

Published Wednesday | October 17, 2007

Lawmakers squirm over kids' health insurance

BY JOSEPH MORTON

WORLD-HERALD BUREAU

WASHINGTON -- The war in Iraq and illegal immigration are usually the most popular topics in the conference calls that U.S. Rep. Lee Terry, R-Neb., regularly holds with constituents.

But even those hot-button issues have been shouldered aside recently in favor of another -- the expansion of a federal children's health insurance program for the working poor.

"The last two weeks, that's pretty much dominated the discussions," Terry said.

Congress faces a big vote this week as Democrats seek to override a presidential veto of the State Children's Health Insurance Program bill that was passed last month.

The stakes are high. It's only the fourth veto for President Bush, and the issue likely will be a prominent one in the 2008 elections.

Democrats are jumping at the opportunity to portray Republicans as voting against poor, sick children and already are running political advertising on the subject in some areas.

The legislation at the heart of the debate would reauthorize the program, expanding it by \$35 billion over five years -- more than double its current funding level of \$25 billion. Bush has proposed a smaller increase of \$5 billion.

The program is intended to provide coverage to children whose families fall through the cracks. They make too much money to qualify for Medicaid but not enough to afford private insurance.

Nebraska does not have as aggressive a program as many other states -- it sets the eligibility limit at 185 percent of the federal poverty level rather than 200 percent. Still, about 45,000 Nebraska children were enrolled last year in the state's SCHIP program, known as Kids Connection.

Proponents see expanding SCHIP as a critical step in providing health insurance for needy children.

Many opponents say they support the program, but the proposed expansion goes too far, encouraging some families to drop private insurance coverage and leading the country down the road to universal health care.

Enough Republicans have joined the Democrats for what appears to be a veto-proof majority in the Senate.

And while 45 House Republicans voted in favor of the bill, that still leaves Democrats a couple of dozen votes shy of the two-thirds majority needed to override the veto in the House.

The GOP support shows how much anxiety Republicans are feeling about the potential for political fallout on the issue.

"It's a very sympathetic issue about dealing with children," Terry said.

The Omaha congressman is using campaign funds to run radio ads on SCHIP in the 2nd Congressional District.

In the ads, Terry tells listeners that the measure passed by Congress would raise taxes and health insurance rates, and that he wants to see the private sector play more of a role.

Terry said in an interview that everyone wants to make sure children receive health care, but the bill would allow participation by families who make enough to afford private health insurance.

Jennifer Carter of the Nebraska Appleseed Center for Law in the Public Interest said Terry's ad neglects to identify the tax increase as affecting only cigarette taxes, not income or property taxes.

She said characterizing new children who would be enrolled in the program as "well-off" is misguided, particularly in Nebraska. That's because the state only covers families with incomes up to about \$38,000, compared with higher income levels in other states.

Carter said an estimated 84 percent of the Nebraska children who would receive coverage are actually eligible under the current program.

Jennifer Duffy of the nonpartisan Cook Report said the SCHIP vote is a tough one for Republicans, because explaining their opposition is complex and takes time.

On the other hand, an attack ad along the lines of "Congressman X voted to deny children health care" is pretty simple.

"You have to be in a pretty safe district to be immune from those kinds of attacks," Duffy said.

She said Terry's radio spots seem to be an attempt to inoculate him from the inevitable campaign attacks on the issue.

"I think it's pretty telling, actually," Duffy said. "He knows how he's going to vote, and he knows it's going to be a problem for him."

Like Terry, other Midlands lawmakers have been hearing from constituents about SCHIP.

Sen. Ben Nelson, D-Neb., who supports the legislation, has received an "outpouring" from Nebraskans, spokesman David DiMartino said, with supporters outnumbering opponents by a 6-to-1 ratio.

Sen. Chuck Hagel, R-Neb., who opposes the bill, has received 634 contacts in recent weeks, spokesman Mike Buttry said, with 442 saying they are opposed to using the tobacco tax to fund SCHIP.

Rep. Adrian Smith, R-Neb., said he supports SCHIP, but the proposed expansion extends coverage too far.

"We need to be very careful in terms of growing government and especially as it relates to government-run health care," Smith said.

He took particular issue with the use of cigarette taxes to fund the expansion. The funding source is likely to prove unreliable, he said, as higher taxes prompt smokers to cut back.

Smith said he supports the president's proposal of increasing funding by \$5 billion.

Rep. Jeff Fortenberry, R-Neb., said he supports continuing the program but only in a "prudent" manner.

"We must prioritize coverage for the most vulnerable children and not unnecessarily expand the program to those who do not need it," Fortenberry said.

Sen. Tom Harkin, D-Iowa, supports the legislation.

Rep. Steve King, R-Iowa, has gotten into sparring matches with Gov. Chet Culver, a Democrat, over the issue.

King has said new rules on identification requirements would open the door to billions of dollars in benefits going to illegal immigrants.

Sen. Chuck Grassley, R-Iowa, supports the SCHIP expansion and has been a strong GOP voice on the issue as ranking member of the Senate Finance Committee.

Grassley said the legislation will reward states for focusing on the poorest children and provide better options for families to afford employer coverage.

"It's not a government takeover of the health system," Grassley said. "It's not expanding the

program to cover high income kids. It's a good bill."

