

Congress of the United States
Washington, DC 20515

January 9, 2009

President-elect Barack Obama
Presidential Transition Office
Washington, DC 20270

The Honorable Nancy Pelosi
Speaker
H-232, U.S. Capitol
Washington, D.C. 20515

Dear President-elect Obama and Speaker Pelosi:

We would like to thank you for soliciting Republican input on an economic recovery package. Democrats and Republicans, in the spirit of cooperation and working together, created the State Children's Health Insurance Program (SCHIP) a decade ago to give millions of low-income, American children access to high-quality health care. It is in that continuing spirit of bipartisan cooperation that, as the U.S. House of Representatives prepares to consider SCHIP legislation as soon as next week, we hope to work together to renew and reauthorize this important program.

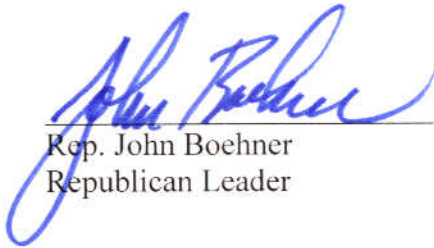
During the last Congress, while Republicans and Democrats made progress in working together on SCHIP, there remained several outstanding issues we hope we can address together this year. To be clear, Republicans are committed to reauthorizing SCHIP in a manner that puts poor children first, which is the original intent of the program. We hope that in that same vein of bipartisan cooperation, you will take Republican principles into consideration as a helpful guide as the Democratic Majority brings legislation to the floor of the U.S. House of Representatives. Those principles follow:

1. Republicans believe SCHIP must focus on the original intent of the program: cover low-income children first. We believe that SCHIP legislation should ensure that states are enrolling poor and low-income children below 200 percent of the federal poverty level, especially those who are currently eligible for Medicaid and/or SCHIP, but are not yet enrolled. Over the past year, nearly every state has demonstrated to the Centers for Medicare and Medicaid Services that meeting this standard is indeed possible, and it should be our most important priority.
2. Only U.S. citizens and certain legal residents should be permitted to benefit from a program like SCHIP. We believe SCHIP legislation must include stronger protections to prevent fraud by including citizenship verification standards to ensure that only eligible U.S. citizens and certain legal residents are enrolled in the program.
3. Republicans believe SCHIP should not replace private health insurance or force children with private health care to move into a government run program. Your stated goal of providing SCHIP for 10 million children should be targeted towards low-income uninsured children, not those who already have private health insurance.
4. SCHIP funding for low-income children should be stable, without using budget gimmicks that put the program in jeopardy. The legislation should also not be an excuse to include extraneous provisions unrelated to SCHIP that limit patient choice or prohibit access to quality

medical care. Congress should not use this legislation as an opportunity to raise taxes, especially on the poorest Americans during an economic crisis, to pay for expanding the program.

We believe that fully incorporating these critical elements would dramatically increase bipartisan support for the legislation. Thank you for your consideration and we look forward to working with you towards a bipartisan agreement.

Sincerely,



Rep. John Boehner
Republican Leader



Rep. Eric Cantor
Republican Whip