

February 7, 2018

The Honorable Mitch McConnell
Senate Majority Leader
United States Senate
Washington, DC 20510

The Honorable Charles Schumer
Senate Minority Leader
United States Senate
Washington, DC 20510

The Honorable Orrin Hatch
Chairman
Senate Finance Committee
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Senate Finance Committee
United States Senate
Washington, DC 20510

To Senate Leadership:

The Children's Health Insurance Program (CHIP) has a 20-year record of success for our nation's children and pregnant women, as it, in tandem with Medicaid, has led the way in cutting the uninsured rate for children by two-thirds.

Based on recent estimates by the Congressional Budget Office (CBO) on January 11, 2018 that outlined significant savings from extending CHIP, we support making CHIP permanent or to extend the program for at least ten years. The CBO score gives Congress the unique opportunity to: (1) make CHIP permanent or extend the program for at least 10 years; (2) use the estimated savings of \$6 billion that a 10-year extension provides to offset other important extenders, such as the Maternal Infant Early Childhood Home Visiting (MIECHV) Program, that were not extended in the House's latest Continuing Resolution (CR); and (3) eliminate the "CHIP funding cliff" that repeatedly threatens the program's long-term future. Using the savings that would be generated by a CHIP extension to fund MIECHV, funding for which expired over 120 days ago, will ensure that children, pregnant women, and new families all continue to access necessary health care services.

Although the recently enacted CR to extend CHIP for six years was critically important in ending the crisis whereby CHIP funding had expired for 114 days, the six-year extension of CHIP included the imposition of a "CHIP funding cliff" that has the impact of providing \$25.9 billion in funding in 2023 that drops to \$5.7 billion in baseline funding in FY 2024 and beyond. This creates a potentially large funding gap when CHIP comes up for an extension again at the end of 2023.

CHIP should be put on the same footing as all other federal health coverage programs, as they are not subjected to repeated short-term extensions and funding cliffs. CHIP works and, as the recent CBO estimate finds, is cost-effective.

Thus, we strongly urge the Senate to take advantage of this unique opportunity to: (1) provide the program with a longer authorization; (2) use the scores savings to offset other important

extenders to children and pregnant women, such as MIECHV; and (3) eliminate the imposition of a CHIP funding cliff in out-years that threaten the program's long-term future.

Thank you for your consideration.

American Academy of Pediatrics

Children's Defense Fund

Children's Dental Health Project

Family Voices

First Focus Campaign for Children

March of Dimes

National Association of Pediatric Nurse Practitioners