



## ***The Kid Angle***

*Kid-focused news from First Focus on Children*

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**CHIP turning 25  
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***Plus, what had a bigger impact than "any single policy change since the 1960s"?***

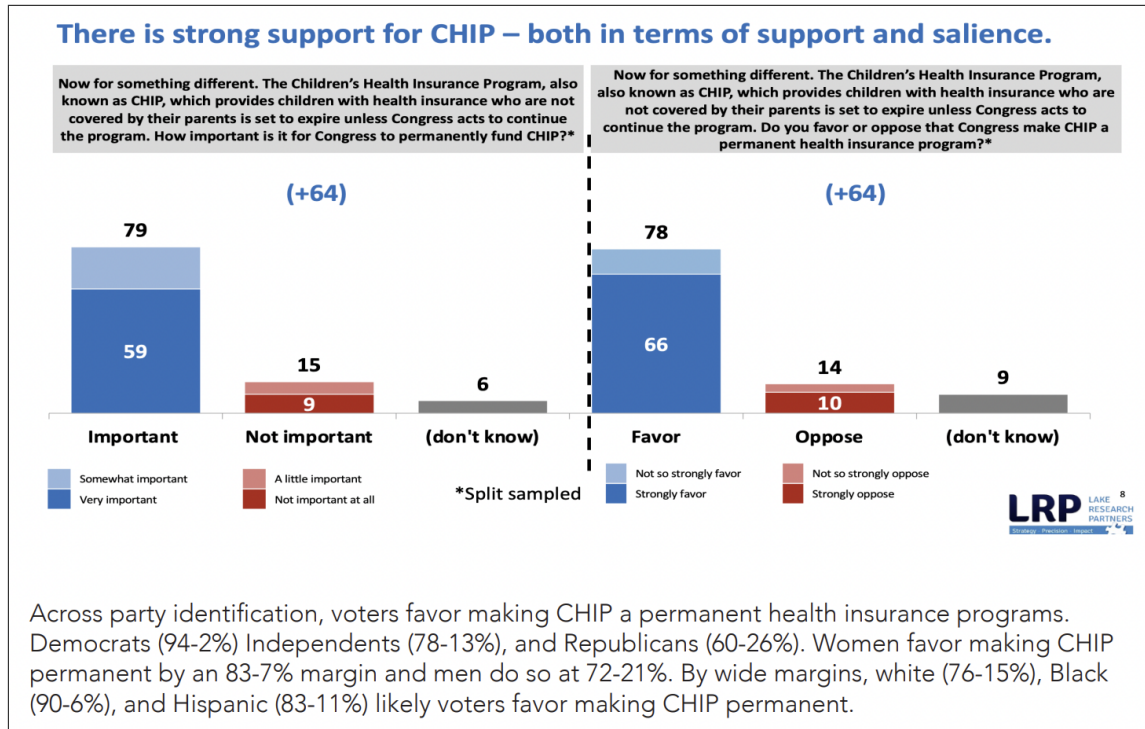
### **Children's Health Insurance Program turning 25**

The Children's Health Insurance Program (CHIP) turns 25 next month — and lawmakers have at their fingertips the best birthday present ever: Permanence.

**Unlike every other federal health care program (Medicare, veterans' coverage, the health care received by members of Congress) — CHIP is subject to ritual expiration**, a process that inspires politicians to hold it — and the 10 million children it covers — hostage to special interests on a regular basis. [The reconciliation bill currently underway in the Senate offers the perfect vehicle for making CHIP permanent — AND saving billions of dollars in the process.](#) CHIP has expired in the past, including for four long months in 2017. Missing the opportunity to make the program permanent now likely will mean more — and more severe — consequences for children, as well as higher costs, down the road.

CHIP insures 10 million children whose parents make too much to qualify for Medicaid and too little to afford Obamacare coverage. The program proved a powerful driver in reducing the uninsured rate among children by two-thirds between its creation in 1997 and 2016. [American voters also overwhelmingly](#)

[support making CHIP permanent \(78-14%, according to Lake Research Partners\).](#)



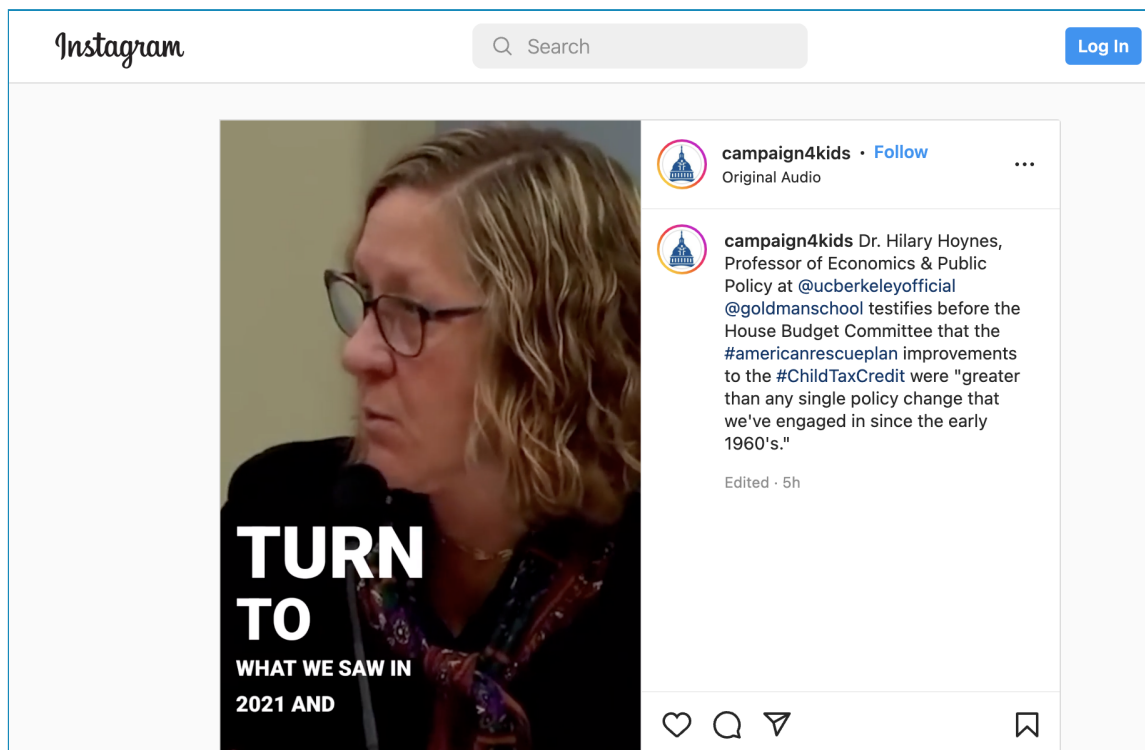
### Child Tax Credit, child care, headline House Budget Committee hearing.

UC Berkeley economist Dr. Hilary Hoynes told the House Budget Committee yesterday that the 2021 expansion of the Child Tax Credit under the American Rescue Plan had a greater impact on child poverty in the United States than “any single policy change that we've engaged in since the early 1960's.”

The testimony came during the House Budget Committee’s hearing on the impact that federal investment in early childhood has on children, families and the nation’s economy. During the nearly two-and-a-half-hour hearing, experts [outlined the benefits of targeted tax credits, accessible high-quality pre-K, good nutrition and other factors](#), and offered the following observations:

**Hoynes:** Overall, the CTC expansion is projected to **cut child poverty by about 40%**, with most of this impact resulting from **extending eligibility to the poorest families**. The economic benefits children derive from the **expanded CTC are expected to yield a long-term fiscal payoff** in the form of higher education and earnings, better health and less criminal behavior. Columbia University Center on Poverty and Social Policy predicts that **the long-term net cost to taxpayers of the expanded CTC is 16 cents for every \$1 of new benefits**.

[Rasheed Malik, Senior Director, Early Childhood Policy | Center for American Progress](#): Most communities have had a **systemic undersupply of child care for decades**, long before the pandemic. A growing consensus among economists and policy analysts holds that investing in early care and education offers a positive benefit for children **and a long-term national cost savings that helps pay for itself in the form of higher tax revenues and increased productivity**. A richer accounting of the net costs and the direct and indirect benefits suggests that **early childhood investments are one of the most responsible, high-impact, long-term budget choices available to lawmakers**.



Early childhood expert [Maureen Black of RTI International](#) and [former House Speaker Newt Gingrich](#) also offered testimony.

“Supporting our youngest Americans is one of the most concrete ways we can set our nation up for success,” said [Committee Chair John Yarmuth \(D-KY\)](#), noting that the need has become even more urgent since the Supreme Court overturned the Constitutional right for a woman to decide whether to give birth. “This is what Republicans long-sought and fought tooth and nail for — but now what?”

The [Children's Budget Coalition](#), led by First Focus on Children [outlined the benefits of federal investment in children in a letter to the Committee](#).

*Find a [recording of the hearing](#), plus witness' written testimony and the [committee's pre-hearing report](#), on the [Committee's site](#).*

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