



Republicans oppose broader children's health bill

By KEVIN FREKING – 13 hours ago

WASHINGTON (AP) — Republican lawmakers tried to slow momentum for expanding children's health insurance Monday by arguing that a bill in the Senate would draw about 2.4 million children away from private insurance into government-sponsored coverage.

Overall, the Senate legislation would increase spending by \$31.5 billion over the next 1/2 years. The expansion would be paid for by increasing the federal excise tax on tobacco products.

Sen. Jon Kyl, R-Ariz., said the legislation does not do enough to limit the State Children's Health Insurance Program to low-income families. He said about a third of those who gain insurance as a result of the bill would otherwise have access to private insurance.

"We're going to replace a lot of private insurance with government insurance," Kyl said.

Sen. Richard Durbin, D-Ill., replied that those arguing the program was too generous for middle-income families are "really out of touch with what these families face."

SCHIP, which began in 1997, is a federal-state partnership that serves families who earn too much to qualify for Medicaid but struggle to afford private insurance.

States have broad flexibility to determine eligibility criteria, and Republicans say that states like New Jersey and New York are broadening the program to families whose incomes exceed the need for government assistance.

Republicans lack the votes to block the legislation as Democrats have strengthened their majorities in Congress. However, before the bill can be cleared and sent to President Barack Obama for his signature, Senate and House members will have to work out differences in the legislation.

The House passed a comparable bill nearly two weeks ago by a vote of 289-131. Republicans voted in favor of the measure.

In late 2007, former President George W. Bush twice vetoed Democratic-led bills to expand children's health insurance coverage. Obama has said that he hopes they will act with the same sense of urgency as the House so a bill reauthorizing and expanding SCHIP would be one of the first measures he signed into law.

Senate Majority Leader Harry Reid, D-Nev., alluded to Bush's vetoes in announcing that the Senate would take up the SCHIP bill late Monday.

"Jeopardizing the health of American children is not a political victory for anyone. It's long past time that we corrected it," Reid said.

Sen. Max Baucus, D-Mont., said SCHIP has cut the number of uninsured children by more than a third. He said the bill renewing the program would transition thousands of adults out of the program. Also, states covering children in families with higher incomes — above three times the poverty level — would get less funding from the federal government than they would normally get through SCHIP.

Kyl said many Republicans also oppose a provision, approved by the House, that states use Medicaid or SCHIP to cover children of legal immigrants. Current law imposes a five-year waiting period before legal immigrants become eligible for coverage under Medicaid and SCHIP.

The provision has a cost of about \$1.3 billion over five years and would allow about 300,000 more children to participate in SCHIP after that period. Eighteen states cover the cost of health coverage for children of new legal immigrants, according to the Center for Budget and Policy Priorities, a liberal-leaning think tank.

"All lawfully present children should have timely access to health care," said Sen. Arlen Specter, R-Pa. "Five years is a lifetime for a child stricken with cancer or another life-threatening illness or disability."

To pay for the program's expansion, lawmakers have proposed increasing the federal excise tax on a pack of cigarettes to \$1. That's a 61-cent increase. Other tobacco products will be hit with higher taxes too. The tax increase will be comparable for cigars and pipe tobacco, but will be much steeper for roll-your-own tobacco and cigars.

"Increasing the cigarette tax will discourage smoking, particularly among teens," said Sen. Specter. "And that will be good for kids, too."

Some 7.4 million children were enrolled in SCHIP at some point in 2008 — a 4 percent increase over the previous year.