

Mental Health Liaison Group

March 13, 2015

Senate Majority Leader Mitch McConnell
317 Russell Senate Office Building
Washington, DC 20510

House Speaker John Boehner
H-232 The Capitol
Washington, DC 20515

Senate Minority Leader Harry Reid
522 Hart Senate Office Building
Washington, DC 20510

House Minority Leader Nancy Pelosi
233 Cannon House Office Building
Washington, DC 20515

Hon. Orrin Hatch
Chairman, Senate Finance Committee
104 Hart Senate Office Building
Washington, DC 20510

Hon. Fred Upton
Chairman, House Energy and Commerce Committee
2183 Rayburn House Office Building
Washington, DC 20515

Hon. Ron Wyden
Ranking Member, Senate Finance Committee
221 Dirksen Senate Office Building
Washington, DC 20510

Hon. Frank Pallone
Ranking Member, House Energy and Commerce
Committee
237 Cannon House Office Building
Washington, DC 20515

RE: Funding Extension for the Children's Health Insurance Program (CHIP)

Dear Majority Leader McConnell, Speaker Boehner, Minority Leaders Reid and Pelosi, Chairmen Hatch and Upton, and Ranking Members Wyden and Pallone:

The Mental Health Liaison Group (MHLG)—a coalition of almost 60 national organizations representing consumers, parents and family members, advocates, providers, and mental health experts dedicated to building better lives for the millions of Americans affected by mental illness—is writing to urge you to, as expeditiously as possible, provide a 4-year funding extension for the Children's Health Insurance Program (CHIP). Funding for CHIP is due to expire September 30, 2015, and it is crucial that Congress act quickly to stabilize CHIP funding so that states with stand-alone CHIP programs outside their Medicaid programs can plan for and fund continued CHIP operation without interruption. A four-year funding extension would fund CHIP through the end of its statutory authorization as a program.

As of March 2014, CHIP financed coverage for approximately 8 million children nationwide. Of those 8 million children, 5.3 million were in standalone CHIP programs, who would lose their coverage if Federal program funding were not secured.¹ While a preliminary analysis by The Urban Institute for the Medicaid and CHIP Payment and Access Commission (MACPAC) has found that approximately 59.1 percent of those children could be eligible for coverage under their parents' employer-sponsored insurance (ESI) coverage,² The Urban Institute estimates ESI premiums for those children alone would average 13 percent of family incomes—an unaffordable level for virtually every affected family. And while approximately 51 percent would be eligible for subsidies in the Marketplaces under current law,³ barring dramatic changes to the subsidies program under a *King v. Burwell* Supreme Court decision,

MACPAC has found that child health benefits—and particularly behavioral health benefits—under the Marketplace plans are far more limited than under CHIP. In addition, cost-sharing for services under the Marketplace plans was found by MACPAC to be 7 to 15 times higher than under CHIP.⁴

For nearly two decades, CHIP has been an essential source of coverage for families, ensuring access to high-quality and affordable, pediatric-appropriate health care for children in working families whose parents earn too much to qualify for Medicaid but too little to purchase affordable private health insurance. It is a model program that has played a critical role in reducing the number of uninsured children by more than 50 percent while improving health outcomes and access to care for children and pregnant women across the nation. Because of inroads made by the CHIP program, in 2013 only 8 percent of children nationwide were uninsured.⁵

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. As noted previously, CHIP's uncertain future is a significant problem for states already developing their FY 2016 budgets and negotiating contracts with insurers and providers for the upcoming benefit year. In order for states to continue their programs without interruption, they must know that federal support for CHIP will exist beyond FY 2015. If Federal funding is not stabilized expeditiously, states with standalone CHIP programs outside their Medicaid programs will have no choice but to begin planning for the impending funding shortfall through draconian cuts or even program elimination. With children's coverage rates at record highs, it would be devastating if states with standalone CHIP programs were forced by lack of financing to dismantle those programs.

Action on CHIP funding is needed as soon as possible. We urge you to provide four years of continued funding to secure CHIP's future through its authorization period so that families and states alike can be assured their children's health, including their behavioral health, will be protected.

Thank you for your attention to this crucial request.

Sincerely,

Alliance for Strong Families and Communities
American Academy of Child and Adolescent Psychiatry
American Academy of Pediatrics
American Association for Marriage and Family Therapy
American Dance Therapy Association
American Foundation for Suicide Prevention/SPAN USA
American Group Psychotherapy Association
American Mental Health Counselors Association
American Nurses Association
American Occupational Therapy Association
American Orthopsychiatric Association
American Psychiatric Association
American Psychoanalytic Association
American Psychological Association
Anxiety and Depression Association of America
Association for Ambulatory Behavioral Healthcare

Association for Behavioral Health and Wellness
Bazelon Center for Mental Health Law
Clinical Social Work Association
Clinical Social Work Guild 49, OPEIU
Depression and Bipolar Support Alliance
Eating Disorders Coalition for Research, Policy & Action
Jewish Federations of North America
Mental Health America
NAADAC, the Association for Addiction Professionals (NAADAC)
National Alliance on Mental Illness (NAMI)
National Alliance to Advance Adolescent Health
National Association for Children's Behavioral Health
National Association of County Behavioral Health and Developmental Disability Directors
National Association of School Psychologists
National Association of Social Workers
National Association of State Alcohol & Drug Abuse Directors (NASADAD)
National Association of State Mental Health Program Directors (NASMHPD)
National Coalition for Mental Health Recovery
National Council for Community Behavioral Healthcare
National Disability Rights Network
National Federation of Families for Children's Mental Health
National League for Nursing
School Social Work Association of America
Treatment Communities of America

¹ Medicaid and CHIP Payment and Access Commission (MACPAC) analysis of CHIP Statistical Enrollment Data System (SEDS) data from the Centers for Medicare and Medicaid Services (CMS), as of March 4, 2014, *MACPAC Report to the Congress on Medicaid and CHIP*, June 2014, p.7.

² Presentation by MACPAC staffer Chris Peterson to MACPAC members, January 22, 2015, *CHIP Analysis Update and Summary of Sources of Coverage If CHIP Funding Is Exhausted*, <https://docs.google.com/viewer?a=v&pid=sites&srcid=bWFjcGFjLmdvdnxtYWNwYWN8Z3g6NzRmNDQwNWI3ZGNIMzc0OQ>.

³ Preliminary Urban Institute analysis (Dubay, Buettgens, and Kenney) for MACPAC of HIPSM-ACS data enhanced with MEPS-IC data from the Agency for Healthcare Research and Quality (AHRQ), as of January 13, 2015, contained in the January 22, 2015 Peterson presentation to MACPAC members, <https://docs.google.com/viewer?a=v&pid=sites&srcid=bWFjcGFjLmdvdnxtYWNwYWN8Z3g6NzRmNDQwNWI3ZGNIMzc0OQ>.

⁴ Presentation by MACPAC staffers Joanne Jee and Robert Nelbs to MACPAC members, January 22, 2015, *Affordability of Exchange Coverage for Children Now Covered by CHIP*, <https://docs.google.com/viewer?a=v&pid=sites&srcid=bWFjcGFjLmdvdnxtYWNwYWN8Z3g6NDIkM2RjMGlyOGU2Mjg3Yw>.

⁵ *Health Insurance Coverage of Children 0-18*, State Health Facts, Kaiser Family Foundation, <http://kff.org/other/state-indicator/children-0-18/>.