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Contact:

Michelle Bazie, 202-408-1080, bazie@cbpp.org

820 First Street, NE
Suite 510
Washington, DC 20002

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

center@cbpp.org
www.cbpp.org

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STATEMENT BY ROBERT GREENSTEIN, EXECUTIVE DIRECTOR,
IN RESPONSE TO PRESIDENT BUSH'S VETO OF THE
CHILDREN'S HEALTH INSURANCE BILL

With today's veto, the President again struck down legislation that would do precisely what he promised in his 2004 re-election campaign — "lead an aggressive effort to enroll millions of poor children who are eligible but not signed up for government health insurance programs."

The bill would provide coverage to nearly 4 million otherwise-uninsured children, the vast majority of them poor enough that they already qualify for coverage under states' current rules. Yet the President ignored this fact, as well as the substantial changes Congress made to the original bill after he vetoed it in order to respond to critics' concerns.

Most notably, the new bill prohibits states from raising their SCHIP income limits above 300 percent of the poverty line. Also, unlike the original bill, the new bill focuses *all* of its financial incentives for enrolling uninsured children on states that enroll more children who are eligible for Medicaid, most of whom are *below the poverty line*. Unlike the original bill, none of the incentive payments would go for enrolling more eligible children in SCHIP.

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 verify 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 could not confirm that the individual is a citizen.

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 original bill favored adults over children.

Despite these significant changes, the President has chosen to veto the bill, and to justify his veto by misrepresenting what the bill does. As a result, health coverage for millions of low-income children is at risk, and the nation has once more lost an opportunity to make significant progress in reducing the number of uninsured children.

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