



For Immediate Release  
January 26, 2009

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

The author Lois McMaster Bujold wrote: "Children might or might not be a blessing, but to create them and then fail them was surely damnation."

Before 1997, we largely failed the children of the working poor. The Children's Health Insurance Program changed that. For millions of working families, the Children's Health Insurance Program truly has been a blessing.

Before 1997, kids of the working poor had nowhere to go to get health insurance. Their parents' employers did not offer health insurance benefits. And the individual market offered only low-quality insurance options, at unaffordable prices.

Without health insurance, kids could not see the doctor for a checkup. They could not get a prescription for an earache. And they could not get treatment for common chronic conditions like asthma.

Unhealthy kids cannot run and play. They cannot do well in school. And they cannot grow into healthy and productive adults.

In 1997, Congress took action to address this problem. We established the Children's Health Insurance Program. And today, we will finally move forward to keep the program going.

The Children's Health Insurance Program has bipartisan roots. And it has achieved what we created it to do: It covers low-income, uninsured kids.

Congress enacted the Children's Health Insurance Program as a bipartisan compromise. Members of Congress wanted to address the rising number of children without health insurance. Senator Rockefeller, Senator Hatch, Senator Kennedy, and the late Senator John Chafee led the way.

I am proud to have helped write and pass the Children's Health Insurance Program 12 years ago. It has been a tremendous success.

The Finance Committee reached a compromise that allowed states to set up Children's Health Insurance Programs that would meet their unique needs. States can choose whether they want to participate in the program. But within just two years of CHIP's creation, every state decided to participate. Every state wanted to address the health care needs of our most vulnerable children.

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In its first decade, CHIP cut the number of uninsured children by more than a third. Today, because of CHIP, nearly seven million children get the doctor's visits and medicines that they need. And those healthier childhoods will enable those seven million kids to become healthy, productive adults.

Health insurance is important. Children with health coverage are more likely to get the health care that they need, when they need it. Because of CHIP, seven million kids have regular check-ups, see doctors when they are sick, and get the prescription medications that they need.

The task before us is to reauthorize this important program. Many will recall that we started this process back in 2007. Congress worked hard to pass a bipartisan reauthorization package. But President Bush vetoed it twice.

Times have changed. President Obama is looking forward to signing the Children's Health Insurance Program bill. And Congress is prepared to act.

Americans overwhelmingly support covering kids. We can finally respond.

The bill before us today will keep coverage for all children currently in the program. And we will start to reach more than four million additional uninsured, low-income kids.

In drafting this legislation, we relied heavily on the two vetoed bills.

We keep CHIP focused on kids. Childless adults whom CHIP covers today will transition out of the program. This bill will not allow new waivers for CHIP coverage of childless adults.

Low-income parents whom CHIP covers today will ultimately transition out of CHIP to Medicaid, with its lower match rate. This bill precludes new waivers for coverage of parents in CHIP.

We cover low-income kids first. We agree that low-income kids are our first priority. But we do not limit state flexibility in designing CHIP programs. States choosing to cover kids above 300 percent of poverty will receive the lower Medicaid match for those kids.

We've also included bonuses for states that meet enrollment targets for kids in Medicaid. Nearly three-quarters of uninsured kids are eligible for either Medicaid or CHIP, but have not enrolled. We encourage states to improve their outreach practices and streamline their enrollment procedures to reach those kids and keep them enrolled.

We maintain state flexibility. We've given states the option to cover legal immigrant children and pregnant women during their first five years in the U.S. Currently, Federal law prevents states from covering legal immigrants in Medicaid or CHIP until they have been in the country for five years.

But some states have found this provision to be too restrictive. Those states have chosen to use their own money to meet the needs of their residents. In 2008, 18 states chose to cover legal immigrant children. And 23 states chose to cover legal immigrant pregnant women, rather than deny them health care for five years.

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The Federal Government should not penalize states for trying to help needy populations who are here legally. This bill would allow states the option to cover legal immigrant children and pregnant women in Medicaid or CHIP and receive the appropriate Federal match.

More broadly, we've also created a state option that will allow states to designate CHIP funds to offer premium assistance. Premium assistance can help families to afford private coverage offered by employers or other sources.

We improve the quality of children's health insurance. Discussions about health insurance often get bogged down in talk about cost and coverage, ignoring quality. And discussions about quality often ignore the unique needs of children.

Our CHIP bill launches a substantial new initiative to improve children's health quality. This initiative will invest \$45 million a year for five years to develop national core measures for children's health quality, improve data collection in CHIP and Medicaid, and promote the use of electronic health records. These efforts will help to improve the quality of care available in CHIP and Medicaid.

And we pay for what we do. Like the vetoed bills, this legislation will increase the Federal tax on a pack of cigarettes by 61 cents. We also make proportional increases for other tobacco products.

Increasing the cigarette tax will discourage smoking, particularly among teens. And that will be good for kids, too.

The bill that we are considering today is a good bill. In putting together the Finance Committee's bill, we worked to cover as many uninsured low-income kids as possible. We respected our budgetary limits. And we made compromises in good faith with our Republican Colleagues. In committee, we made further compromises, which I hope have strengthened this bill even more.

I would prefer to be standing here today with all of my Colleagues beside me, especially my good friends Senators Grassley and Hatch. But we could not agree on everything. I hope that the remaining disagreements do not prevent Senators from doing the right thing.

Let us not fail the children of the working poor. Let us get these kids the doctor's visits and medications that they need. And let us continue the blessing that is the Children's Health Insurance Program.

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