
Auditors: Administration overstepped on child health program

Sat Apr 19, 12:24 AM ET

The Bush administration overreached last year when it limited states' ability to extend health coverage to moderate-income children, government auditors said in a letter released Friday.

The auditors' opinion may not bode well for the administration as it battles multiple lawsuits challenging changes it made to the State Children's Health Insurance Program.

The policies made it harder for states to extend government-sponsored health insurance to children whose family's income exceeds 250 percent of the poverty level, or \$44,000 for a family of three. Several states want to expand their programs to cover families above that income level.

The Government Accountability Office advised Sen. Jay Rockefeller, D-W.Va., that the administration's policy changes amounted to a rule that should have been submitted to Congress and the comptroller general before going into effect. Instead, the administration sent a letter to state health officials informing them of the changes they were making to the program, which it described as a clarification of existing law.

Nearly a decade ago, Congress passed legislation that gives it the ability to disapprove of broad regulatory rules by passing a joint resolution of disapproval. The Centers for Medicare and Medicaid Services did not follow the process that would allow Congress to take such action, the GAO told Rockefeller.

"CMS now has a critical choice to make: rescind the rule or continue to spend taxpayer money defending a growing list of lawsuits it is unlikely to win," Rockefeller said in a press release he issued along with Sen. Olympia Snowe, R-Maine.

Jeff Nelligan, a spokesman for CMS, said the agency is actively working with states that want to provide coverage to children in families whose income exceeds 250 percent of the poverty level. Most of the states have indicated they can meet the thresholds the agency established, such as enrolling 95 percent of uninsured children whose families' incomes are below twice the poverty level before enrolling children from higher-income families, Nelligan said.

Despite the GAO's opinion, the provisions outlined by the agency in its letter to the states will remain in effect, he added.

Copyright © 2008 The Associated Press. All rights reserved. The information contained in the AP News report may not be published, broadcast, rewritten or redistributed without the prior written authority of The Associated Press.