



PRESIDENTS
Mendy Lazarus & Laurie Lipper

November 5, 2009

The Honorable Henry Waxman
U.S. House of Representatives
2204 Rayburn House Office Building
Washington, DC 20515

Re: California's Children and the Affordable Health Care for America Act (H.R. 3962)

Dear Representative Waxman:

On behalf of The Children's Partnership, a California-based national children's organization committed to ensuring all children have access to health care, and Children Now, a research and advocacy organization for people who care about children and want to ensure that they are the top public policy priority, we are writing to urge you to support H.R. 3962 when the bill is considered on the House floor. H.R. 3962 contains provisions that are critical to providing the children of California and the nation with the care they need to grow up healthy and lead productive lives.

H.R. 3962 makes significant progress in expanding access to health coverage and making it affordable for children and families. According to the Congressional Budget Office, this legislation is expected to reach 96 percent of Americans and cover an additional 36 million people by 2019 at a net cost of less than \$900 billion over ten years. Some of the important provisions in the bill that would specifically address the needs of California's ten million children and their families include:

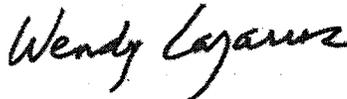
- Providing efficient, low-cost coverage for low-income families by raising the mandatory Medicaid threshold from 133 percent to 150 percent of the federal poverty level (FPL).
- Protecting coverage for low-income families while assisting states as they struggle with constrained budgets during the economic downturn by providing enhanced federal funding for Medicaid, including a six month extension of the American Recovery and Reinvestment Act provision that increased Medicaid's federal matching rate for states.
- Making new coverage options available and affordable by providing subsidies for coverage purchased through the Health Insurance Exchange to people up to 400 percent of the FPL and establishing new out-of-pocket caps.
- Ensuring access to care by maintaining increases in Medicaid payment rates for primary care services.

These important provisions would provide a strong step forward for children and families. However, we urge one crucial enhancement be made in the bill before its enactment to ensure that children in California are no worse off as a result of these landmark reforms. Unlike other states that have used the authority under the Children's Health Insurance Program (CHIP) to expand Medicaid, California has created a stand-alone CHIP program called Healthy Families. Under H.R. 3962, children currently enrolled in Healthy Families whose family income is greater than 150% FPL would be moved into the Exchange, while children in Medicaid-expansion states will remain in Medicaid. Language included in the original bill that precluded the transfer of CHIP-eligible children to the Exchange unless the coverage was comparable was taken out of H.R. 3962. As a result, children in low- to moderate-income families in Medicaid-expansion states are likely to benefit from stronger affordability protections and better access to

early and periodic screening, diagnosis, and treatment while more than 1.7 million California children with income between 150% and 250% of the FPL would be left at risk of less effective coverage.

The Children's Partnership and Children Now urge you to support H.R. 3962 and work to strengthen the children's coverage provisions in the final legislation to provide the strongest possible reforms for children in California. Now more than ever we need your leadership on this very important issue. Thank you for your consideration of our request.

Sincerely,



Wendy Lazarus
Founder and Co-President
The Children's Partnership



Wilma Chan
Vice President, Policy
Children Now

Cc: Members of the California Congressional Delegation