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*Speaker*  
*North Carolina House of Representatives*  
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*Executive Director*

January 26, 2009

The Honorable Harry Reid  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Mitch McConnell  
Minority Leader  
United States Senate  
Washington, D.C. 20510

Re: Children's Health Insurance Reauthorization Act of 2009

Dear Senator Reid and Senator McConnell:

The National Conference of State Legislatures strongly supports the State Children's Health Insurance Program (SCHIP) and urges you to move with all deliberate speed to reauthorize the program. This important program provides resources to states to provide comprehensive health care coverage to low-income children across the country and is widely accepted as a popular, effective complement to the Medicaid program. We appreciate the priority status you have placed on this legislation. This reauthorization should provide sufficient funding to: (1) cover existing beneficiaries; (2) permit states to cover more children, including those who are currently eligible but not enrolled; (3) recognize and provide for increased health care costs; (4) improve SCHIP coverage for children in the territories; and (5) adequately and effectively administer the program, including expenditures necessary to conduct outreach activities and to implement new accountability programs and requirements.

We also urge you to consider improvements and revisions to the component parts and the data sources for the state allocation formula that would result in state allocations that would more accurately reflect state need and would limit the reliance on the redistribution of funds that exist in current law. It is extremely important that the next generation children's health insurance program maintains and increases state flexibility in benefit design, including additional flexibility to permit states to leverage public and private dollars through premium assistance and other innovative mechanisms. Family coverage through premium assistance has been underutilized in SCHIP. As a result, we have been unable to evaluate the benefits to families or to the program.

We look forward to working with you on this and other health care priorities over the coming months and truly appreciate the importance you have placed on this program reauthorization.

Sincerely,

Speaker Joe Hackney  
North Carolina House of Representatives  
President, NCSL

Judy Lee  
North Dakota State Senate  
Chair, NCSL Standing Committee on Health

cc: Members, United States Senate

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