



For Immediate Release
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**Markup Statement of Senator Max Baucus (D-Mont.)
Regarding renewal of the State Children's Health Insurance Program**

The Psalmist sang: "Out of the mouth of children and infants, You have ordained strength."

Today, we meet to add strength to a program that helps children and infants, the State Children's Health Insurance Program — CHIP.

CHIP works. Since the program began ten years ago, CHIP has cut the number of children without health insurance by more than one-third.

Health insurance matters. Children with health coverage are more likely to get the care that they need, when they need it. Because of CHIP, millions of children get checkups. They see doctors when they are sick. They get the prescription medicines that they need.

Uninsured children suffer. Uninsured kids are less likely to get care for sore throats, earaches, and asthma. When care is delayed, small problems can become big problems. Nearly half of uninsured children have not had a checkup in the past year. Uninsured children are twice as likely to miss out on doctor visits and checkups.

CHIP makes sense as an investment. A child who's healthy can go to school. A child who's healthy in school is more likely to do well. A child who does well in school is more likely to get a job. And people with jobs are less likely to end up in jail or on public assistance.

Thus, CHIP helps America to compete. Ensuring that kids have health coverage is an investment in America's future.

CHIP helps. CHIP helps more than six million children whose parents work but cannot afford insurance on their own. These low-income working families are not poor enough for Medicaid. And they are not rich enough to afford private health insurance. Ninety-one percent of children covered by CHIP live in families making less than twice the poverty level.

It's time to strengthen CHIP. Millions of children have no health insurance. There are more kids without health insurance than there are kids in the first and second grades. Americans overwhelmingly support getting kids covered.

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Today, we will start to do more. Today, we will consider legislation to keep coverage for all children currently in the program. And today, we will start to reach more than three million additional uninsured, low-income kids.

We keep CHIP focused on kids. Childless adults who are covered today will transition off of the program. No new waivers will be allowed for CHIP coverage of childless adults.

Coverage of low-income parents will transition to separate block grants, at a lower match rate. No new waivers will be allowed for CHIP coverage of parents.

We build in flexibility. States will be able to designate CHIP funds to help families afford private coverage offered by employers or other sources.

And we pay for what we do. When Congress created CHIP in 1997, we paid for it with a cigarette tax. We continue that funding source. We increase the Federal tax on cigarettes by 61 cents. And we make proportional increases for other tobacco products.

Increasing the cigarette tax will discourage smoking, particularly among teens. And that will be good for kids, too.

CHIP is the legacy of work by Senators of good will from across the political spectrum. Much of that work occurred right here in this room. Much of that work was done by our Colleagues Jay Rockefeller and Orin Hatch.

This year, Chuck Grassley and I worked with Jay and Orin to craft the consensus package before us today. I believe that we have produced a bill of which the Committee can be proud. I thank my Colleagues for their hard work, their patience, and their commitment to getting something done.

CHIP is not new. CHIP is tried and true. It has worked successfully for ten years. And four out of five Americans would like to see Congress add new funds to CHIP.

Now it's time for us to act. For the benefit of children and infants, let us provide strength. For the benefit of children, let us extend health care coverage. For the benefit of children, let us pass this CHIP bill.

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