March 2, 2015

The Honorable Debbie Stabenow
United States Senate
731 Hart Senate Office Building
Washington, DC 20510

Dear Senator Stabenow:

On behalf of the North American Society for Pediatric Gastroenterology, Hepatology and Nutrition (NASPGHAN), I offer the Society’s endorsement of the bicameral legislative effort to extend Children’s Health Insurance Program (CHIP) funding for four more years, the Protecting & Retaining Our Children’s Health Insurance Program Act of 2015 in the Senate and the CHIP Extension and Improvement Act of 2015 in the House.

NASPGHAN is an organization comprised of 1,500 members who have specialized training and expertise in caring for children with disorders of the digestive system, liver and nutrition. As we have experienced first-hand, CHIP plans provide critical access to child-specific pediatric subspecialists. Unlike many private insurance plans, which are based on the health needs of adults, CHIP offers insurance with age-appropriate benefits that is affordable for middle-income families.

We recognize that with the passage of the Affordable Care Act many families with children are now receiving private health coverage through the new health insurance marketplace. While it is possible that private family policies offered by employers and marketplaces may one day fill the important gap that CHIP coverage currently fills, substantial gaps in coverage for our nation’s children still exist. At a time when coverage rates of children have hit record highs – with 93 percent of our children enrolled in some type of health coverage – it would be devastating for children if states dismantle their CHIP programs.

As you know, one specific provision of the Affordable Care Act, coined the “family glitch,” prevents many families from receiving subsidized health coverage in the new marketplace if one parent is offered “affordable coverage” through his or her job. In this case, “affordable” is defined as an amount less than 9.5 percent of household income for that parent to sign up alone. Importantly, this does not consider the actual cost of available family coverage that is usually far higher. For families
affected by this glitch, CHIP may be the only affordable option for making sure their children are covered.

CHIP has strong bipartisan roots and was developed as a state-federal partnership that gives governors broad flexibility to design their programs to target the needs of their child populations. The Society feels that an uncertain future of the CHIP program is a significant problem for states as they are already developing their FY 2016 budgets and negotiating contracts with insurers and providers. For states to continue their programs without interruption, they must know that federal support for CHIP will exist beyond FY 2015. If funding is not stabilized, states will have no choice but to begin planning for the impending funding shortfall, which could lead to drastic program cuts through enrollment caps, benefit reductions, reductions in eligibility, or provider payment cuts.

NASPGHAN believes that action on CHIP is needed as soon as possible, and we thank you for your leadership to provide the funding necessary to secure the future of CHIP so families and states alike can be assured children’s coverage will be protected.

Sincerely,

Carlo Di Lorenzo
President
North American Society for Pediatric Gastroenterology, Hepatology and Nutrition