

Wednesday, February 4th, 2009 at 12:00 am

## **Presidential Memorandum -- State Children's Health Insurance Program**

**MEMORANDUM FOR THE SECRETARY OF HEALTH AND HUMAN SERVICES**

**SUBJECT: State Children's Health Insurance Program**

The State Children's Health Insurance Program (SCHIP) encourages States to provide health coverage for uninsured children in families whose incomes are too high to qualify for Medicaid but too low to afford private insurance. Since 1997, when SCHIP was enacted, States have had the authority to set their SCHIP income eligibility levels, subject to available funding. In recent years, as the cost of private insurance has increased, States have raised eligibility levels to offer health care coverage to more families, with families paying a share of the cost based on their income.

On August 17, 2007, the Centers for Medicare & Medicaid Services (CMS) issued a letter to State health officials limiting the flexibility of States to set income eligibility standards for their SCHIP programs. On May 7, 2008, CMS issued a subsequent letter restating the policy set forth in the August 17, 2007, letter.

The August 17, 2007, letter imposes additional requirements that States must meet in order to cover children under SCHIP plans, including plans that CMS had previously approved. These requirements have limited coverage under several State plans that otherwise would have covered additional, uninsured children. As a result, tens of thousands of children have been denied health care coverage. Unless the August 17, 2007, letter is withdrawn, many more children will be denied coverage.

By this memorandum, I request that you immediately withdraw the August 17, 2007, and May 7, 2008, letters to State health officials and implement SCHIP without the requirements imposed by those letters.

This memorandum does not create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

You are hereby authorized and directed to publish this memorandum in the *Federal Register*.

BARACK OBAMA