



With House Passage of Disaster Relief, CHIP Loses Legislative Vehicles

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Lawmakers had planned to attach funding for the Children's Health Insurance Program to either the debt limit increase or budget continuing resolution legislation, House Republican Deputy Whip Tom Cole (R-OK) said, but those vehicles were lost when the House passed disaster relief Friday (Sept. 8) and sent it to the president for his signature.

"I think that was the initial plan, but obviously things have changed due to the hurricane," Cole said. "I don't know if they've had the chance to sit down and rethink how they're going to move that."

Cole, who chairs the Appropriations HHS subcommittee, champions the Special Diabetes Program for Indians, and funding for that program is supposed to ride with CHIP, he said. Cole emphasized that CHIP has strong bipartisan support and said he is confident the House can pass it, but he worries that lawmakers will miss the Sept. 30 deadline, after which federal funding runs out.

The \$15.25 billion disaster aid extends the debt limit and government funding through Dec. 8. Democrats requested the short-term deal to create a "must-pass" bill that forces the White House and GOP lawmakers to negotiate with them on other Democratic priorities, and everyone was stunned when President Donald Trump accepted their offer. CHIP is among those priorities, but it's the one item that had strong bipartisan support, and those lobbying to renew CHIP funds want to get it done before the money runs out.

"Our nightmare!" said Bruce Lesley, president of the children's advocacy group First Focus. "Kids are forgotten and an afterthought, once again."

Senate Finance Committee members stressed Thursday (Sept. 7) the importance of quickly securing funding for the Children's Health Insurance Program, which Finance Chair Orrin Hatch (R-UT) created with the late Sen. Edward Kennedy (D-MA) in the 1990s. However, Hatch said senators have a lot of work yet to do, including working out how long the funding should run and whether to keep the Affordable Care Act's 23 percent CHIP federal funding increase. A Republican aide [said it's likely that Congress will keep the funding bump](#). Hatch did not say when he expects to have those details worked out.

“Whether we opt to reopen CHIP for reforms or simply provide another extension, the committee will need to invest significant time and effort to find answers to those questions,” Hatch said.

Ranking Finance Democrat Ron Wyden (OR) said he is trying to put CHIP funding at the top the Senate’s health care priority list. He said his staff is still negotiating with Republican staff, and declined to say when he expects those negotiations to be resolved.

A Senate Republican aide said it should be no problem passing a CHIP stand-alone bill sometime in October.

CHIP covers nearly 9 million kids. Many states have funds in reserve to keep the program running, but Linda Nablo, chief deputy director of the Virginia Department of Medical Assistance Services, said states must start preparing for the program to shut down months before the funds are exhausted. Virginia is in better financial shape than many other states, she said, and even it would have to start preparing to end the program next month. The state is scheduled to run out of CHIP funding sometime in March.

There also are several health care programs, such as the Indian diabetes program Cole mentioned, that provider lobbyists are trying to attach to CHIP funding legislation. Many of those programs, [collectively called the Medicare extenders](#), run out of money at the end of December, but some are on a fiscal-year cycle like CHIP.

“With the debt ceiling deal, Congress may have averted major disruption to financial markets, but it must still act this month to avoid similar disruption to the nation’s health care system,” said National Coalition on Health Care President and CEO John Rother.

Rother said deadlines are looming that are crucial to the non-group health insurance market, children’s coverage, community health centers and primary care workforce funding. Congress also should quickly deal with expiring Medicare benefits and services and Medicare Advantage Special Needs Plans.

However, Licy DoCanto, of the DoCanto Group, said the disaster relief deal almost guarantees that the extenders will have to wait until December. DoCanto said disaster relief deal makes the job of lobbying for extenders more difficult. Those programs also enjoy bipartisan support, but they’re much smaller than CHIP and could get lost in the shuffle of the grand bargain in December.

“A lot of harm can happen when you have big bargains,” he said. --
John Wilkerson (jwilkerson@iwpnews.com) and *Susannah Luthi* (sluthi@iwpnews.com)