
LOWERING NUMBER OF CHILDREN ELIGIBLE FOR “CHIP”**  
*Baucus criticizes attempt to cut investment in Children’s Health Insurance Program,  
calls on department to support constructive efforts to get health care to kids*

*Washington, DC* – Senate Finance Committee Chairman Max Baucus (D-Mont.) today expressed concern about attempts by the Department of Health and Human Services (HHS) to influence the congressional renewal of the State Children’s Health Insurance Program (CHIP). In a letter to Secretary Michael O. Leavitt, Baucus sharply questioned the motives behind a report released by the agency this week. The report—which has been widely criticized by leading researchers for flawed methodology—attempts to significantly reduce the number of low-income, uninsured American children who are eligible for public health programs like CHIP, but not enrolled. Baucus requested the agency’s support and technical assistance as he leads a robust and bipartisan renewal of the program in the Senate Finance Committee.

**“Given what’s at stake in our debate on CHIP reauthorization, I was surprised and disappointed by the report your department released Monday.... It feels more like an attempt to lobby Congress in favor of the President’s CHIP reform principles, rather than an attempt to help Congress craft good, meaningful policy,”** wrote Baucus. **“I would welcome technical assistance from all parts of the Administration as we proceed with reauthorizing CHIP, but I will not bend to attempts to influence the debate indirectly, especially with public releases of questionable data. America’s children are counting on all of us, and I intend to make every effort on their behalf.”**

The full text of the letter follows here.

June 21, 2007

**Via Electronic Transmission**

The Honorable Michael O. Leavitt  
Secretary  
Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Mr. Secretary:

There is no greater responsibility public servants have than caring for America’s children. At all levels, government needs to ensure the country’s future prosperity by making investments to serve the needs of our youngest generation.

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In 1997, Congress created the State Children's Health Insurance Program (CHIP) to provide health care to needy children. I am proud to have been a part of the effort that yielded such a successful program. Today, we need to reauthorize CHIP so it can continue to deliver on its promise of help for America's children. I feel fortunate to be Chairman of the Senate Finance Committee because I can shepherd this important legislation through Congress. My position carries with it the significant responsibility to bring senators together to reach agreement on how best to continue CHIP.

One of the points around which it was easy to build consensus was the need to provide coverage to as many children who are eligible but not enrolled in coverage programs as possible. We all agree that robust enrollment in CHIP should be one of our top priorities. We began with the premise that there are approximately six million children eligible for but not enrolled in CHIP or Medicaid today. This number comes from an Urban Institute study that has been widely accepted by policymakers, researchers and advocates alike. Those six million children are counting on Congress and the President to help them get CHIP reauthorized.

Given what's at stake in our debate on CHIP reauthorization, I was surprised and disappointed by the report your department released Monday. The dramatically lower figures cited in the report raise some serious questions. Not only do I question the accuracy of the report and the methodology used, but I have deep concerns about the role this report could play as we move forward with CHIP reauthorization.

Clearly, the report is intended to call into question the level of investment Congress should make as we reauthorize CHIP. Whatever that level should be, I hope we can agree that our policy moving forward should not undermine coverage for the children now being served by CHIP. The independent Congressional Budget Office found that the Administration's CHIP reauthorization proposal would cause 1.4 million children to lose their CHIP coverage. That analysis, coupled with Monday's report, which "supports the President's SCHIP reform principles" according to your press release, lead me to question the Administration's commitment to helping America's children through CHIP reauthorization.

On May 24, 2007, I wrote to you to raise concerns about biased and inappropriate discussion of Medicare Advantage by the Centers for Medicare & Medicaid Services. I have a similar feeling about the report you released yesterday. It feels more like an attempt to lobby Congress in favor of the President's CHIP reform principles, rather than an attempt to help Congress craft good, meaningful policy. I fail to see the value of that type of exercise and believe that America's children and the American taxpayer deserve better than just another example in the pattern of using taxpayer resources to further a political agenda.

I would welcome technical assistance from all parts of the Administration as we proceed with reauthorizing CHIP, but I will not bend to attempts to influence the debate indirectly, especially with public releases of questionable data. America's children are counting on all of us, and I intend to make every effort on their behalf. I hope that you will join me.

Thank you.

Sincerely,

Max Baucus  
Chairman

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