



Republicans and Democrats should vote YES to override President Bush's veto of bi-partisan children's health legislation

President Bush made the wrong moral choice by vetoing legislation that would have provided health coverage to 4 million uninsured children, while protecting coverage for another 6 million who rely on the successful SCHIP program. On Thursday October 18, Republican and Democratic Members of Congress who voted against the bi-partisan legislation or failed to vote, will have a second chance to stand with children by voting YES to override the veto.

Here are six reasons why Republicans and Democrats should support this pro-child bill:

1. **It reaches four million uninsured children:** The compromise includes resources to help states cover 4 million children who would otherwise be uninsured. Seven out of ten of these children live in families making less than 200 percent of poverty.
2. **New incentives to reach eligible children:** The legislation includes new incentives and tools to help states reach out and enroll eligible children in Medicaid and SCHIP.
3. **New options to strengthen private coverage.** States will have increased flexibility to use SCHIP funds to help families obtain affordable coverage at work.
4. **Focuses coverage on lower-income children.** Contrary to false claims, the legislation does not allow or encourage states to cover families up to \$83,000; to the contrary it targets funding at the lowest-income children and actually reduces federal support for future coverage of children in families above 300 percent of poverty.
5. **SCHIP will cover children, not adults.** Contrary to false claims, the agreement prohibits the Administration from granting any new waivers to cover adults and phases out the use of SCHIP funds for adults under existing waivers. After this transition period, which was necessitated by the Administration's decision to approve adult coverage waivers in the first place, no SCHIP funds can be used for adults.
6. **Focuses on uninsured children.** Contrary to false claims, the compromise is not designed to cover children who already have insurance. Nor is there evidence that SCHIP has caused many families to drop their private coverage. SCHIP cannot be blamed for the trend of employers dropping family health coverage; it responds to this trend and has successfully cut the number of uninsured children, even as the overall uninsured rate for adults has increased.

Republicans and Democrats should stand with children on October 18



Responses to false and misleading claims about SCHIP

The President and opponents of the bi-partisan SCHIP bill are afraid to say they don't support covering uninsured children, so they mischaracterize the legislation by saying it would cover middle class children who already have insurance, adults and illegal aliens. These are all false claims that have been thoroughly rebutted by the media and by Republican Senators Charles Grassley and Orrin Hatch.

President Bush says: They want to undermine private coverage by expanding government programs to cover middle class kids who already have insurance. We want to stick to SCHIP's original intent.

⇒**We say:** The President's proposal would result in one million children losing coverage. The bi-partisan legislation would protect these children and cover four million uninsured children, children who have no other option. Private insurance has become less available and more expensive, and more and more hardworking families have been unable to keep pace. Since 2000, premiums for family coverage have doubled. The bi-partisan legislation provides the bare minimum in funding needed to help states continue to reduce the number of uninsured children, which is why it has the support of 43 Governors from both parties.

President Bush says: The bill expands health coverage to families earning \$80,000.

⇒**We say:** This is not true. The bill sends needed funds to states to cover 10 million low-income children. One state with exceptionally high costs (New York) has requested but been denied permission to offer subsidized coverage to uninsured children in higher income families. The real story is that more than 9 of 10 children in SCHIP are in low-income families earning less than \$41,000, for a family of four. The compromise legislation actually caps coverage at 300 percent of poverty.

President Bush says: This is a vast expansion of government health care, paving the way to socialized medicine.

⇒**We say:** SCHIP has worked successfully over the past ten years to reduce the number of uninsured children by one-third without disrupting the health care system. SCHIP covers children who would otherwise be uninsured. It is administered through private insurance contractors, not government agencies. It is operated by states, not the federal government and has had bi-partisan support since it was created in 1997.

President Bush says: The bill allows illegal aliens to get government-funded health care.

⇒**We say:** This is a scare tactic. Undocumented immigrants are not eligible for insurance benefits under SCHIP or Medicaid. The compromise bill does not change this policy. The compromise bill requires that states document citizenship and give states flexibility in how they do so. This fixes a barrier that has kept tens of thousands of U.S. citizens from obtaining coverage, but does not open SCHIP or Medicaid to undocumented children.

President Bush says: An increase in the federal tobacco tax hurts low-income people

⇒**We say:** Tobacco taxes are a proven deterrent to youth smoking. Raising the federal tobacco tax will prevent an estimated 1.1 million children from taking up smoking and save states \$25 billion in unnecessary medical costs. Congress relied on tobacco tax revenue to create SCHIP in 1997 and should use it again to strengthen the program.