

Statement by Senator John D. Rockefeller IV
Ranking Member, Senate Finance Health Care Subcommittee
“The CHIP Program From the States’ Perspective”
November 16, 2006

Thank you, Chairman Hatch. I am pleased that we are having our second Subcommittee hearing on the Children’s Health Insurance Program, and I am proud to be working with you on this important issue. I look forward to holding additional hearings on CHIP next year as we prepare for reauthorization.

I would like to extend a warm welcome to all the witnesses who are here today to give us insight from the states, and I look forward to your testimony. I am especially happy that West Virginia’s CHIP Director, Ms. Sharon Carte, is here to talk about our efforts to cover additional children in West Virginia. Thank you for being here, Sharon.

Mrs. Drabczyk, I am also honored to have you here today. I understand that, in addition to your older children, you have two little ones at home. Thank you so much for being here to share your story.

In 1997, when we created the Children’s Health Insurance Program, 10 million children were uninsured. These children did not have a regular source of medical care. They did not have access to basic preventive care and immunizations. The common cold could turn into bronchitis or pneumonia, or the flu. Hospitalizations were likely.

Congress passed CHIP in order to give children a fighting chance to become healthy, happy, and productive members of society. We directed states to cover as many children as possible through this new insurance program. In fact, when we thought the program was moving too slowly in the early years, Congress pressured states to implement their programs faster in order to find and enroll additional uninsured children.

Well, I am happy to report that states met the challenge. They did what Congress asked them to do. To date, more than six million children have been covered through CHIP. That is a significant achievement, and I applaud the efforts of the states represented here as well as the efforts of all states to cover children.

Today, however, we find ourselves in a situation strikingly similar to the dilemma we faced in 1997 – more than 8.4 million children are currently without health insurance in this country. In fact, in 2005, the number of uninsured children increased for the first time since CHIP was enacted. This means that, despite our best efforts, we have taken a step backwards in terms of covering children.

We cannot allow this trend to continue. Instead, we must make covering children a top priority – just like we did in 1997.

Our first order of business should be to address the federal CHIP funding shortfalls that 17 states are facing this year. These shortfalls total approximately \$920 million. If they are not addressed immediately, as many as 630,000 children could lose their health insurance coverage.

In my judgment, Congress should not go home until these shortfalls are filled. Families should not have to spend the holidays wondering if their children will have health insurance come January.

Families should not have to rob their children of time outdoors or playing sports for fear of an injury they may not have health insurance to cover. We should not subject moms and dads to this genuine worry when we can fix these shortfalls right now.

As we turn our attention to CHIP reauthorization, there are three main issues that I believe are key: expanding coverage, improving financing and continuing state flexibility. States should receive the funding necessary to cover the families currently enrolled in their programs. And, we should provide states incentives to reach children who are eligible for CHIP, but currently unenrolled.

States should also be allowed to continue their ability to expand benefits as long as they have adequate funds to match federal contributions, while not jeopardizing any of the services guaranteed to children.

Our reaching agreement on a CHIP financing structure for the next ten years will undoubtedly be a challenge. But, we must develop a bipartisan approach to funding the program that will respond to the individual spending needs of states and provide program stability from year-to-year.

Of all of next year's challenges, this is one of the most important and one I believe we will come together to address. Children have always been a common ground – and I hope we can all join together to put their health and welfare at the top of the Congressional agenda,

I look forward to hearing from the panelists on all of these topics and more. I thank the Chair.