



August 24, 2007

Michael O. Leavitt
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Leavitt:

We are writing to request that you revoke the State Children's Health Insurance Program (SCHIP) guidance document issued by the Centers for Medicare and Medicaid Services on Friday, August 17, 2007.

We believe that this guidance document, which sets out new requirements for states wishing to expand eligibility for their SCHIP programs, contravenes the fundamental objectives underlying SCHIP and may overstep your Department's authority. Our specific concerns are outlined below:

- The requirement that states enroll 95% of the children in the state below 200% of poverty before expanding coverage is unrealistic. By imposing a condition that cannot be met, CMS is veering from the letter and spirit of Title XXI and is undermining the states' coverage flexibility.
- The requirement that the number of children in the target population insured through private employers not decrease by more than two percentage points over the prior five-year period contravenes the fundamental purpose of SCHIP. Medicaid and SCHIP are safety net programs that help prevent net reductions in the number of insured Americans when private coverage rates decline. A five-year decline in the number of privately insured children should prompt states to expand SCHIP, not prevent them from doing so.
- The requirement that children lack coverage for at least one year before becoming eligible for SCHIP is wholly irresponsible, both as a policy and a precedent. No child should be forced to go without health coverage for such an extended period. This requirement will limit access to preventive and maintenance treatment, the most cost-effective interventions, which will likely result in use of more expensive health care resources.

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For these reasons, we request that you abandon the August 17 guidance document and work with the states to develop guidance that will promote the best interests of uninsured children.

Sincerely,



Sherrod Brown
U.S. Senator



Ted Strickland
Governor, State of Ohio