



**Office of
Domestic
Social
Development**



The
Catholic Health
Association
Of the United States

**Catholic
Charities
USA**



Background on State Children's Health Insurance Program Reauthorization

February 2007

ISSUE

Children are among the weakest and most vulnerable members of our society; their well-being should be our first priority. Access to health care is essential to protect the health and well being of children. As Pope John Paul II said in *Familiaris Consortio*, "in the Christian view, our treatment of children becomes a measure of our fidelity to the Lord himself." The State Children's Health Insurance Program (SCHIP) plays an important role in ensuring that low-income children have access to health care coverage. This important program must be reauthorized in 2007.

BACKGROUND

SCHIP was created in 1997 to give states the option to extend health care coverage to low-income children who do not qualify for Medicaid because their family income is too high. Approximately 4 million children are now enrolled in SCHIP. Since SCHIP was enacted, the number of uninsured children has fallen by 2.7 million, despite a growth in child poverty and the decline in the number of children whose families get health care through employment.

SCHIP builds on Medicaid but differs from that program in significant ways. In most states, children in families with incomes up to twice the federal poverty level can qualify for SCHIP (though a few states have somewhat higher or lower eligibility levels). States have more flexibility in SCHIP benefits packages. Like Medicaid, it is a joint federal-state program, administered by the states within broad federal guidelines and funded by state dollars matched by federal dollars. SCHIP however is a capped grant program. The federal government sets aside a fixed amount of funding available each year. The federal funding portion is more generous than under Medicaid, but once the federal limit is reached enrollment of eligible children stops.

The 1997 SCHIP law provided for a total of \$40 billion in federal funding over the first 10 years of the program. Because the cost of health care continues to rise, funding levels will have to be higher just to make sure that states can continue to cover the children currently enrolled in SCHIP. Additional funding will be needed so states can do outreach and enroll children who are not in the program.

Over 8 million children were uninsured in 2005. Almost 75% of those children were eligible for Medicaid or SCHIP but were not enrolled. We know that lack of health insurance has a negative impact on kids' health. Data from the 2005 National Health Interview Survey shows that children without insurance are far more likely to go without the health care they need, from well-children visits to prescriptions to dental and vision services. The SCHIP program is of vital importance to filling the gap in health care among needy children.

OUR POSITION

The Catholic community has consistently worked for access to affordable health care for all that reflects these principles: Respect for Life; Priority Concern for the Poor; Universal Access; Comprehensive Benefits; Pluralism; Quality; Cost Control; and Equitable Financing. Every child, every person, has a basic right to adequate health care. (See USCCB statements *Health and Health Care* and *A Framework for Comprehensive Health Care Reform* and *Putting Children and Families First*).

The USCCB, CHA and CCUSA were actively involved in the effort to create expanded health care for low-income children in 1997. After SCHIP was passed, Social Development and World Peace, Catholic Charities USA and the Catholic Health Association developed *The State Children's Health Insurance Program: Guidelines for State Advocates* to help develop coverage of as many insured children as possible and effective outreach efforts to enroll eligible children. CCUSA and CHA have led *Children's Health Matters*, an education and enrollment project to help eligible children get access to SCHIP

RESOURCES

Putting Children and Families First
Health and Health Care: A Pastoral Letter of the American Catholic Bishops
A Framework for Comprehensive Health Care Reform

WHAT YOU CAN DO

Contact your Senators and Representatives to express support for:

- Working towards health care coverage for all children.
- Adequate SCHIP funding so that (1) states can continue to cover the children currently enrolled in the program and (2) all eligible low income children not currently covered can participate in the SCHIP program.
- Making it easier to enroll children in SCHIP and Medicaid.
- Providing states with resources for outreach and education to bring eligible children into the program.

FOR MORE INFORMATION

USCCB: Kathy Curran, 202-541-3188, kcurran@usccb.org, www.usccb.org

CCUSA: Desmond Brown, 703-549-1390, dbrown@catholiccharitiesusa.org, www.catholiccharitiesusa.org

CHA: Lisa Smith, 202-296-3993, lsmith@chausa.org, www.chausa.org