Congress of the United States Washington, DC 20515

October 18, 2007

President George W. Bush The White House Washington, D.C. 20500

Dear Mr. President:

Thank you for your willingness to compromise and support increased funding for the State Children's Health Insurance Program (SCHIP). As Republicans who support reauthorizing this program, we hope the Democratic leaders in Congress will heed your call to come together on true compromise legislation.

As such, we believe there are general principles that may help guide bipartisan discussions going forward.

- SCHIP legislation should ensure that children who currently have health insurance coverage through SCHIP will continue to have access to health insurance.
- SCHIP must serve eligible low-income children first. The focus of a truly bipartisan bill should be on the original intent of the program. The legislation should demand success from the states in enrolling low-income children first by including that a hard requirement be met before the program can be expanded beyond 200 percent of the federal poverty level. One of our first priorities should be enrolling the more than 500,000 low-income children eligible for SCHIP but not currently covered.
- SCHIP should be for children only. In order to prioritize low-income children, childless adults who currently receive SCHIP benefits should be phased-out within a year.
- SCHIP should not force children out of private health insurance. SCHIP tax dollars
 should be spent on people who currently do not have health insurance instead of on those
 who already have private coverage. Expanded premium assistance is one of many
 options we should be considering to provide families with greater health care options.
- SCHIP should cover low-income American children. We believe stronger efforts to
 prevent fraud and citizenship verification standards are critically important to ensuring
 that only U.S. citizens and certain legal immigrants are allowed access to taxpayerfunded benefits.
- SCHIP funding for low-income children should be stable, efficient, and equitable.
 SCHIP should cover low-income children without using budget gimmicks that put the program in financial jeopardy. Additionally, SCHIP should remain a federal-state partnership. Legislation should not reward states that fail in the specific mission of

providing health care to low-income children through perverse incentives like 'slush' funds.

 SCHIP legislation should focus solely on the SCHIP program. Any reauthorization bill should not include District-specific earmarks or pork projects.

We hope that these principles will help guide negotiations to reauthorize this vitally important program. We look forward to working with you and our Democratic colleagues in the coming days on bipartisan legislation that we all support.

Sincerely,

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