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**GOVERNOR SPITZER ANNOUNCES MULTI-STATE LAWSUIT TO SECURE  
HEALTH INSURANCE FOR CHILDREN**

**Bi-Partisan, Multi-State Legal Challenge to Protect Critical Care for  
Children**

Governor Eliot Spitzer today announced that a group of states will be pursuing legal challenges against the Bush Administration for violating provisions of the federal State Children's Health Insurance Program (SCHIP), which provides affordable health coverage for children in families that cannot afford to buy private health insurance.

The state action was triggered in August when the federal Center for Medicare and Medicaid Services (CMS) arbitrarily imposed new rules that block states from expanding their children's health insurance programs. Illinois, Maryland, New Jersey, Washington, Arizona, California and New Hampshire will participate in litigation, either as plaintiffs or by filing supporting briefs, against the Bush Administration for violating the provisions of the SCHIP statute.

The SCHIP reauthorization bill passed overwhelmingly by both houses of Congress last week would roll back these new rules. President Bush has promised to veto the legislation.

"With the health of our nation's children hanging in the balance, President Bush is preparing to veto a bipartisan compromise that Congress has forged to ensure that all children receive quality health care," said Governor Spitzer. "I join with Governors from states across the country in urging the President to do the right thing by signing this important legislation. If this bill does not become law, we will proceed with our lawsuit. Our kids deserve nothing less."

The lawsuit will specifically challenge the rules that conflict with the SCHIP statute and were issued without an opportunity for public comment as required by the federal Administrative Procedures Act. The states are seeking a court ruling declaring those rules to be unlawful and prohibiting the federal government from applying the rules when reviewing individual state plans submitted under SCHIP.

“It sends a powerful and compelling message when the U.S. Congress, States across the nation, and the public are so clearly committed to ensuring that families have access to affordable health care for their children,” added Governor Spitzer.

Governor Chris Gregoire of Washington State said: “In Washington, we know that taking care of our kids not only makes good economic sense, but it is the right thing to do. The federal government should continue to be a partner, rather than a roadblock, to our children’s health.”

Governor Martin O’Malley of Maryland said: “The SCHIP program has enjoyed bipartisan support since its inception and it has provided millions of children access to needed health services including preventive services. These barriers imposed by the Bush Administration mortgage both the fiscal and health future of our nation.”

Governor Jon Corzine of New Jersey said: “SCHIP is an unqualified success in New Jersey and in states across the nation, and the Bush Administration’s determination to pursue a course of action that will harm our children’s health is incomprehensible. This same Administration previously signed off on our decision to cover the 10,000 New Jersey kids they are now seeking to kick out of SCHIP, and the lawsuit we filed today demonstrates that we will simply not let that happen. Washington should be a partner to states that are trying to cover more children, not an opponent, and I urge the President to reverse course and sign the bipartisan legislation before him.”

New Hampshire Governor John Lynch said: “Hard-working families are caught in a no-win situation – they earn too much to qualify for Medicaid, their employers do not offer coverage, and they cannot afford private coverage. The Children's Health Insurance Program has made quality health care affordable and possible for these children. At a time when we should be working together to expand access to affordable, quality health care, this sudden and arbitrary rule change threatens the health insurance coverage of children across the nation. We will fight this in Court if necessary, but I hope the federal government will do the right thing on its own – overturn

this rule and pass funding for the Children's Health Insurance Program.”

Assembly Speaker Sheldon Silver said: “The action being taken today underscores the significance of the need for affordable health care for families across our country. The fact that states are forced to band together in a desperate attempt to provide long overdue health care to children is a testament to just how out of touch the Bush administration is with the needs of working families.”

Senate Minority Leader Malcolm A. Smith said: “Promoting children's health and wellness is one cause we should all be able to rally around. Unfortunately, the Bush administration doesn't see it this way. Instead, the president has persistently stonewalled commonsense plans to provide health coverage for thousands of children in New York State, and throughout the nation. I applaud Governor Spitzer for working cooperatively with the Governors of other states in challenging the Bush administration's decision to veto Federal SCHIP legislation. Providing children with affordable health insurance is simply the right thing to do.”

Assemblyman Gottfried said: “We had overwhelming bipartisan support when we raised our Child Health Plus eligibility. President Bush’s actions only protect the profits of the insurance industry. I applaud Governor Spitzer for taking this fight to court to protect our children.”

Senator John Sampson, the Ranking Democrat on the Senate Health Committee, said: “With a mere stroke of the pen, the Bush administration has sent a cynical message to families in need of affordable health care coverage. Here in New York we have made important strides, under Governor Spitzer's leadership, to extend universal health coverage to all of our state's 400,000 uninsured children. However, President Bush's veto of Congressional SCHIP legislation has derailed those plans, leaving us no other choice than to respond decisively in getting back on track our efforts assisting New York families.”

Department of Health Commissioner Richard F. Daines said: “Children need regular checkups in their early years in order to have a healthy life. When children aren't insured, very often parents wait until a small problem gets much worse before they pursue medical

treatment, just because they can't afford it. Children need their vaccinations, health screenings for lead poisoning, vision or dental problems. They need a clinician to monitor their growth and development. SCHIP insures hundreds of thousands of children in New York, and should be continued and expanded to make sure every child in New York has access to health insurance, whether from a public or private source.”