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Reauthorization Presents Opportunity to Strengthen SCHIP Sufficient Funding Needed to Build on Coverage Gains

WASHINGTON — The key issue facing Congress as it prepares to reauthorize the State Children's Health Insurance Program will be ensuring that the program receives sufficient federal funding to build on SCHIP's successful track record, Cindy Mann, executive director of the Center for Children and Families at Georgetown University, said today at a congressional hearing.

"While there are a number of SCHIP financing issues, the single most important issue is whether sufficient federal funds will be made available to assure further gains in covering children," Mann said during an appearance before the Senate Finance Committee.

The SCHIP funding level for 2007 -- \$5 billion -- was set 10 years ago, before Congress had any experience with the program. "This level of funding falls far short of what is needed when measured against what states are spending now and particularly in light of states' growing interest in covering more children and the compelling need to do so," Mann said.

Since its inception in 1997, SCHIP has made great strides in covering children. As a result of SCHIP and its larger companion program Medicaid, the portion of low-income children in America who lack insurance coverage declined by one-third between 1997 and 2005. In 2005, SCHIP covered 6 million children during the course of the year.

"Together, working in partnership, SCHIP and Medicaid have been successful in lowering the uninsured rate among children despite rising health care costs and job market dynamics that have pushed up the number of uninsured adults," Mann said.

Voters are also looking for Congress to help states expand their SCHIP programs. Eighty-two percent of voters said they want Congress to add new funds to SCHIP and two-thirds of these voters want Congress to provide enough funding to allow states to enroll more children in SCHIP, according to a November 2006 election-eve survey conducted by Lake Research Associates for the Center for Children and Families.

Cindy Mann's written testimony submitted to the Senate Finance Committee will be available on the CCF Web site at http://ccf.georgetown.edu.