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Compromise on insurance for children sought

BY JOSEPH MORTON

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WASHINGTON -- Let the negotiations begin.

Most Midlands lawmakers were talking about finding common ground Thursday after the U.S. House sustained President Bush's veto of a \$35 billion expansion of the State Children's Health Insurance Program.

All three Nebraska House members and western Iowa's Steve King, all Republicans, voted to sustain the veto but also expressed support for continuing the program.

Under SCHIP, the federal government and the states subsidize health coverage for families who make too much to qualify for Medicaid but not enough to afford private insurance.

Bush, who has proposed a \$5 billion expansion of the program, named three top advisers to try to negotiate a new deal with Congress.

Sen. Chuck Hagel, R-Neb., supports a compromise offered by Senate Minority Leader Mitch McConnell, R-Ky., providing \$14 billion for SCHIP.

Hagel said the debate over the health program has been "distorted" by both political parties.

"I don't buy into my own party's maniacal, wild warnings that this is going to further push us down the road of national health insurance," Hagel said. "This is a program that's already in place. We need it. I don't buy off on my own party's nonsense on this."

At the same time, Hagel said, the Democrats' proposed expansion would have cost too much -- a symptom of a Congress that often seeks to expand federal programs without finding ways to pay for them.

Republican opponents said the vetoed bill would encourage too many middle-income families to substitute government-subsidized insurance for their private insurance.

The bill would have given states financial incentives to cover families with incomes up to three times the federal poverty level -- \$61,950 for a family of four. Coverage in Nebraska is limited to 185 percent of the federal poverty level.

Rep. Jeff Fortenberry, R-Neb., unveiled his own proposal this week that would extend the

program's eligibility to those making between 200 percent and 300 percent of the federal poverty level, but only under certain circumstances.

Children would qualify if they are denied coverage for reasons such as an existing catastrophic condition. They also would qualify if the cost of insurance was above an acceptable percentage of their families' income.

That "acceptable" percentage would be determined through an executive rule-making process, Fortenberry said.

The Lincoln congressman cited the proposal as evidence that he supports at least some expansion of the program.

"It must be done in a responsible manner, a manner that ensures valuable resources target our nation's most vulnerable children without unnecessarily expanding the program to those who do not need it," Fortenberry said.

The number of additional children who would be enrolled under Fortenberry's plan, and the accompanying cost, was unclear because it would depend on the percentage set by the rule-making process.

Fortenberry said he expected the amount of money involved would be significantly more than the \$5 billion expansion offered by Bush but a lot less than the Democrats' \$35 billion.

Jennifer Carter of the Nebraska Appleseed Center for Law in the Public Interest said backers of the vetoed bill appreciate Fortenberry's efforts but have serious reservations about the benefits that would be available under his plan.

She said a strong expansion of SCHIP is needed to provide health care to low-income, uninsured children.

The vetoed bill would have added about 4 million children to the 6 million already in the program and expanded the cost from about \$5 billion a year to about \$12 billion a year. Funding would have come from a 61 cent-per-pack hike in the federal tax on cigarettes.

Many Republicans are looking for avenues to compromise, while Democrats believe they've found a winning political issue.

After all, 44 House Republicans joined Democrats in supporting the bill, and Thursday's vote of 273-156 fell just 13 short of the two-thirds majority required to override a veto.

Rep. Lee Terry, R-Neb., said he hopes congressional leaders and the White House can reach an agreement. "There's a lot of room here for movement," Terry said.

Still, he said, he's much closer to Bush's \$5 billion than the Democrats' proposal, and he reiterated his opposition to the bill.

"It was an unacceptable expansion away from (SCHIP's) roots of providing health care to low-income children," Terry said.

Rep. Adrian Smith, R-Neb., said the bill would have covered families with high incomes and relied on the "unstable funding source" of cigarette taxes.

Smith called on Congress to proceed in crafting a "sensible bill" that ensures the country's poorest children are covered.

King said he opposed the bill for a number of reasons, but he focused on a section that he said would weaken safeguards against illegal immigrants enrolling in the program.

During debate on the House floor Thursday morning, King put up a visual aid spelling out his own version of the program's acronym: "SCHIP: Socialized Clinton-style Hillary Care for Illegals and Their Parents."

"That's what this debate is about: make people dependent, so that they don't have individual responsibility," King said.

World-Herald staff writer Jake Thompson contributed to this report, which includes material from the Associated Press.

