SCHIP Renewal, Other Health Bills Due for Debate

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WASHINGTON — The 110th Congress is fertile ground for health care legislation, from expanding coverage to fixing physician pay, according to Capitol Hill insiders and observers speaking at a conference sponsored by AcademyHealth.

"You can feel it in the air, not just in Washington but all across the country. The season is changing," said Sen. Max Baucus (D-Mont.), chairman of the Senate Finance Committee. "The season is for real debate on health care reform. And it is long overdue."

In the last election, Democrats won new seats in the House and Senate without losing any of their own by pointing to Republicans' lack of accomplishment, said Norman J. Ornstein, Ph.D., a resident scholar at the American Enterprise Institute, a conservative think tank in Washington.

About 25% of children in the United States have coverage through either Medicaid or SCHIP; however, 9 million children currently have no health insurance.

"Having run vigorously against a do-nothing Congress, Democrats … now have to show that they are the do-something Congress," said Dr. Ornstein.

There is also a sense that America's employers are more than ever ready to support health care reform, said Sen. Ron Wyden (D-Ore.). "In 1994, the business community said, 'We can't afford health care reform.' In 2007, the business community is saying, 'We can't afford not to fix American health care,' " he said.

Democrats' first focus has been and still is on covering the uninsured, said Sen. Wyden.

"You cannot fix American health care unless you get everybody covered," he said, drawing a round of applause. "And the reason that's so important is not only is it morally the right thing to do, which it clearly is, but if you don't get everybody covered, what we all know is the costs of people who don't have coverage get passed on to people who do."

However, a Democratic congressional staffer speaking at the briefing pointed out that the tight federal budget means compromises and choices will have to be made. "What we have done is target our efforts on children. And trying to make sure that we improve on the coverage that is there today and certainly try to find those children who would qualify for the public programs that we have and who yet aren't enrolled," she said.

Approximately 25% of children in the United States have health coverage through either Medicaid or the State Children's Health Insurance Program (SCHIP). However, 9 million children currently have no health insurance, and two-thirds of those are actually eligible for public coverage. States have been increasing their outreach efforts, but have been stymied by shortfalls in federal matching funds for SCHIP. This year, 14 states are expected to run out of federal funds by May.

The federal government currently spends $5 billion a year on SCHIP. To keep the program running at current levels of enrollment, Congress will need to add $13 billion to $15 billion in funding to the program over the next 5 years, according to an estimate by the Congressional Budget Office.

It will cost more if lawmakers want to enable states to expand coverage to those children who are not currently enrolled and a lot more for those not currently eligible.

That money could be even harder to justify now since Democrats have invoked a pay-as-you-go rule, which requires any

Free Asthma Screening in May

The American College of Allergy, Asthma, and Immunology is offering free asthma screenings through its 11th annual Nationwide Asthma Screening Program. Starting in May, the screenings will be held in more than 300 communities nationwide. The program is supported by AstraZeneca. For information, including dates, sites, and online asthma self-tests for adults and children, visit www.acaai.org/public /lifeQuality/nasp.htm. ■

new spending to be offset by cuts somewhere else in the budget.

As Congress considers SCHIP reauthorization this year—its mandate expires Sept. 30—some Democrats have suggested it's time to make the program an entitlement.

SCHIP currently is funded on a pay-as-you-go basis, meaning that any increased funding must be offset by a cut somewhere else in the federal budget.

With reauthorization also comes the chance to make other changes to the program. Republicans have suggested that states may need even more flexibility in how they spend their SCHIP funds to make them go as far as possible.

"It has helped a lot of families. But like any program now, we have the opportunity to take a look at it, see what's working, what's not, what needs to be improved," a Republican congressional staffer said at the meeting.

SGR Fix

Both Democrats and Republicans have expressed interest in finding a solution to decreasing physician pay under the sustainable growth rate formula.

However, no one has yet to come up with a remedy that fits into the current budget outlook.

"In order to get the physicians back to zero, we're talking costs of probably approximately $22 billion. And that isn't addressing the longer-term problem that Medicare's current payment formula is going to call for cuts for an additional 5 years beyond that," the Republican congressional staffer said.

Recent proposals to fix the SGR have ranged in cost from $4 billion in the short-term to $250 billion in the long term.

Short Window for Action

While action on these and other health care issues seem likely this year, there is a short window of opportunity to complete them before election politics come into play, said Dr. Ornstein.

"The conventional wisdom is that in a presidential election year where there's an open contest in the final 2 years of a two-term president, you have about an 8-month window to move things along. That doesn't mean you have to finish everything, but … you better be pretty close to field goal range at the end of that 8 months," he said.

That seems likely to hold true now this year given that, at last count, at least 26 members of Congress have announced or are considering announcing a run for the White House, Dr. Ornstein said. ■