



Officials say Texas has enough CHIP funding to last through at least a year

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AUSTIN — Texas is unlikely to face cutbacks in its Children's Health Insurance Program, even if Congress can't reach a compromise on funding this year.

State officials said Thursday that the state has sufficient funding from existing federal grants to continue the program for at least a year.

Stephanie Goodman, a spokeswoman for the Health and Human Services Commission, said there is enough money to cover an expected enrollment increase of 135,000 children. The boost in enrollment was authorized by the Legislature this year in a bill designed to reverse cuts made in 2003 when the state faced a budget crisis.

Goodman said eligibility workers are reassuring families that they won't lose CHIP.

The situation is different in some other states that have spent all of their federal funds.

The federal government provides more than \$2 in matching funds for every dollar the state spends on CHIP, which is designed for children of families who earn too much to qualify for Medicaid but not enough to afford private insurance. Texas covers children living in families who earn up to 200 percent of federal poverty guidelines, or \$41,300 for a family of four.

About 327,000 Texas children are enrolled now, down from 529,000 in 2002.

Anne Dunkelberg, associate director of the Center for Public Policy Priorities, said that if Texas wants to reach the more than 300,000 children eligible for the program but not enrolled and continue covering pregnant women, it will need to rely on more federal funds in coming years. She said the bill President Bush vetoed last week would have provided those funds.

"We have more at stake than any other state in terms of eligible but not enrolled kids," she said.

A free-market group said Bush's veto was appropriate. Mary Katherine Stout, vice president of policy for The Texas Public Policy Foundation, said continued expansion of government health insurance is "the wrong direction to go."

"Ultimately you have limited resources and the only way to be able to deliver care is to ration and cut costs," Stout said.

Marketplace solutions that allow individual choice will improve the quality of health care and lower prices, Stout said.

The federal reauthorization bill would continue the program for five years. But its \$35 billion expansion was deemed too expensive by members of the Texas congressional delegation who voted against it.

On Thursday, Sen. John Cornyn, R-Texas, urged Democratic leaders to continue negotiating.

The House has scheduled a vote Thursday to try and override the veto. Democrats have contrasted the cost of the popular health insurance program with the unpopular war in Iraq.

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