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Congress must adequately fund health insurance program for children

The State Children's Health Insurance Program — SCHIP — is a federal program that provides health insurance for children from families that earn too much to be on Medicaid, don't have insurance provided by employers and can't afford to buy it themselves. When Congress created SCHIP in 1997, it stood on Pennsylvania's shoulders. This state created CHIP, a pioneering program to cover children who fell in that gap between the worst poverty and solid coverage, in 1992. It made Pennsylvania a leader among the states in identifying, enrolling and covering children. Today, according to the state Insurance Department, about 96 percent of Pennsylvania's children have health insurance.

That leaves 4 percent, or about 133,000 children, in the situation of having to be taken to a local hospital emergency room when their injuries or ailments are too severe to be overlooked. This isn't what emergency rooms are intended for, and their being the doctor of last resort adds to health-care costs for everyone. In Pennsylvania in 2005, for instance, uncompensated care for adults and children cost about \$1.4 billion. Such a macroeconomic consideration is only one reason to fully fund — and expand — SCHIP. Children who get regular health care do better in school, if for no other reason than they attend more often.

In spite of this solid logic, the SCHIP programs in Pennsylvania and other states are in a precarious situation. SCHIP is up for reauthorization this year and President Bush has proposed increasing its funding only incrementally — not enough to meet the states' needs. The challenge, in a nutshell, is that SCHIP is not an entitlement program like Social Security. It was funded 10 years ago at a fixed annual amount — \$5 billion. However, Congress pegged it at that amount without taking into account either population growth or a steep increase in health-care costs. (In Pennsylvania, the cost of health insurance alone rose 76 percent since 2000.)

At the state level, SCHIP coverage is paid for by both state and federal dollars. If the federal share does not keep up with rising costs, the states hit shortfalls. The tough choices then are to put in more state money or cut coverage. The first choice is hard politically. The second is wrong morally.

Congress has an obligation to adequately fund a program that is so important to the nation. It was disappointing that at a meeting Monday, members of the National Governor's Association and the President are at opposite poles on this question. The governors want more funding and the President wants them to make do. He questions the wisdom of allowing families with incomes above 200 percent of the poverty level into SCHIP, as some states have done. However, that's not the right cap, not the right goal. Giving all children access to decent health care is the right thing for this country to do.

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