

July 20, 2011

Dear President Obama:

Children and pregnant women depend on Medicaid and the Children's Health Insurance Program (CHIP) for quality, affordable health care coverage. Recently, two threats to this coverage have been widely discussed: the State Flexibility Act and an overall cut of tens of billions of dollars to Medicaid and CHIP as part of the debt ceiling negotiations.

The State Flexibility Act (H.R. 1683/S. 868) would repeal the Medicaid and CHIP maintenance of effort (MOE) provisions and would result in a direct threat to health coverage for more than 14 million children who are covered at "state option." According to the Congressional Budget Office (CBO), if the MOE is repealed, two thirds of those who would lose coverage would be children. CBO also predicts that 100% of the negative impact on coverage after 2014 will be on children and that half the states will end their CHIP programs. Voters oppose lifting the MOE by a 63-31% margin (2-to-1 margin) if it means children will lose coverage. At a time when the number of uninsured children is at the lowest level on record, we urge you not to allow this legislation to move forward as part of the debt ceiling negotiations.

The dangers of MOE repeal would be compounded by tens of billions of dollars in cuts to Medicaid and CHIP. Medicaid and CHIP invest in critical health services for 38 million children each year, including more than half of all low income children in the United States. Half (50.2 percent) of all Medicaid enrollees across the country are children, and 61 percent live in households where at least one parent works. In addition, Medicaid finances approximately 41% of births annually. Medicaid and CHIP save billions of dollars in future health costs by arresting adult illnesses such as depression, cardiovascular disease, pulmonary disease, dental disease, and even some cancers that begin in childhood. It would be extremely short-sighted to reduce the federal commitment to these programs as a result of negotiations to raise the debt ceiling when states are already struggling to finance their programs and when Medicaid and CHIP are such wise investments in our country's future.

We understand that opinions differ regarding ways to brighten our nation's future. We urge you not to repeal the MOE or cut funding to Medicaid/CHIP during the debt ceiling negotiations.

Thank you for the opportunity to provide our input and concerns. Please contact Robert Hall, Associate Director, Department of Federal Affairs, American Academy of Pediatrics, at 202-347-8600 or rhall@aap.org if you should have any questions about this letter.

Sincerely,

Academic Pediatric Association
American Academy of Pediatrics

American Dental Education Association
American Dental Hygienists' Association
American Heart Association/American Stroke Association
American Pediatric Society
Asian & Pacific Islander American Health Forum
Association for Community Affiliated Plans
Association of Medical School Pediatric Department Chairs
Bazelon Center for Mental Health Law
Beckett Family Consulting
Children's Defense Fund
Children's Dental Health Project
Children's Health Fund
Council of Women's & Infants' Specialty Hospitals
Doctors for America
Family Voices
Families USA
Federation of Pediatric Organizations
First Focus
March of Dimes
National Assembly on School-Based Health Care
National Association of Children's Hospitals
National Association of Pediatric Nurse Practitioners
National Council of Jewish Women
National Immigration Law Center
New England Alliance for Children's Health, Community Catalyst
RESULTS
Society for Pediatric Research
The Children's Partnership
Voices for America's Children
ZERO TO THREE