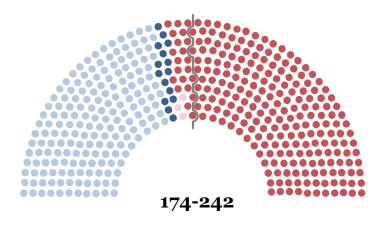
House passes CHIP reauthorization bill

The bill would fund the Children's Health Insurance Plan (CHIP) for five years and community health centers for two years



The bill passed in the House by a vote of 242-174

CHIP and community health centers typically have bipartisan support, but Democrats and Republicans could not agree on how to pay for the funding

The House bill would

- Increase premiums for Medicare beneficiaries with annual incomes over \$500,000
- · Revoke Medicaid eligibility for some lottery winners
- Cut \$6.35 billion over 10 years from an ACA fund meant to pay for public health initiatives such as preventing heart disease, cancer, diabetes and opioid abuse

The bill would also revoke health insurance coverage for individuals who do not pay their share of premiums for insurance plans purchased under the ACA

- Most people who purchase insurance through the ACA marketplaces receive subsidies to help pay monthly premiums
- The bill passed in the House would reduce the grace period for individuals to pay their premiums from three months to one month
- The CBO estimates this will save the government \$5 billion over the next 10 years

Sources: Dan Diamond, "Why hospitals are suing CMS over 340B cuts," Politico, November 2, 2017; Robert Pear, "Children's Health Bill Clears House as States Struggle to Keep Programs Afloat," The New York Times, November 3, 2017.

House passes Republican bill while Senate works on a bipartisan agreement to fund CHIP

The Senate Finance Committee is working on bipartisan legislation, led by Sens. Orrin Hatch (R-UT) and Ron Wyden (D-OR)

The disagreement over the CHIP funding bill in the House came from a lack of consensus on how to pay for the funding. House Democrats worried that raising the premiums for high-income individuals covered by Medicare would lead them to opt out of the program, thus raising premiums for lower- and middle-income seniors

- AARP also denounced the premium hike for wealthier Medicare recipients, saying higher-income beneficiaries have paid more into Medicare throughout their lives and already pay higher premiums
- The chief author of the bill, Rep. Greg Walden (R-OR), responded to these criticisms, saying "We are just asking... those making \$40,000 a month not a year, a month to pay about \$135 a month more for their Medicare, so we can fund children's health insurance for five years"





In the Senate, CHIP funding is likely to be allocated through a larger piece of legislation such as a broad spending bill expected to be announced in December that will keep the government open



"The March of Dimes is saddened and disappointed... [about] what is likely to be the first partisan vote in the two-decade history of the Children's Health Insurance Program. While the five-year extension of CHIP funding contained in the bill is most welcome, it is deeply disheartening that the two sides were unable to reach bipartisan agreement on how to fund the programs in this legislation."

-Stacey Stewart, president of The March of Dimes, a nonprofit aimed at preventing birth defects, premature birth and infant mortality

Sources: Dan Diamond, "Why hospitals are suing CMS over 340B cuts," Politico, November 2, 2017; Robert Pear, "Children's Health Bill Clears House as States Struggle to Keep Programs Afloat," The New York Times, November 3, 2017.

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