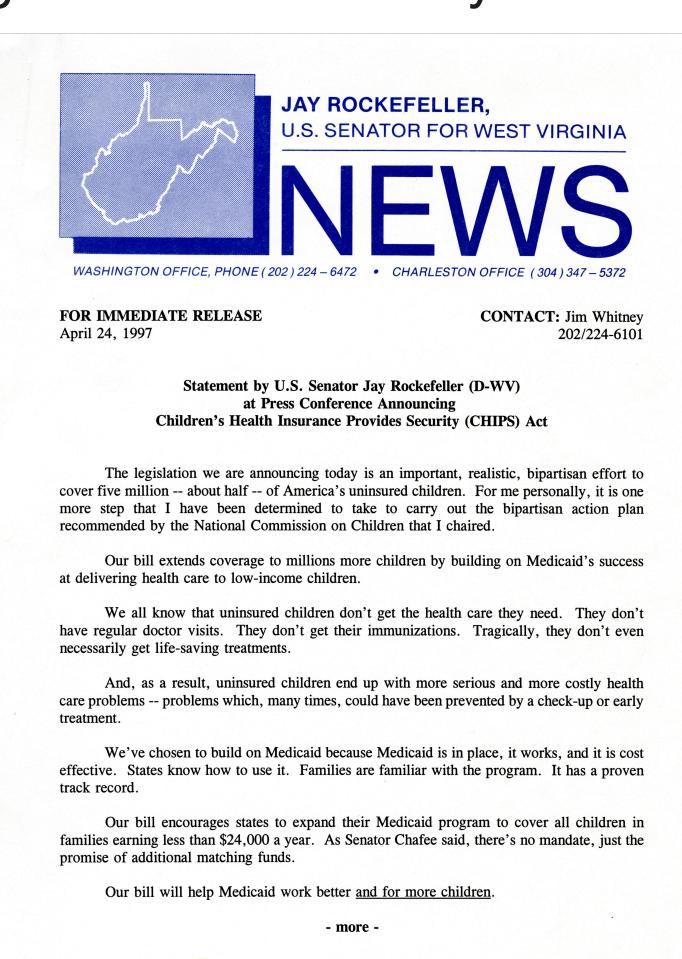


## INTRODUCING THE CHILDREN'S HEALTH INSURANCE PROGRAM

A 1996 bipartisan budget agreement set aside \$16 billion in federal funds to expand health coverage and services for low-income children. It was up to Congress to decide how to use the money. Senators Rockefeller and John Chafee (R-RI) began collaborating to draft a proposal for a children's health bill in early 1997. Rockefeller and his staff determined that using Medicaid, an existing program, and including a higher federal match rate for coverage, would be less expensive and cover more children than creating a new program.

The Chafee-Rockefeller proposal was unveiled on April 24 and received broad bipartisan support. Titled the "Children's Health Insurance Provides Security (CHIPS) Act of 1997," it sought to cover one-third of the nation's children who were eligible but not enrolled in Medicaid. It addressed the large percentage of working families with incomes below 150 percent of poverty (\$24,000 for a family of four) who lacked employer-sponsored health insurance. By making enrollment easier and increasing the number of children eligible for Medicaid, the bill would cover 5 million children through the age of 18. It offered states financial incentives to participate and provided 12 months of continuous coverage regardless of monthly fluctuations in family income.

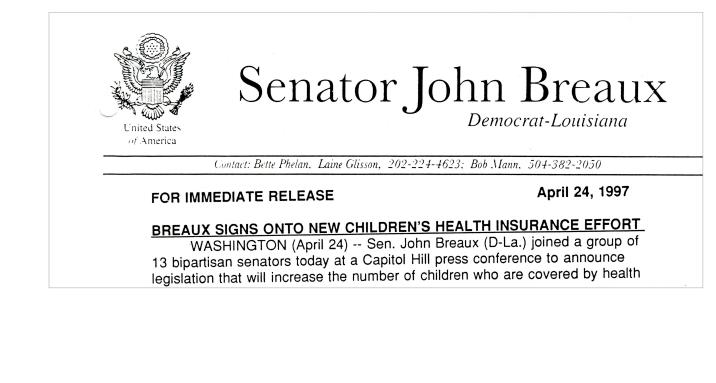




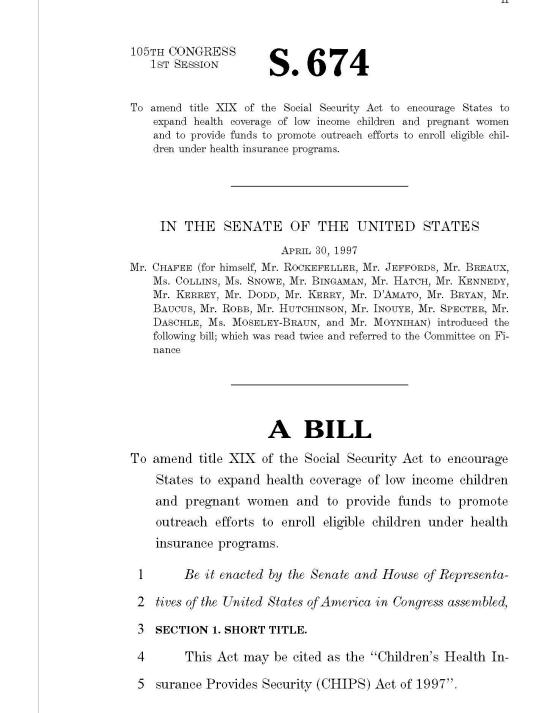
Medicaid levels.











Press releases from Sens. Rockefeller,

LA), Olympia Snowe (R-ME), and John

Chafee (R-RI) supported the CHIPS bill.

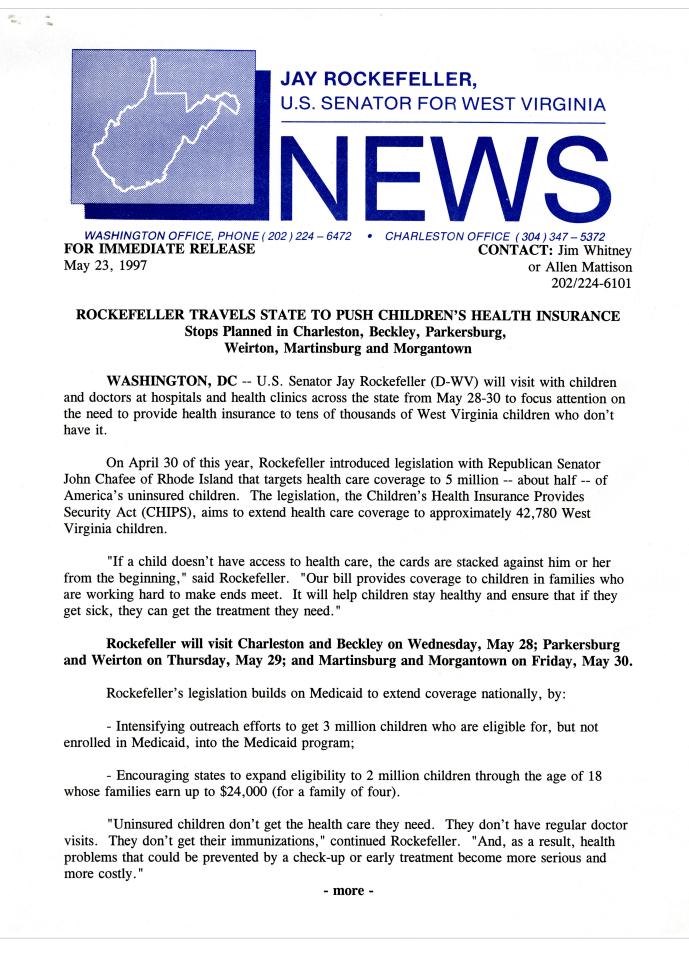
Jim Jeffords (R-VT), John Breaux (D-

Other members of Congress drafted children's health bills, as well, and Rockefeller believed that numerous proposals increased the chances of having genuine debate about the best approach that Congress could deliver. Senators Edward Kennedy (D-MA) and Orrin Hatch (R-UT) introduced the "Child Health Insurance and Lower Deficit (CHILD) Act." The CHILD Act complemented the Chafee-Rockefeller bill and proposed giving grants to states to help families buy private insurance. The grants would be paid for by an increase in the national tobacco tax. Together, the bills sought to help the poorest uninsured children and children whose working parents earned slightly above



The Intelligencer reported on Rockefeller's travels through West Virginia in the May 31, 1997 issue.

Rockefeller said. "At \$24,000 a



"There is a better alternative:
a straightforward measure sponsored by Sens. John Chafee
(R-RI) and John D. Rockefeller IV (D-W.Va.)...Of all the child
health-care proposals, it is targeted most carefully at the
children who need it most."

Newsday, June 9, 1997



