

**FIRST FOCUS SIGN-ON LETTER URGING SWIFT ACTION
TO EXTEND CHIP FUNDING**

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ANY QUESTIONS, PLEASE CONTACT LISA SHAPIRO: lisas@firstfocus.org

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Ryan, Minority Leader Pelosi, Chairman Hatch, Ranking Member Wyden, Chairman Walden and Ranking Member Pallone:

As leading national, state, tribal, and local organizations concerned about the health and well-being of America's children and pregnant women, we are writing to urge you to turn your attention as quickly as possible to enacting a long-term funding extension of the Children's Health Insurance Program (CHIP). CHIP funding is currently set to expire on September 30, 2017. Swift action on a CHIP funding extension bill would provide much-needed certainty to states and families and ensure that health coverage for the 8.9 million children who rely on CHIP will not be disrupted. Congress last extended CHIP as part of the Medicare and CHIP Reauthorization Act of 2015 (MACRA), legislation that passed with overwhelming bipartisan majorities. A long-term CHIP funding extension bill would not only avert a coverage crisis for children, families, and states, it would also provide an opportunity for Members and Senators on both sides of the aisle to work together toward the collective goal of protecting children's coverage. To be clear, states are already crafting their FY 2018 budgets and lack of timely congressional action will soon cause states to begin the process of disenrolling children from coverage.

For two decades, CHIP has been an essential source of children's coverage, ensuring access to high-quality, affordable, pediatric-appropriate health care for children in working families whose parents earn too much to qualify for Medicaid but too little to purchase private health insurance on their own. It has strong bipartisan roots and was developed as a state-federal partnership that gives governors broad flexibility to design their programs to target the needs of their child populations.

CHIP is a model program that has played a critical role in reducing the number of uninsured children by more than 68 percent, from nearly 15 percent in 1997 to a record of less than five percent in 2015, while improving health outcomes and access to care for children and pregnant women. If Congress fails to act in a timely manner, the 8.9 million children enrolled in CHIP will be at risk of losing their health coverage. It is worth noting that the children who stand to lose CHIP would likely have no other affordable coverage option available to them. The resulting increase in the rate of uninsured children would be an enormous step backwards.

CHIP's uncertain funding future is a significant problem for states as they are already developing their FY 2018 budgets and negotiating contracts with insurers and providers. In order for states to continue their CHIP programs without interruption, they must know as soon as possible that federal support for CHIP will exist beyond September 30, 2017, when CHIP funding is set to expire. If funding is not stabilized quickly, states will have no choice but to begin planning for the impending funding shortfall, which will require drastic program cuts through enrollment caps, benefit reductions, reductions in eligibility, or provider payments cuts. At a time when children's coverage rates have hit record highs – with more than 95 percent of our children enrolled in some type of health coverage – it would be devastating if states begin to dismantle their CHIP programs.

Given the uncertainty in the insurance market and as Congress continues to look at broader health system reforms, it is important that CHIP remains a stable source of coverage for children. Coverage provided through CHIP and Medicaid must be protected. As advocates who are concerned about the health and well-being of children, we are hopeful that our nation's leaders can work together to continue the current CHIP policy that is working well for states and families. We urge Congress to make swift action on a long-term CHIP funding extension an immediate priority.

Sincerely,