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**Contact:**

Michelle Bazie, 202-408-1080, [bazie@cbpp.org](mailto:bazie@cbpp.org)

820 First Street, NE  
Suite 510  
Washington, DC 20002

Tel: 202-408-1080  
Fax: 202-408-1056

[center@cbpp.org](mailto:center@cbpp.org)  
[www.cbpp.org](http://www.cbpp.org)

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### STATEMENT BY ROBERT GREENSTEIN, EXECUTIVE DIRECTOR, ON THE NEW SCHIP LEGISLATION

Congressional negotiators have made significant changes in the SCHIP legislation President Bush vetoed in order to address key concerns raised by critics. Rather than welcome these changes, the Administration appears to be escalating its distortions of what the new bill does, claiming the bill “fails to prioritize poor children” and “misdirects funds from poor children to adults.” Such statements stand the truth on its head.

Most notably, the new bill *prohibits* states from raising their SCHIP income limits above 300 percent of the poverty line. It also focuses *all* of its financial incentives for enrolling uninsured children on states that succeed in enrolling more children who are eligible for Medicaid, most of whom are below the poverty line. Unlike the vetoed bill, none of the incentive payments would go for enrolling more eligible children in SCHIP. This provision is the very definition of “poor children first.”

In addition, the bill tightens citizenship documentation procedures to respond to the spurious charge that the original bill would open Medicaid to illegal immigrants. As under the original bill, states could substitute a Social Security Administration match of the validity of each applicant’s Social Security number for more onerous verification procedures that have kept thousands of eligible poor citizen children out of the program. But under the new bill, these states would also have to confirm an applicant’s *citizenship* through the SSA database — and would have to require applicants to produce a birth certificate, passport, or similar documentation if the SSA database lacked this information.

The new bill also makes it more financially rewarding for states to use some of their SCHIP funds to help families buy private coverage through their employers, if it is available. This change responds to overblown claims that the earlier bill would mainly shift children from private to public coverage.

Finally, the new bill terminates SCHIP coverage for childless adults at the end of next year, nine months earlier than under the original bill. That undercuts another false charge: that the earlier bill favored adults over children.

Now that the bill’s supporters have taken significant steps to allay critics’ concerns, the question is whether those critics will acknowledge what the bill actually does — or instead distort it even more shamelessly than they did with the original legislation.

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