

March 19, 2015

Dear Senator:

I am writing on behalf of First Focus Campaign for Children, a bipartisan children's advocacy organization dedicated to making children and families a priority in federal policy, to strongly urge that you include a four-year funding extension for the Children's Health Insurance Program (CHIP) in your negotiations of a package to replace or extend the flawed Medicare physician sustainable growth rate (SGR) system.

Along with over 1,500 national, state, and local organizations who signed a joint letter asking for a four-year extension, we recognize that CHIP is an essential source of high-quality, affordable, and pediatric-centered health care for over 8 million children in working families across this country.

CHIP is a wildly successful program for children and has, since its bipartisan inception and history, reduced the number of uninsured children by more than half while improving health outcomes, reducing racial disparities, and improving access to care for children and pregnant women across the nation.

CHIP 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. It is why the 42 governors who responded to requests from the Senate Finance and House Energy and Commerce committees responded on a bipartisan basis with calls to extend CHIP and to do so as soon as possible. The vast majority called for at least a four-year extension of the program and also noted that they are in the process of developing their FY 2016 budget and negotiating contracts with insurers and providers so need action from Congress as soon as possible to continue their programs without interruption.

Recognizing the importance of children have access to quality health coverage, a May poll of voters across this country by the Republican public opinion research firm American Viewpoint found an overwhelming 74-14 percent level of support in favor of extending CHIP. This support was strong among Republicans, Democrats, and Independents. In fact, even voters who described themselves as supporters of the Tea Party said they supported extending CHIP by a 66-18 percent margin.

CHIP is a public-private partnership with enormous state flexibility in terms of program design that has been wildly successful and is, by definition, focused on the special health care needs of children. Millions of children would be left worse off if Congress fails to act because well over 1 million children would be ineligible to transition to exchange coverage in the Affordable Care Act (ACA) due to what is referred to as the "family glitch" and millions of others might transition to the ACA exchanges (depending on the *King v. Burwell* decision). However, in an independent study by Wakely Consulting Group, even those children that would transfer to exchange coverage would have fewer benefits and cost sharing that, on average, would be more than 900 percent more expensive than in CHIP.

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Therefore, we ask that Congress protect the health care coverage of millions of our nation's children and to not patch-fund or create a funding cliff for the program with a shorter extension that forces CHIP to have to go through the same process again in 2017. In a health package in the House of Representatives that addresses the SGR's funding cliff, we ask that Congress not replace it with a "CHIP funding cliff" that leaves the program vulnerable and subjects it to needless uncertainty with the need for yet another two-year extension in 2017. In other words, we prefer that CHIP not be "SGR'd" in a package where Congress is fixing that very problem in Medicare with a long-term or permanent fix.

CHIP works and, over the years, it has proven to be an enormously successful, popular, and bipartisan program for children. To ensure that children are not left worse off, action on CHIP is needed as soon as possible. Consequently, we urge you to provide a four-year extension of continued funding to secure CHIP's future through its authorization period, which is set to expire in 2019, so that families and states alike can be assured that their children's coverage will be protected. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Bruce Lesley". The signature is written in a cursive style with a prominent "L" and "y".

Bruce Lesley  
President