



Georgetown University Health Policy Institute

Center for Children and Families

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***SCHIP Successfully Covering Children as 10 Year-Anniversary Nears
Reauthorization Presents Opportunity to Correct Funding Formula***

WASHINGTON—As the 10-year anniversary of the State Children’s Health Insurance Program approaches, Congress will have an opportunity to build on the success that SCHIP, in partnership with Medicaid, has had in decreasing the uninsured rate of low-income children.

“Of all our health care reform efforts, covering children has been resoundingly successful and efficient. Since 1997, SCHIP and Medicaid have reduced the uninsured rate of low-income children by a third,” said Cindy Mann, executive director for the Center for Children and Families (CCF) at Georgetown University Health Policy Institute.

CCF research shows that SCHIP has been a popular supplement to Medicaid, covering more than 6 million children, spurring broad-based outreach campaigns, and reinvigorating Medicaid. The federal law authorizing SCHIP is set to expire at the end of fiscal year 2007.

Despite the gains in child health coverage since Congress created SCHIP, more needs to be done to protect and promote advances in children’s coverage, especially with some 17 states anticipating nearly a \$1 billion shortfall in federal SCHIP funding in 2007. “SCHIP is facing a growing federal funding problem. We are at significant risk of losing our recent gains and missing the chance to move forward if we do not confront SCHIP funding shortfalls,” according to Jocelyn Guyer, senior program director at the Center for Children and Families.

Congress must come up with new funds to prevent children from losing coverage and to cover more eligible children. The Bush administration estimates that this growing shortfall will cause more than a million children to lose SCHIP coverage over the next four years if additional funds are not added to the program. Until SCHIP is reauthorized, no new federal SCHIP funds will be made available for fiscal year 2008 and following years.

During SCHIP reauthorization, it is likely that financing will be a focus of the congressional debate, including how much money should be dedicated to the program; what is the best way to distribute available funds among the states; and how states should be allowed to use SCHIP money.

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“Congress’s decision on SCHIP financing issues will ultimately affect how many children receive health care coverage,” said Mann, CCF’s executive director.

Additional information on SCHIP and Medicaid is available on the CCF Web site at <http://ccf.georgetown.edu/>.

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