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**Arizona Eliminates Children's Health Insurance Program;
Fallout Will be Felt for Years to Come**

Statement by Jocelyn Guyer, Co-Director, Georgetown University's Center for Children and Families

"States throughout the country are facing tough budgets, but Arizona is the only state to make such drastic and short-sighted cuts to its health coverage programs for low and moderate-income families. It is the first state in history to permanently eliminate its Children's Health Insurance Program (CHIP). Its decision to eliminate more than 300,000 people from Medicaid also is unprecedented in recent years."

"Others states have taken advantage of the infusion of federal funds included in the Economic Recovery Act to shelter children and families from the economic storm by maintaining their affordable coverage initiatives. Arizona stands alone in capitulating on its responsibility to help uninsured children and families. Long after the state's budget situation improves, Arizona will be dealing with the fallout from its short-sighted decision. If children don't get the care they need, it can have lifelong effects on their ability to grow and learn."

Background:

As part of the state's fiscal year 2011 budget signed into law by Governor Brewer on March 18th, Arizona repealed its CHIP statute, the only state to ever do so. It also made significant reductions in the financing of Medicaid. Together, the cuts are expected to result in almost 350,000 low-income people losing coverage, including about 60,000 children.

The proposed extension of federal fiscal relief in H.R. 4213 in Congress would provide Arizona with funding that could be used to mitigate the cuts. If adopted, the legislation would likely preclude the state from scaling back eligibility for Medicaid, and state policymakers could decide to use some of the funding to preserve Arizona's CHIP program, known as KidsCare.

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