Congress of the United States
Washington, DC 20515

January 12, 2009

President-elect Barack Obama
Presidential Transition Office
Washington, DC 20270

The Honorable Nancy Pelosi
Speaker
H-232, U.S. Capitol
Washington, D.C. 20515

Dear President-elect Obama and Speaker Pelosi:

Thank you for expressing your desire to work with us to address the needs of the American people. We recognize that reauthorizing the State Children's Health Insurance Program (SCHIP) is an early legislative priority, and we hope that you will consider this legislation to be one of the first opportunities for bipartisan cooperation.

During the last Congress, significant efforts were made in an attempt to address concerns raised by House Republicans about how the underlying bills would impact uninsured children. Despite the progress that was made, there are still a few outstanding issues that we hope you agree should be addressed when we work to reauthorize the program this year:

Serving Eligible Low-income Children First
SCHIP is intended to serve those that are neediest first. As low-income families continue to face more economic insecurity, providing access to affordable health care coverage, regardless of any job change or displacement, should be our first priority. The legislation should demand success from the states in enrolling poor and low-income children below 200 percent of the federal poverty level, especially those who are currently eligible for Medicaid and/or SCHIP, but are not yet enrolled. Demanding success from the states could be as simple as requiring that states meet a threshold of enrollment before further expansions. Nearly all the states have demonstrated over the past year to the Centers for Medicare and Medicaid Services that meeting this standard is indeed possible.

Furthermore, in the current economic environment, several states have indicated that they will be experiencing shortfalls that could impact their ability to provide Medicaid benefits and services. Asking states to expand their SCHIP program before they are able to finance their existing Medicaid program would be a mistake. Expanding SCHIP to higher income families will only exacerbate the real access to care problem in the Medicaid program.

Citizenship Status
We believe that only U.S. citizens and certain legal residents should be permitted to benefit from a program like SCHIP. We also think it is fair to say that both parties believe that our immigration system is broken. That is why it is so important that the legislation include stronger provisions to prevent fraud by

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including citizenship verification standards to ensure that only eligible U.S. citizens and certain legal residents are enrolled in the program.

Protecting Private Insurance Options
We agree that those with private coverage should not be forced into a government-run plan. SCHIP legislation should focus expansion efforts on children who are currently uninsured instead of moving children who have private health insurance options into government-run health insurance. Moving a child from private health insurance to government-run health insurance should not be part of your stated goal of providing SCHIP for 10 million children, a number we assume to be targeted towards low-income uninsured children.

Stable Funding Source
In order to guarantee access to the program and long term stability, SCHIP should be funded through a stable funding source, not budget gimmicks. Further, the legislation should not include extraneous provisions unrelated to SCHIP that limit patient choice or prohibit access to quality medical care. Our nation's Governors need a stable SCHIP program so they may properly budget. Every American faces the crushing burden of a declining economy. This should not be a time Congress raises taxes, especially on the poorest Americans, to finance program expansions as part of the SCHIP reauthorization bill.

We believe these to be critical elements to improve this vital program that if fully incorporated would dramatically increase bipartisan support for the legislation. Thank you for the consideration of this request. We look forward hearing from you and working with you towards a bipartisan agreement.

Sincerely,

Boehner

Cantor

Joe Barton

Jim Ramstad

Nathan Deal

McCarthy

Paul Ryan

Thomas Price