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**Hearing Statement of Senator Max Baucus (D-Mont.)  
CHIP in Action: A State's Perspective on Reauthorization of the Children's Health  
Insurance Program**

Sir Thomas Browne, an English physician and philosopher, once wrote: "There is no road or ready way to virtue."

Well, Sir Thomas Browne wrote this long before we had the State Children's Health Insurance Program, or CHIP. In my view, CHIP has paved the clearest road to improve the lives of our nation's children in recent years.

It is only fitting that we are here in Montana today to discuss our journey this past decade with CHIP and the road ahead. Today's hearing gives the Finance Committee an opportunity to hear directly about how CHIP has worked at the state level, where the rubber meets the road.

I am proud of the role that I have played in Montana's journey with CHIP so far. In 1997, as a Member of the Finance Committee, I helped to create the CHIP program. I was also glad to help Montana's legislature get the program started. But I may be most proud of the role that I will play in the program's future as Chair of the Committee that will reauthorize CHIP for years to come.

Montana's recent investment in CHIP has been encouraging. The number of Montana children helped by CHIP is growing. It's more than 13,000 this year. The state has improved its enrollment of Indians in CHIP by one fifth. And the legislature is poised to expand coverage. Montanans should feel proud of these efforts.

And yet, we cannot rest on our laurels. So much more can be done to make sure that CHIP can achieve its potential to help our children in need.

Too many children who are eligible for CHIP and Medicaid today remain uninsured. Nationwide, three-fourths of the nine million uninsured children are eligible for either CHIP or Medicaid. But they are not enrolled.

Of Montana's 37,000 uninsured children, more than half — 19,000 children — are eligible for either Medicaid or CHIP. But they remain uninsured. Many of those who remain uninsured live in Indian country. We must keep improving outreach and enrollment for CHIP among all Montana children.

The number of uninsured children in Montana has been rising, even as the number of uninsured children nationwide has been falling. The largest increases in uninsured children are among children under five years old. Those are the kids who need access to health care the most. This is simply unacceptable.

Not having health insurance means one accident, one broken leg, or one major, life-saving surgery could drive these families into bankruptcy.

Today, we will hear from Melissa Anderson. Melissa will tell us how not having health insurance can mean choosing between making payments to keep her business from sinking and paying for prescriptions to keep her son from having seizures. These are decisions no Montanan should have to face.

And while Montana's recent CHIP expansions are a positive step, Montana still ranks second-to-last in its CHIP coverage levels. We need to ensure that Montana has the funding that it needs to cover kids at the levels provided by most other states. We need to see that Montana can cover children up to twice the poverty level.

Looking at the road ahead for CHIP, there are five principles that I will pursue.

First, we must provide adequate funds to maintain coverage for those already on the program. According to the Congressional Budget Office, we will need at least 13.4 billion dollars over the next five years, just to maintain coverage for those now enrolled in CHIP.

Second, we must reach the six million children who are eligible for coverage under CHIP or Medicaid, but not enrolled.

Third, we must support state efforts to expand coverage to children through CHIP.

Fourth, we must improve the quality of health care that children receive.

And finally, we must not add to the numbers of the uninsured as a result of our legislation.

There will be challenges on the path to passing our bill this year. First among them is how to finance the cost of renewing the program. It will cost about \$50 billion over the next five years.

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But where there's a will, there's a way. This bill is simply too important. We must and will find our way to expand CHIP this year.

There is no greater priority for the Finance Committee in the health arena this year than CHIP.

On this, as with all issues that come before this Committee, I hope to work closely with other Committee Members to craft a package with broad support. And that means that I will work closely with the Committee's Ranking Republican Member, Senator Chuck Grassley.

We plan to move on this legislation without delay. After this second hearing in Committee on this issue, we will be getting down to brass tacks in the coming months. We will have a Committee bill ready for markup by late spring. And will vote on the bill before September 30, when funds expire.

To get our efforts in this process underway, we have a great hearing planned today. I am looking forward to the testimony of all of our witnesses. I expect that they will help to give us a better understanding of Montana's experiences with CHIP and the key issues for the state in this legislation. Thanks to all of the witnesses for being here.

Thanks, also, to everyone attending the hearing today and for your work on CHIP in Montana. We will have a chance to hear from those of you in the audience today after we have heard from our witnesses. I hope that you will share your thoughts and questions for the panelists. You will help to inform our understanding of CHIP.

The past 10 years with CHIP have been a great journey. With your help today, let us embark on the next part of our trip. Let us work to build a long and scenic road. And let us work to improve the CHIP program for the next generation of America's children.

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