

Republicans' common-sense solution to make sure American children have high-quality private health coverage that fits their individual needs.

“We're never going to win the debate if it's about who wants to cover more children. The real debate should [be] Republicans saying, 'We absolutely believe all children should have access to affordable health care, but we don't believe the best way to do that is through government-run programs, we think we have to work to make it more affordable... We have to apply our ideas to the problems Americans care about'.”

~Bobby Jindal, Governor of Louisiana

- ✓ **Who would be covered?** All children uninsured or enrolled in Medicaid and SCHIP in families living below 300 percent of the federal poverty level.
- ✓ **What benefits would be offered?** Plans equivalent to the Blue Cross Blue Shield standard option under FEHBP, which children of Members of Congress get, plans offered to state employees' children, or plans offered by HMOs with the largest commercial enrollment in states. At least 2 plan choices would be guaranteed to be available to every child.
- ✓ **How would plans be paid for covering American children?** Private plans would compete for patients based on cost, quality, and access. Rates would be determined through the same competitive bidding model that saved Medicare Part D \$506 billion over 10 years.
- ✓ **Can parents keep their kids with them on employer-sponsored insurance?** Yes, a premium assistance option would be available to children with access to employer-sponsored insurance. This would minimize employers dropping coverage (crowd-out).
- ✓ **Does this repeal the SCHIP program?** No, this amendment extends the current SCHIP program for 2 years with enough funds to make sure that no low-income children lose coverage. At the end of those 2 years, the amendment sets up a program to ensure every American low-income child has access to the private coverage of their choice.
- ✓ **Are the current programs working?** We spend more than \$61 billion a year on Medicaid kids and more than \$6 billion a year on SCHIP kids. Current improper payment rates under Medicaid and SCHIP equal 10.5 percent and 14.7 percent, respectively. Forty percent of physicians restrict access to Medicaid patients. Rather than expanding these struggling programs, this Republican solution will spend that money more wisely to reduce long-term costs and expand immediate choice and access.