



Department of Justice, Peace and Human Development  
Office of Domestic Social Development

**STATE CHILDREN'S HEALTH INSURANCE PROGRAM**  
**February 2009**

## **ISSUE**

Children are among the weakest and most vulnerable members of our society; their well-being should be a central priority. Access to health care is a basic human right and a requirement to protect human life. It is especially essential to protect the health and well-being of children. As Pope John Paul II said, "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.

## **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. Over 6 million children are covered through the State Children's Health Insurance Program. However, 9.4 million children remain uninsured, and more than two-thirds of these children live in families with household incomes below 200 percent of the federal poverty level, and are eligible for SCHIP or Medicaid, but not enrolled.

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 ten 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.

## **UPDATE**

SCHIP was scheduled to expire on September 30, 2007, and therefore needed to be reauthorized. USCCB, along with its Catholic partners, worked closely throughout the session to offer a common Catholic voice for important provisions in the legislation, particularly emphasizing the goal of enhancing—not diminishing or threatening—life.

The Catholic community was very active in trying to get a strong reauthorization bill that would cover more low-income children, and ensure states could continue to choose to cover unborn children and their mothers under SCHIP. The USCCB worked with Congressional offices to include a provision to codify and improve the existing regulation that allows states to cover pregnant women and their unborn children. An amendment was offered to the SCHIP bill on the Senate floor that would have codified the option by allowing states to continue the flexibility in providing services to pregnant

women and children, born and unborn. Access to prenatal care will allow more children to be born in good health and not in need of more expensive medical intervention. Unfortunately, the amendment failed both times that it was offered in the Senate.

In 2007, a compromise SCHIP bill was agreed to by both the House and Senate, but was vetoed by President Bush twice. In January 2009, a similar bill was introduced in the new Congress and passed both the House and Senate. On February 4, 2009, President Obama signed the bill into law (P.L. 111-003), reauthorizing SCHIP. The law expands the program for an additional four and a half years and will provide coverage to an estimated four million currently uninsured children. The legislation provides coverage to legal immigrant children and pregnant women under Medicaid and SCHIP regardless of date of entry into the country. Under current law, a five-year eligibility bar prevents legal immigrants from gaining access to these important health care programs. Although the codification of the unborn child rule was not included in the final bill, as of this writing, the regulation remains in place.

In a letter to Congress, Bishop William Murphy, Chairman of the Committee on Domestic Justice and Human Development, wrote that an SCHIP policy should be enacted that “assures continued coverage for children currently enrolled in SCHIP, enrolls eligible but uninsured children as soon as possible, includes codification of the ‘unborn child provision’ and ensures that more children are born in good health. We urge your active and strong support for a children’s health bill that respects the roles of families and protects the lives and health of our nation’s children.”

## **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*

*Our Vision for U.S. Health Care – The Catholic Health Association of the United States*

## **ACTION**

Contact the Obama Administration and urge the Administration to retain the unborn child regulation.

Contact your U.S. Senators and Representative to express support for strong action to provide health care coverage for all people, especially for children.

Contact your state lawmakers to express support for

- strong action to provide health care coverage for all people, especially for children
- working towards health care coverage for all children by using resources for outreach and education to bring eligible children into the program
- creating or modifying a state SCHIP program that does not provide access to contraception or abortion for children
- creating or modifying a state SCHIP program that provides access to health care services that respect parents’ roles and their religious beliefs and values.

## **For more information, contact**

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