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Senate Concurrent Resolution 5 (as introduced 2-15-07)

Sponsor: Senator Roger Kahn, M.D.

Committee: Appropriations

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CONTENT

The Federal Balanced Budget Act of 1997 created a new health insurance program for low-income children called the State Children's Health Insurance Program (SCHIP). The program, authorized through Title XXI of the Social Security Act, provided Federal matching funds, in a manner similar to the Medicaid program, to states to cover uninsured children. States were given an option to create a separate child health insurance program, expand Medicaid eligibility to include more children, or use a combination of both approaches.

The State of Michigan opted to use both techniques and provides Medicaid eligibility to non-infant children up to 150% Federal poverty level (FPL) and health coverage to children between 150% and 200% FPL through a separate health insurance program (MICHild). Michigan currently provides health coverage to about 35,000 children through the SCHIP program.

Congress must reauthorize SCHIP for states to continue to receive funding beyond fiscal year 2007. Earlier this year, Congress passed a supplemental appropriation providing temporary funds for states that have nearly exhausted their Title XXI allocation but, to date, Congress has not passed legislation reauthorizing the program.

Senate Concurrent Resolution 5 would memorialize Congress to reauthorize SCHIP in a timely manner, assuring continued Federal support for SCHIP in Michigan.

FISCAL IMPACT

In FY 2007, the Federal government will provide \$149.0 million to the State of Michigan in Title XXI authorization. This allocation plus carryforward funding from prior years will make a little under \$215 million available to the State. The FY 2007-08 Executive Recommendation includes \$162.5 million Federal in Title XXI (SCHIP) funds for State SCHIP activities. Without Federal reauthorization of the program, these funds will no longer be available to the State.

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