

September 18, 2006

Dear Senator/Representative:

We are writing to urge you and your colleagues to take immediate action to help states avert federal funding shortfalls under the State Children's Health Insurance Program (SCHIP) projected for federal fiscal year 2007. With the Census Bureau already reporting that the number of children without health insurance increased in 2005, the failure of Congress to address the 2007 SCHIP funding shortfalls could add even more children to the ranks of the uninsured.

SCHIP, created in 1997 and slated for reauthorization next year, is a successful federal-state partnership, now covering over 4 million low-income children and enjoying bipartisan support. However, in the upcoming federal fiscal year, 17-18 states are projected to have insufficient federal SCHIP funding to sustain their existing SCHIP programs. According to various estimates by the Centers for Medicare and Medicaid Services, the Congressional Research Service and other independent analysts, these states will face an estimated \$800 to \$950 million in total funding shortfalls in 2007. Without additional federal funding to avert these shortfalls, states may have to reduce their SCHIP enrollment, placing health insurance coverage for over 500,000 low-income children at risk. States may also be forced to enact harmful changes to their SCHIP programs, such as curtailing benefits, increasing beneficiary cost-sharing or reducing provider payments.

The following states are projected to have insufficient federal SCHIP funds in fiscal year 2007 to maintain their existing SCHIP enrollment: Alaska, Georgia, Illinois, Iowa, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, North Carolina, North Dakota, Rhode Island, South Dakota, and Wisconsin.

Congress has acted in the past to address SCHIP shortfalls successfully and can do so again. For example, it provided additional funding to 12 states for fiscal year 2006 as part of the Deficit Reduction Act. (In addition, both the Administration's fiscal year 2007 budget and the Senate-passed budget resolution for 2007 already include additional SCHIP spending to avert state shortfalls next year.)

We urge you to enact legislation immediately that provides additional SCHIP funding targeted at shortfall states, as you did to address the shortfalls in 2006, to ensure that all states have sufficient federal funding to sustain their existing SCHIP programs in FY 2007. Before this Congress adjourns, please work with your colleagues to ensure the continued success of this important health insurance program for low-income children. For more information, please contact Bob Hall at the American Academy of Pediatrics (202-347-8600 ext. 3309).

Sincerely,

Academy of General Dentistry
Advocates for Children and Youth
Alliance for Children and Families
Ambulatory Pediatric Association
America's Promise – The Alliance for Youth
American Academy of Child and Adolescent psychiatry
American Academy of Family Physicians
American Academy of Pediatrics
American Academy of Physician Assistants
American Association of People with Disabilities
American Dental Association
American Dental Hygienists' Association
American Federation of Labor and Congress of Industrial Organizations
American Federation of State, County and Municipal Employees
American Federation of Teachers
American Nurses Association
American Orthopsychiatric Association
American Pediatric Society
American Psychiatric Association
American Public Health Association
Anabaptist Center for Healthcare Ethics (ACHE)
Association of Jewish Family & Children's Agencies
Association of Medical School Pediatric Department Chairs
Association of University Centers on Disabilities (AUCD)
Bazelon Center for Mental Health Law
Catholic Charities USA
Catholic Healthcare West
Child Neurology Society
Child Welfare League of America
Children's Defense Fund
Children's Dental Health Project
Coalition on Human Needs
Community Catalyst
Congreso de Latinos Unidos
Council of Women's and Infant's Specialty Hospitals
El Pueblo, Inc.
Families USA
Family Voices
First Candle/SIDS Alliance
FirstFocus
Generations United
Health and Disability Advocates
Jewish Federation of Metropolitan Chicago
Latino Leadership, Inc.
Lutheran Services in America
Maternal & Child Health Policy Research Center

Mennonite Central Committee U.S., Washington Office
NAF Multicultural Human Development Corporation
National Asian Pacific American Women's Forum
National Assembly on School-Based Health Care
National Association for Children's Behavioral Health
National Association of Community Health Centers
National Association of Emergency Medical Technicians
National Association of Public Hospitals and Health Systems
National Association of Social Workers
National Association of State Head Injury Administrators
National Center for Law and Economic Justice
National Council for Community Behavioral Healthcare
National Council of Jewish Women
National Council of La Raza
National Health Law Program
National Hemophilia Foundation
National Mental Health Association
National Partnership for Women & Families
National Rural Health Association
National Women's Law Center
Presbyterian Church (U.S.A.) Washington Office
Public Justice Center

RESULTS

San Ysidro Health Center
Service Employees International Union
Society for Adolescent Medicine
Society for Pediatric Research
The Arc of the United States
The Catholic Health Association of the United States
The Center on Budget and Policy Priorities
The Children's Partnership
The Children's Health Fund
The Jewish Council for Public Affairs
The March of Dimes
The National Advocacy Center of the Sisters of the Good Shepherd
The National Latina Institute for Reproductive Health
USAction
Virginia Interfaith Center for Public Policy
Voices for America's Children