

Board of Directors

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### STATEMENT BY ROBERT GREENSTEIN, EXECUTIVE DIRECTOR, ON THE NEW CONGRESSIONAL SCHIP AGREEMENT

Today's agreement would extend health coverage to several million low-income uninsured children, a major accomplishment. Contrary to White House rhetoric, the bulk of the children who would gain coverage are poor and near-poor children who are uninsured, not middle-income children with private coverage.

The agreement represents an accomplishment in another respect as well — its costs over the next five years are fully paid for. This represents a sharp change from earlier bills that the President enthusiastically supported — from the 2003 Medicare prescription drug bill to his tax cuts — which were financed by massive amounts of deficit spending.

We are disappointed that the package does not include the courageous Medicare reforms that the House passed, which reined in excessive payments to private insurance companies and thereby extended the program's solvency, lowered Medicare premiums for most beneficiaries, and financed needed improvements in Medicare, particularly for low-income elderly beneficiaries. These reforms were a model of how to make tough but compassionate choices and set appropriate priorities. The Senate needs to step up to the plate and work with the House to enact such changes later this year.

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