



February 28, 2007

The Honorable Max Baucus  
Chairman  
Senate Committee on Finance  
Washington, D.C. 20510

The Honorable Charles E. Grassley  
Ranking Member  
Senate Committee on Finance  
Washington, D.C. 20510

The Honorable John D. Dingell  
Chairman  
House Committee on Energy  
and Commerce  
Washington, D.C. 20510

The Honorable Joe Barton  
Ranking Member  
House Committee on Energy  
and Commerce  
Washington, D.C. 20510

Dear Chairman Baucus, Senator Grassley, Chairman Dingell and Representative Barton:

As Governors, we would like to offer our support for the reauthorization of the State Children's Health Insurance Program (SCHIP). As you know, SCHIP has proven very successful in reducing the number of uninsured in each of our respective states.

We are looking forward to working with Congress to ensure adequate funding for states to continue to maintain current SCHIP coverage, enroll additional eligible children into the SCHIP program, as well as ensuring continued legal authority for states to pursue broader coverage initiatives under federally-approved SCHIP waivers.

As you may know, some of our states have chosen to enact policies that cover more uninsured individuals than other states. This innovation and initiative should not preclude those states from accessing SCHIP funds. In fact, the federal government should be encouraging such policies. The burden of the uninsured takes its toll on the physical and economic health of our entire country and extending coverage to more individuals is beneficial for all of us.

One reauthorization issue relates to ensuring there are no changes to current federal law permitting states to secure waivers to use SCHIP funds to cover parents, as well as allowing a small subset of states to provide coverage to childless adults. Some of our states extend coverage to low-income adults and parents of children enrolled in SCHIP through these provisions. The coverage those states provide with SCHIP funds was explicitly approved by the federal government and has significantly reduced the number of uninsured in those states. Many states utilize this adult coverage to ensure access to "family-based coverage," which has been shown to help children, as well as their parents. It would be a monumental error to enact a policy that would risk any loss of coverage for adults in those states and we strongly urge you to keep intact the legal authority that allows for adult coverage as you consider reauthorization.

A second important issue in the reauthorization is the ability for states that expanded Medicaid coverage prior to SCHIP to continue to use up to 20 percent of their unspent SCHIP allotment to cover children previously enrolled in Medicaid. We strongly support making this provision permanent as you reauthorize SCHIP so that our states avoid changes in funding that could endanger health coverage for our residents.

We urge you to retain the flexibility in the SCHIP program that has contributed to its success not only in our respective states but in all states throughout the country. Thank you for your consideration.

Sincerely,



Bill Richardson  
Governor  
State of New Mexico



M. Jodi Rell  
Governor  
State of Connecticut



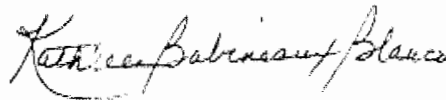
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Governor  
State of Illinois



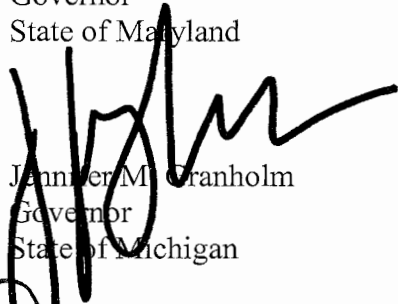
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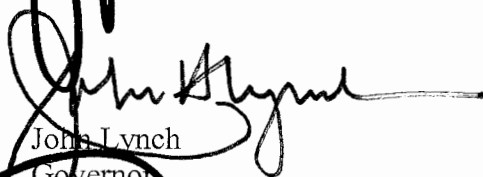
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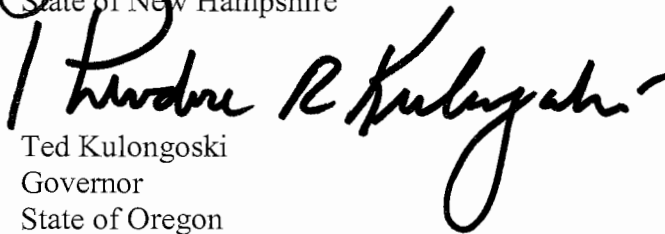
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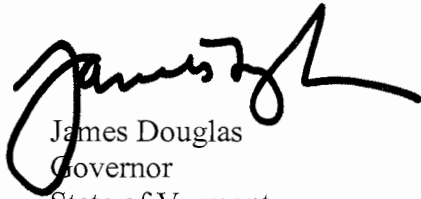
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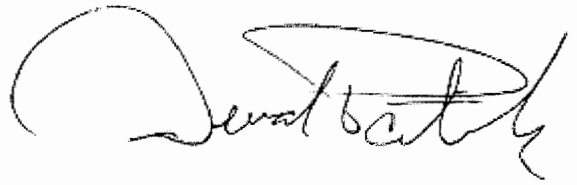
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State of Wisconsin



Deval Patrick  
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State of Massachusetts



Tim Pawlenty  
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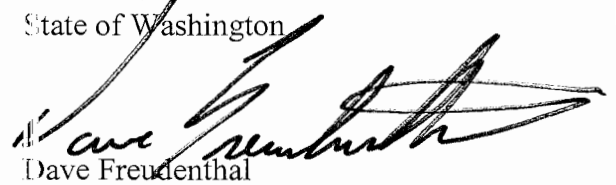
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State of New Jersey



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Chris Gregoire  
Governor  
State of Washington



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