

Opening Statement of the Honorable Joseph R. Pitts
Subcommittee on Health
Hearing on “The Future of the Children’s Health Insurance Program”
December 3, 2014

(As Prepared for Delivery)

In 1992, as a member of the state House of Representatives, I was proud to vote to create Pennsylvania’s Children’s Health Insurance Program, known as PA CHIP.

In 1997, Congress created the federal CHIP program, which was partially based on Pennsylvania’s successful model. CHIP is a means-tested program designed to cover children and pregnant women who make too much to qualify for Medicaid, but may not have access to purchase affordable private health insurance.

Most recently, the Affordable Care Act reauthorized CHIP through FY2019, but the law only provided funding for the program through September 30, 2015.

CHIP has historically enjoyed bipartisan Congressional support, and it is widely seen as providing better care than many state Medicaid programs.

Moving forward, Congress should be thoughtful and data-driven in our approach. The last time Congress methodically reviewed the CHIP program was in 2009 with the Children’s Health Insurance Program Reauthorization Act, or CHIPRA.

Clearly, since that time, the Affordable Care Act has changed the insurance landscape significantly. Provisions of the program which may have made sense prior to the ACA might no longer be necessary. Other changes may need to be made as well.

Like many of my colleagues, I believe we need to extend funding for this program in some fashion. If we don’t, current enrollees will lose their CHIP coverage and many will end up in Medicaid and on the exchanges—programs which may offer poorer access to care or higher cost-sharing for lower-income families. Some will lose access to insurance altogether.

At the same time, we should ensure the program complements—rather than crowds-out—private health coverage. We should also ensure CHIP is a benefit that is targeted to those who are most vulnerable—rather than one that effectively subsidizes coverage for upper-middle-class families.

It’s important that we think carefully about this important program. While program funding does not run out until September 2015, governors and state legislatures across the country will start to assemble their budgets as soon as January.

Accordingly, the Committee is very aware that states need certainty sooner rather than later in their budgetary planning process. That’s why Chairman Upton and Ranking Member Waxman, along with their Senate counterparts, engaged governors earlier this year to request their perspective on the program.

And that’s why we’re hearing from witnesses in our hearing today. So, I look forward to hearing from our witnesses on the current state of CHIP as we consider the data they will provide and evaluate proposals that will keep the program strong into the future.

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