Senate Makes Good on Children's Health, But Will House Follow Suit?

Population Health Sciences

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In an all-too-rare show of bipartisanship, the Senate Finance Committee has proposed a five-year extension for the Children's Health Insurance Program (CHIP). This key program, covering nearly 9 million children, serves families who earn too much to qualify for Medicaid, but nonetheless struggle to afford other comprehensive health coverage for their children. Unfortunately, more and more lower-income, working families are finding they need to rely on CHIP and Medicaid to get their kids the care they need.

Without action by the end of this month, federal funding for CHIP will expire, placing family financial stability, children's health and state budgets at risk.

Although the Senate agreement does eliminate the increase of 23 percentage points in federally matched funds to the states provided through the Affordable Care Act (ACA), which could jeopardize coverage for children in certain states, it does so in a thoughtful manner—keeping the "bump" for the next two years and then phasing it out, rather than creating a hard cut-off. The importance of maintaining the bump for 2018 can hardly be overstated since at least 36 states assumed that this higher level of funding would continue when they finalized their FY18 budgets. If the bump is not maintained, these states do not believe they could make up the difference.

Also, as a result of the way federal budgeting works, a failure to pass a reauthorization by September 30 will make any CHIP reauthorization significantly more expensive. This should motivate House members, who claim both support for the program, as well as deep concern for the federal budget's bottom line.

And House members should follow the Senate's lead on a five-year extension. A longer reauthorization (the previous one was only two years) will give CHIP stability, which is not only good for families who rely on the program, but will also allow CHIP directors to test innovations that could make the program even stronger and more cost-effective.

If Congress intends to continue support for children's health for working families, the time to do it is now.

Created 20 years ago, CHIP has helped to us achieve the highest insured rate for children: more than 95 percent. As a country, this is not a trend we want to reverse. Health insurance coverage for children is a major factor in improving health outcomes and helping them grow into healthier, more productive adults. Any disruption in coverage can have negative health and financial consequences for children and families. Research has shown that even short-term coverage loss can be associated with less routine care and greater unmet medical needs for lower-income children. Without insurance protection, families can face much higher out-of-pocket costs if their kids get sick or injured. There is also the very real concern about the consequences of disrupted care for children with chronic conditions.

Were federal funding for CHIP to end, there are troublesome unanswered questions that states will need to grapple with—do they freeze enrollment? cut back on benefits? only serve those with the greatest medical need?

We know from past experience with CHIP that House members understand the importance of health care access to a child's current well-being and future success. Hopefully, Congress can see its way through to set aside the current political divisiveness and pass the Senate version of the CHIP reauthorization before month's end.

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