

May 18, 2020

The Honorable Joaquin Castro
U.S. House of Representatives
Washington, DC 20515

The Honorable Ruben Gallego
U.S. House of Representatives
Washington, DC 20515

The Honorable Nanette Diaz Barragán
U.S. House of Representatives
Washington, DC 20515

The Honorable Adriano Espaillat
U.S. House of Representatives
Washington, DC 20515

The Honorable Veronica Escobar
U.S. House of Representatives
Washington, DC 20515

Dear Representatives Castro, Gallego, Barragán, Espaillat, Escobar, and Members of the Congressional Hispanic Caucus:

I am writing as president of First Focus Campaign for Children, a bipartisan organization dedicated to improving the lives of children, to alert you to a few issues of importance to Hispanic children, if you are not already aware, and to pledge our support in working with you to address them.

First, the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act corrects a major problem in the Coronavirus Aid, Relief, and **Economic** Security Act (CARES Act) in which children were valued at just 41.7 percent of adults (\$500 per child versus \$1,200 for adults) under the recovery rebate program. The HEROES Act provides full parity of \$1,200 for both adults and children and acknowledges that every aspect of the lives of children is being impacted by the dual COVID-19 and economic crises.

The legislation also fixes some of the shortcomings in the CARES Act “recovery rebate” program by expanding eligibility to college students, dependents over 16, and immigrant families. These are all critically important improvements that we strongly support.

The HEROES Act also offers a temporary expansion of the Child Tax Credit (CTC) that would make the CTC fully refundable for 2020 and temporarily expand the credit to low and no income families with an estimated 23 million children who currently do not receive the full CTC because their families make too *little*.¹

Furthermore, the HEROES Act increases the amount of the credit from \$2,000 to \$3,000 per child per year for older eligible children and authorizes \$3,600 per child per year for children under age six. The bill also temporarily makes 17-year-olds “qualifying children” and benefits the U.S. territories.

The Center on Poverty and Social Policy at Columbia University estimates that “working-age adults and children will face particularly large increases in poverty rates” due to the economic fallout from the pandemic.

¹ Collyer, Sarah and David Harris, “Trump’s Tax Reform Is Leaving Millions of Poor Children Behind,” *Los Angeles Times*, Jan. 17, 2020, <https://www.latimes.com/opinion/story/2020-01-17/child-tax-credit-eligibility-low-income-donald-trump>. See also, Sarah Collyer, David Harris, and Christopher Wimer, *Left Behind: The One-Third of Children in Families Who Earn Too Little to Get the Full Child Tax Credit*, Center on Policy and Social Policy at Columbia University, Vol 3, No. 6, May 13, 2019, <https://www.povertycenter.columbia.edu/news-internal/leftoutofctc>.

In fact, child poverty could rise to its highest rate since the measure was created in 1967.² Even before the dual COVID-19 and economic crises, child poverty was 54 percent higher for children than adults and was highest among Hispanic children.³

In future legislation, we would urge Congress to authorize a permanent, fully refundable CTC like that in the legislation (**H.R. 1560, the American Family Act**) introduced by Reps. Rosa DeLauro (D-CT) and Suzan DelBene (D-WA), which the National Academy of Sciences, Engineering, and Medicine has identified as the single most effective measure to combat child poverty.

One concern with the HEROES Act is that it limits stimulus payments to three children per family. According to a Pew Research Center report in 2015, “Fully 20% of Hispanic moms have four or more children, as do 18% of black moms. In comparison, just 11% of white mothers have four or more children, as do 10% of Asian mothers.”⁴

Consequently, Hispanic children will receive the lowest payment per child among all kids due to the imposition of this limit. Even more worrisome, we are concerned about the precedent that this arbitrary cap in support for larger families may have in the future. For years, child advocates have been fighting family caps in TANF and the UK has imposed a two-child limit in its universal child benefit. Again, we are deeply concerned about any and all child caps and worry about the ramification of such caps in future legislation.

Second, according to the Medicaid and CHIP Payment Advisory Committee, there were 36 million children enrolled in Medicaid and 9.6 million children enrolled in CHIP at some point in 2018. A report by the Urban Institute estimates that 6.6 million children would lose employer-sponsored insurance if the unemployment rate rises to 20 percent and that Medicaid, CHIP, and the Affordable Care Act (ACA) exchanges would likely enroll 90 percent of those kids. An estimated 700,000 would become uninsured. Consequently, it is critical to support and protect Medicaid, CHIP, and the ACA.

In the HEROES Act, we strongly support the increase in the Medicaid Federal Matching Assistance Percentage (FMAP). However, we were highly disappointed that the children’s community push for a postponement in the scheduled 11.5 percentage point decline in the CHIP matching rate was not also included. The Pennsylvania CHIP agency estimates that they could see a \$31 million shortfall in CHIP next year during the pandemic due to the loss of federal funding. While the HEROES Act had a number of provisions related to Medicaid and Medicare, the specific protection for CHIP was not included.

Hispanic children have disproportionately benefitted from the establishment of CHIP. When CHIP was established, the uninsured rate for Hispanic children was 34 percent compared to an overall rate of 15 percent. In 2018, the uninsured rate had dropped to 5.5 percent for all children, which is an improvement of 9 percentage points since CHIP was created, and the uninsured rate for Hispanic children had dropped to 8.7 percent, which is a reduction in the uninsured rate by 25 percentage points. Due in large part to CHIP, the health disparities between white and Hispanic children in health coverage declined significantly – from 19 percentage points in 1997 to 3.2 percentage points in 2018.

² Parolin, Zachary and Christopher Wimer, Forecasting Estimates of Poverty During the COVID-19 Crisis: Poverty Rates in the United States Could Reach Highest Levels in Over 50 Years,” Center on Poverty and Social Policy at Columbia University, Vol. 4, No. 6, Apr. 16, 2020, <https://www.povertycenter.columbia.edu/news-internal/coronavirus-forecasting-poverty-estimates>.

³ Lesley, Bruce, “Building a Better America and World for Our Children,” Medium, Apr. 21, 2020, <https://medium.com/voices4kids/building-a-better-america-and-world-for-our-children-361c2ba17ef1>.

⁴ Livingston, Gretchen, “Childlessness Falls, Family Size Grows Among Highly Educated Women,” Pew Research Center, May 7, 2015, <https://www.pewsocialtrends.org/2015/05/07/childlessness-falls-family-size-grows-among-highly-educated-women/>.

CHIP has also played a key role in increasing access to the children of immigrants. In the CHIP Reauthorization of 2009 signed by President Obama, the Congressional Hispanic Caucus played a critical role in ensuring the inclusion of language providing for a state option to cover legal immigration children and pregnant women without having to wait five years. A number of states have also adopted an expansion of coverage through CHIP to cover pregnancy-related care for undocumented women.

Consequently, according to data from the Georgetown Center for Children and Families, the race/ethnicity of children enrolled in Medicaid/CHIP in 2016 was 37 percent Hispanic, 33 percent white, 20 percent African-American, 3 percent Asian, and 6 percent other in 2016. In other words, Hispanic children were 25 percent of the U.S. population in 2016, but 37 percent of Medicaid/CHIP enrollees.

Historically, the Congressional Hispanic Caucus has played an enormous role in protecting CHIP. For example, during the fight over CHIP's extension back in 2007, it was the Tri-Caucus that pushed a short-term extension through over the initial objection of the Bush Administration (which vetoed CHIP twice and was using it as political leverage to push the Administration's tax credit proposal) and Democratic leadership (which wanted Republicans to take more votes against CHIP).

Leaders of the Tri-Caucus worked across the aisle with moderate Republicans to end the impasse and got a temporary extension of CHIP enacted through 2009. To paraphrase Rep. Jim Clyburn (D-SC) when he addressed the Bush Administration and Democratic congressional leadership at the time, "Enough! These are OUR kids and we demand that you stop using them as political bait." We turn to you once again to ask that you lead the fight to protect the health of children.

Over the two decades after the passage of CHIP in 1997, the uninsured rate for children dropped by more than two-thirds and the uninsured rate dropped to 4.5 percent. During the Trump Administration, we have seen a reversal of that progress and now is the time to get our country back on the path of progress to "Covering All Kids."⁵

There are a few critically important pieces of CHIP legislation that we ask for you to consider supporting:

- 1) **H.R. 6797, the Children's Health Insurance Program Pandemic Enhancement and Relief (CHIPPER) Act** by Reps. Susan Wild (D-PA) and Brian Fitzpatrick (R-PA): This legislation postpones the scheduled 11.5 percentage point decline in the CHIP federal matching rate from taking effect in the coming fiscal year. The CARES Act and HEROES Act have sought to protect Medicaid, but we should also protect CHIP.
- 2) **H.R. 6098** by Rep. Nanette Diaz Barragán (D-CA(+)) to give states the authority to expand income eligibility standards under CHIP. States should not be prohibited from expanding coverage to children now or in the future.

Furthermore, we are deeply concerned about the Trump Administration's continued push to repeal the ACA in the midst of the pandemic. Tens of millions of Americans would lose health coverage and have important protections against pre-existing conditions, annual and lifetime caps, etc. lost if *Texas v. California* were to prevail at the Supreme Court.⁶

⁵ Lesley, Bruce, "Covering All Kids," *Medium*, May 11, 2020, <https://medium.com/voices4kids/covering-all-kids-f3eb36e963d1>.

⁶ Gomez, Olivia, How Dismantling the Patient Protection and Affordable Care Act Will Harm Children, First Focus on Children, Jul. 2019, <https://firstfocus.org/wp-content/uploads/2019/07/Issue-Brief-How-Dismantling-the-ACA-Will-Harm-Children-July-2019.pdf>.

Fortunately, California Attorney General Xavier Becerra is leading the fight against that lawsuit and First Focus on Children submitted an amicus brief in support of his efforts to protect the health care of millions of Americans.⁷

This leads to an important concern for CHIP. Currently, CHIP is the only federal health insurance program that is not permanent. Medicare, Medicaid, the VA, the ACA, and FEHBP all are permanent and do not require frequent needs for extensions simply to maintain the status quo. This leaves CHIP vulnerable to expirations, as what happened for over 100 days in 2017-2018, and political hostage taking.

If CHIP were made permanent now, it would have no cost or even save money, according to the Congressional Budget Office (CBO). However, if the ACA were to be eliminated, the future extension of CHIP might cost tens of billions of dollars due to a number of factors.⁸ Tragically, the health of 10 million children coverage by CHIP could be collateral damage if the Supreme Court were to rule against the ACA.

Therefore, we urge you to also support **H.R. 6151, the CARING for Kids Act** by Reps. Abby Finkenauer (D-IA) and Vern Buchanan (R-FL), which would make CHIP permanent and protect it against potential harm now and in the future.

Thank you for your consideration and we stand ready to work with you on these and any other issues of importance to children.

Sincerely,



Bruce Lesley
President

xc:

The Honorable Lucile Roybal Allard
U.S. House of Representatives
Washington, DC 20515

The Honorable Pete Aguilar
U.S. House of Representatives
Washington, DC 20515

The Honorable Salud Carbajal
U.S. House of Representatives
Washington, DC 20515

The Honorable Tony Cárdenas
U.S. House of Representatives
Washington, DC 20515

The Honorable Gil Cisneros
U.S. House of Representatives
Washington, DC 20515

The Honorable J. Luis Correa
U.S. House of Representatives
Washington, DC 20515

The Honorable Jim Costa
U.S. House of Representatives
Washington, DC 20515

The Honorable Henry Cuellar
U.S. House of Representatives
Washington, DC 20515

⁷ Brief for First Focus on Children and the Children’s Partnership as Amici Curiae in Support of Petitioners, State of California v. State of Texas, Nos. 19-840, 19-1019, https://www.supremecourt.gov/DocketPDF/19/19-840/143389/20200513103914212_ACA%20Amicus%20Brief%20TO%20FILE.pdf.

⁸ Lesley, Bruce, “Why We Must Act to Protect the Health of 10 Million Children...Now!” *Medium*, Mar. 14, 2020, <https://medium.com/voices4kids/why-we-must-act-to-protect-the-health-of-10-million-children-now-fbf8db1d30ea>.

The Honorable Jesus “Chuy” Garcia
U.S. House of Representatives
Washington, DC 20515

The Honorable Jimmy Gomez
U.S. House of Representatives
Washington, DC 20515

The Honorable Vicente Gonzalez
U.S. House of Representatives
Washington, DC 20515

The Honorable Raúl Grijalva
U.S. House of Representatives
Washington, DC 20515

The Honorable Mike Levin
U.S. House of Representatives
Washington, DC 20515

The Honorable Ben Ray Luján
U.S. House of Representatives
Washington, DC 20515

The Honorable Debbie Mucarsel-Powell
U.S. House of Representatives
Washington, DC 20515

The Honorable Grace Napolitano
U.S. House of Representatives
Washington, DC 20515

The Honorable Alexandria Ocasio Cortez
U.S. House of Representatives
Washington, DC 20515

The Honorable Xochitl Torres Small
U.S. House of Representatives
Washington, DC 20515

The Honorable Sylvia Garcia
U.S. House of Representatives
Washington, DC 20515

The Honorable Raul Ruiz
U.S. House of Representatives
Washington, DC 20515

The Honorable Linda T. Sánchez
U.S. House of Representatives
Washington, DC 20515

The Honorable Jose Serrano
U.S. House of Representatives
Washington, DC 20515

The Honorable Albio Sires
U.S. House of Representatives
Washington, DC 20515

The Honorable Darren Soto
U.S. House of Representatives
Washington, DC 20515

The Honorable Norma Torres
U.S. House of Representatives
Washington, DC 20515

The Honorable Lori Trahan
U.S. House of Representatives
Washington, DC 20515

The Honorable Juan Vargas
U.S. House of Representatives
Washington, DC 20515

The Honorable Filemon Vega
U.S. House of Representatives
Washington, DC 20515

The Honorable Nydia Velázquez
U.S. House of Representatives
Washington, DC 20515