## SCHIP Law Will Cover More Children, Services

## BY MARY ELLEN SCHNEIDER New York Bureau

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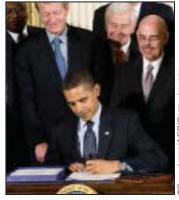
early 11 million low-income children will receive health coverage under the reauthorization and expansion of the State Children's Health Insurance Program, which was recently signed into law by President Barack Obama.

The legislation (H.R. 2), which received broad support in both the House and Senate, was signed on Feb. 4. SCHIP is now reauthorized through September 2013 and will provide coverage to the approximately 6.7 million children currently covered by the program, as well as 4.1 million new children.

"But this bill is only a first step," President Obama said at a signing ceremony for the SCHIP law. "The way I see it, providing coverage to 11 million children through [SCHIP] is a down payment on my commitment to cover every single American. And it is just one component of a much broader effort to finally bring our health care system into the 21st century."

On the same day he signed the SCHIP law, President Obama directed the Centers for Medicare and Medicaid Services to rescind a Bush administration directive that limited the flexibility of states to set higher income eligibility standards for their SCHIP programs.

Under the newly enacted SCHIP law, states are allowed to cover children in families up to 300% of the federal poverty level while retaining access to full federal matching funds. It also gives states the option to cover prenatal care for pregnant women. However, it requires states to phase out coverage of low-income parents and childless adults currently covered under the program. The new law eliminates the 5-year waiting period for legal immigrant children and pregnant women to gain access to SCHIP benefits.



President Barack Obama signs the SCHIP bill into law.

States now will have the option to provide dental-only coverage to children who have private insurance, which often has limited coverage for dental services.

In an effort to measure and improve health care quality, the law calls for development of an initial core set of child health quality measures for children enrolled in SCHIP and Medicaid by Jan. 1, 2010. The measures would be designed to assess the effectiveness and availability of preventive services, prenatal care, and treatments for acute and chronic conditions.

Although SCHIP has enjoyed wide support in Congress, members of the House and Senate vigorously debated last month whether such a significant expansion of the program was appropriate. Some Republicans in the House objected to the legislation, saying that it would undermine the original intent of the SCHIP legislation by expanding the program to adults, illegal immigrants, and families with higher incomes. The legislation bars the coverage of illegal immigrants, but Republicans who spoke out against the legislation said that the lack of an adequate system to verify citizenship status would result in illegal immigrants gaining access to coverage.

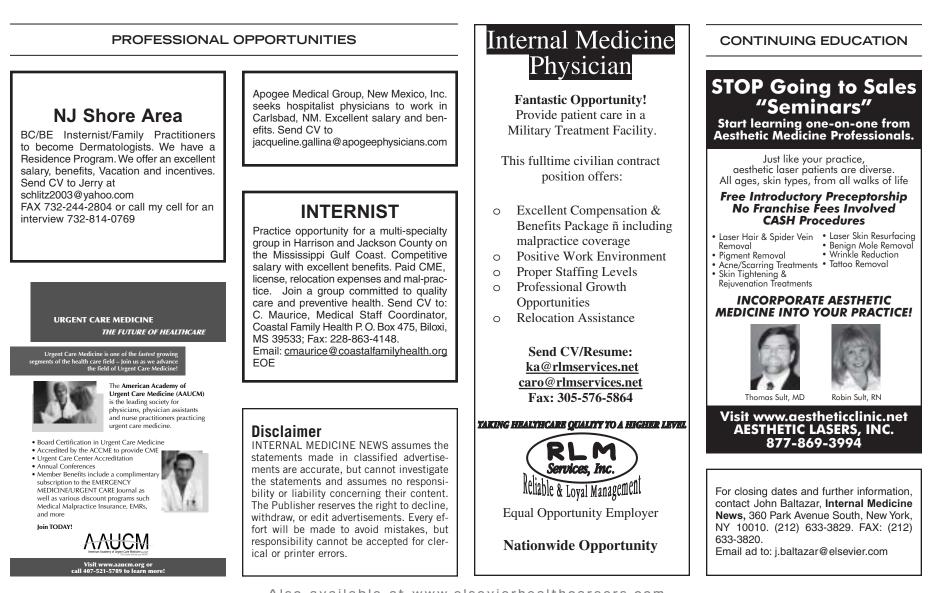
But the law signed by the president has been widely praised by children's health advocates as necessary during the current economic downturn. "Sharp increases in unemployment have likely added more children to the ranks of the uninsured and put increasing pressure on state health care programs," Dr. Nancy Nielsen, president of the American Medical Association, said in a statement. "This new law will enable states to extend health care coverage to more children whose parents cannot afford it, but earn too much to qualify for Medicaid."

The SCHIP law will be paid for in large part through a 62-centper-pack increase in the federal tax on cigarettes, with proportional increases for other tobacco products. The AMA praised the increase in the tobacco tax, saying the move will help fund health care for more children and act as a deterrent to young smokers and potential smokers.

Attempts to reauthorize the program during the last session of Congress were unsuccessful when Congress twice failed to override vetoes from President George W. Bush.

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