

September 18, 2006

Dear Senator/Representative:

We are writing to urge you and your colleagues to take immediate action to help states avert federal funding shortfalls under the State Children's Health Insurance Program (SCHIP) projected for federal fiscal year 2007. With the Census Bureau already reporting that the number of children without health insurance increased in 2005, the failure of Congress to address the 2007 SCHIP funding shortfalls could add even more children to the ranks of the uninsured.

SCHIP, created in 1997 and slated for reauthorization next year, is a successful federal-state partnership, now covering over 4 million low-income children and enjoying bipartisan support. However, in the upcoming federal fiscal year, 17-18 states are projected to have insufficient federal SCHIP funding to sustain their existing SCHIP programs. According to various estimates by the Centers for Medicare and Medicaid Services, the Congressional Research Service and other independent analysts, these states will face an estimated \$800 to \$950 million in total funding shortfalls in 2007. Without additional federal funding to avert these shortfalls, states may have to reduce their SCHIP enrollment, placing health insurance coverage for over 500,000 low-income children at risk. States may also be forced to enact harmful changes to their SCHIP programs, such as curtailing benefits, increasing beneficiary cost-sharing or reducing provider payments.

The following states are projected to have insufficient federal SCHIP funds in fiscal year 2007 to maintain their existing SCHIP enrollment: Alaska, Georgia, Illinois, Iowa, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, North Carolina, North Dakota, Rhode Island, South Dakota, and Wisconsin.

Congress has acted in the past to address SCHIP shortfalls successfully and can do so again. For example, it provided additional funding to 12 states for fiscal year 2006 as part of the Deficit Reduction Act. (In addition, both the Administration's fiscal year 2007 budget and the Senate-passed budget resolution for 2007 already include additional SCHIP spending to avert state shortfalls next year.)

**We urge you to enact legislation immediately that provides additional SCHIP funding targeted at shortfall states**, as you did to address the shortfalls in 2006, to ensure that all states have sufficient federal funding to sustain their existing SCHIP programs in FY 2007. Before this Congress adjourns, please work with your colleagues to ensure the continued success of this important health insurance program for low-income children. For more information, please contact Bob Hall at the American Academy of Pediatrics (202-347-8600 ext. 3309).

Sincerely,

Academy of General Dentistry  
Advocates for Children and Youth  
Alliance for Children and Families  
Ambulatory Pediatric Association  
America's Promise – The Alliance for Youth  
American Academy of Child and Adolescent psychiatry  
American Academy of Family Physicians  
American Academy of Pediatrics  
American Academy of Physician Assistants  
American Association of People with Disabilities  
American Dental Association  
American Dental Hygienists' Association  
American Federation of Labor and Congress of Industrial Organizations  
American Federation of State, County and Municipal Employees  
American Federation of Teachers  
American Nurses Association  
American Orthopsychiatric Association  
American Pediatric Society  
American Psychiatric Association  
American Public Health Association  
Anabaptist Center for Healthcare Ethics (ACHE)  
Association of Jewish Family & Children's Agencies  
Association of Medical School Pediatric Department Chairs  
Association of University Centers on Disabilities (AUCD)  
Bazelon Center for Mental Health Law  
Catholic Charities USA  
Catholic Healthcare West  
Child Neurology Society  
Child Welfare League of America  
Children's Defense Fund  
Children's Dental Health Project  
Coalition on Human Needs  
Community Catalyst  
Congreso de Latinos Unidos  
Council of Women's and Infant's Specialty Hospitals  
El Pueblo, Inc.  
Families USA  
Family Voices  
First Candle/SIDS Alliance  
FirstFocus  
Generations United  
Health and Disability Advocates  
Jewish Federation of Metropolitan Chicago  
Latino Leadership, Inc.  
Lutheran Services in America  
Maternal & Child Health Policy Research Center

Mennonite Central Committee U.S., Washington Office  
NAF Multicultural Human Development Corporation  
National Asian Pacific American Women's Forum  
National Assembly on School-Based Health Care  
National Association for Children's Behavioral Health  
National Association of Community Health Centers  
National Association of Emergency Medical Technicians  
National Association of Public Hospitals and Health Systems  
National Association of Social Workers  
National Association of State Head Injury Administrators  
National Center for Law and Economic Justice  
National Council for Community Behavioral Healthcare  
National Council of Jewish Women  
National Council of La Raza  
National Health Law Program  
National Hemophilia Foundation  
National Mental Health Association  
National Partnership for Women & Families  
National Rural Health Association  
National Women's Law Center  
Presbyterian Church (U.S.A.) Washington Office  
Public Justice Center

#### RESULTS

San Ysidro Health Center  
Service Employees International Union  
Society for Adolescent Medicine  
Society for Pediatric Research  
The Arc of the United States  
The Catholic Health Association of the United States  
The Center on Budget and Policy Priorities  
The Children's Partnership  
The Children's Health Fund  
The Jewish Council for Public Affairs  
The March of Dimes  
The National Advocacy Center of the Sisters of the Good Shepherd  
The National Latina Institute for Reproductive Health  
USAction  
Virginia Interfaith Center for Public Policy  
Voices for America's Children