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Additional Money Is Sought for Kids' Health Insurance

By Jackie Jadrnak

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Health care advocates have a suggestion for a way the new Congress can show its bipartisan spirit: Direct more money to children's health insurance.

"Everyone is catching on that we really need to work together. Next year, Congress has opportunities," said Liz Meitner, vice president for legislative affairs, Voices for America's Children.

SCHIP—the State Children's Health Insurance Program—is 10 years old next year and coming up for renewal. The \$40 billion program needs additional money just to keep covering the same number of children. As the population grows, it will need another boost to cover more children, she told a group of New Mexicans gathered last week to discuss children's health insurance.

The program provides health insurance to children who don't qualify for Medicaid but whose families still have limited income and no employer-provided insurance. About 6.2 million children nationally are getting health insurance through SCHIP, according to Bruce Lesley, president of First Focus, an advocacy group focusing on children's issues, and former health policy aide to Sen. Jeff Bingaman, D-N.M.

New Mexico also covers some adults through the program. It was allowed the exception because it had expanded its Medicaid program to cover children up to 185 percent of the poverty line, a more generous eligibility than many other states. SCHIP funds could not be used to supplement Medicaid expenditures—an area where New Mexico also was able to work out an exemption to get some help.

There is concern that the flexibility that benefits New Mexico's program might be lost in reauthorization. SCHIP money now is used in the State Coverage Initiative, a program that has extended health coverage to 5,000 adults up to 200 percent of the federal poverty level, according to Katie Falls, deputy secretary for the

state Human Services Department.

"The governor wants to increase that to 300 percent of poverty, and use some SCHIP funds," she said. For a \$62 million investment in state money, New Mexico can get \$190 million from the federal program.

In the state, children can be covered by SCHIP if their families' income is up to 235 percent of the federal poverty level. There is a possibility the next Congress will try to cap eligibility at 200 percent of poverty, Lesley said. There also may be a move to limit coverage to children and exclude adults, he said.

Senate budget rules also require that spending increases in one area be offset by cuts elsewhere, and advocates are concerned Medicaid will be cut if SCHIP is increased. "It'll do no good if you add to SCHIP and cut Medicaid," Lesley said, noting that the number of insured kids wouldn't really change under that scenario.