



Committee On Finance

Max Baucus, Ranking Member

NEWS RELEASE

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BAUCUS URGES GREATER EFFORTS TO INSURE CHILDREN

*Senator touts progress of Medicaid, State Children's Health
Program, says more must be done*

Washington, DC – U.S. Senator Max Baucus (D-Mont.), ranking Democrat on the Senate Finance Committee, today spoke at a hearing with Senator Maria Cantwell (D-Wash.) entitled “The Future of Children’s Health: Road Blocks and Building Blocks in Raising Healthy Kids.” In his statement, Senator Baucus applauded the rising number of children with insurance since the implementation of the State Children’s Health Insurance Program (CHIP). He also called for more funding and improved quality standards for CHIP and Medicaid and a renewed commitment to providing health coverage for all children. The text of the Senator’s statement follows here:

Thank you, Senator Cantwell. I am honored to be here with my friend Maria Cantwell, a leader on so many important issues for the people of Washington and our nation. Senator Cantwell has fought to get more trade and jobs. She has fought to stem the epidemic of methamphetamine. She has fought to support health care workers. She has fought to improve health care access for Indian tribes. And she has fought to improve children’s health funding for Washington. When Senator Cantwell invited me to this hearing, I said: “You tell me when, and I’ll be there.”

I also want to give a special thanks to Diane Rowland for going to such great lengths to be with us today. Dr. Rowland literally flew halfway around the world to join us. Thank you for going not just the extra mile, but the extra 3,000 miles.

Aeschylus wrote: “From a small seed, a mighty trunk may grow.” And as much is true for our children. They are filled with potential for greatness.

But healthy growth requires nurturing care. Healthy children are better able to attend school, to learn, and to lead productive lives. We need to grow a forest of strong, healthy Americans for our nation to compete in the world in which our children will live.

Programs like Medicaid and the State Children’s Health Insurance Program, or CHIP, are improving access to health coverage. More than a quarter of America’s children are enrolled in either Medicaid or CHIP.

And having health coverage improves children’s access to health care. As we will hear from Dr. Rowland, children with health coverage are more than five times more likely to have a regular place to go for health care. And they are more than five times less likely to delay care due to cost or have unmet medical needs.

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We are moving in the right direction to cover more kids. Since we passed CHIP, the number of uninsured children has fallen more than 20 percent. States are continuing to press forward, moving towards the goal of universal coverage for children.

I know that Washington's Governor Gregoire has committed to covering every child in Washington by 2010. Montana is also implementing coverage expansions by expanding Medicaid eligibility and increasing the number of children who can enroll in CHIP.

We are on the right path. But we still face challenges. Today, 12 percent of all children — more than eight million kids — are still uninsured. Three-quarters of these children are eligible for CHIP or Medicaid. But they are not enrolled.

Private coverage for children has been eroding. And that erosion is putting pressure on public programs to fill the gap. In 1996, 64 percent of children had private health coverage. But by 2004, only 59 percent did.

Today, more than two-thirds of uninsured children are from working families. We must find ways to make private coverage more affordable for working families.

We must also do more to shore up the public programs that are our children's safety net. Medicaid and CHIP face serious financial pressures. To control rising costs, many states have trimmed Medicaid coverage. In the wake of the Medicaid changes that Congress enacted early this year, a number of states plan to cut benefits or increase patients' out-of-pocket costs. And there is continued pressure in Congress to cut Medicaid to control federal spending in the years ahead.

CHIP is also suffering from federal funding shortfalls. If funded at its current rate over the next five years, federal funds would be \$10 billion to \$12 billion short to meet the current demand for coverage. That would leave as many as one and a half million children uninsured.

We can also do better to improve the quality of care that children in Medicaid and CHIP are getting. We can move towards a "pay-for-performance" system for health care. Our federal dollars must do more to reduce needless patient errors and improve health outcomes. Although CHIP provides for some quality reporting today, we can do so much more in both Medicaid and CHIP to establish and implement quality measures that will improve children's health.

I look forward to hearing the testimony from our distinguished panel. Thank you, Senator Cantwell, for inviting me to join you today.

America's children may be saplings today. But with ideas like those we hear today, America can grow a healthy forest tomorrow.

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