

## Bush urges Democrats on health insurance

by AP-News

President Bush challenged Democrats on Thursday to quickly renew a popular children's health insurance program and accused them of "putting poor children at risk" for political purposes.

The State Children's Health Insurance Program is set to expire Sept. 30. Democrats are pushing for a \$35 billion spending increase. But Bush has threatened to veto it and has proposed a \$5 billion increase.

Some Democrats, he said, believe they can score political points by sending him a bill they know he will veto. The president urged lawmakers to send him a simple, temporary extension that would give lawmakers more time to work out their differences over a long-term renewal.

"If they fail to do so, more than a million children could lose health coverage," Bush said at a press conference. "Health coverage for these children should not be held hostage while political ads are being made and new polls are being taken."

The state-federal partnership is designed to provide health coverage to families whose income is too high to qualify for Medicaid, but not high enough to afford private coverage. More than 6 million people, primarily children, participate.

House Speaker Nancy Pelosi, D-Calif., said a temporary extension would lead to fewer children participating than what Democrats prefer. She also said governors are seeking a more permanent resolution.

"I don't know what the point is of an extension. So that we can have this conversation again and have another extension?" Pelosi said. "The moment of truth is now."

The proposal that Democratic lawmakers support would bring total spending to about \$60 billion over the next five years, twice the level sought by the Bush administration. Several Republican senators voted for that spending level when the Senate approved a bill last month. Negotiators are still working behind the scenes on a final proposal, which is expected to come to a vote in the House next week.

Bush said he opposed a \$35 billion increase because it would encourage states to extend health coverage to middle-income families now using private insurance.

"I believe this is a step toward federalization of health care," Bush said.

Democrats said their proposal does not call for a government takeover of health care.

"The president hides behind the word 'federalization' because his political base opposes doing what is decent and humane," said Sen. John Kerry, D-Mass. "The Senate and the House both approved legislation that would extend health care coverage for poor kids, not cut it back."

States have flexibility to set eligibility criteria for participants. New York, for example, recently applied to expand coverage to families whose incomes are up to four times the federal poverty level — \$68,680 for a family of three. The administration rejected New York's proposal. A doubling of spending would encourage states to expand eligibility, according to the administration.

Rather than expanding the program "beyond its original purpose, we should return it to its original focus, and that is helping poor children, those who are most in need," Bush said. "And instead of encouraging people to drop private coverage in favor of government plans, we should work to make basic private health insurance affordable and accessible for all Americans."

The House previously had called for a \$50 billion expansion that would have been paid for by raising tobacco taxes and lowering subsidies to private insurers offering Medicare health benefits. But the provision to lower the subsidies was opposed by some GOP senators as well as by nearly 20 House Democrats, making it more difficult to overcome a veto.

The \$35 billion increase is a compromise, with most, or all, covered by the tobacco tax.

Pelosi said the House will return later this year to address the changes that most Democratic lawmakers supported, including a cut in payments for some insurance plans serving beneficiaries. Those cuts would help pay for additional benefits as well as an increase in the reimbursement rates for physicians who treat Medicare beneficiaries. Those physicians now face a 10 percent pay cut beginning Jan. 1, unless Congress intervenes.

In a letter to fellow Democrats, California Rep. Pete Stark took issue with Pelosi's decision to deal with the Medicare provisions later. He said portions of the House bill "have been abandoned for rhetorical and/or political reasons that are unclear to me."

Stark agreed with Republicans who say a short-term extension will occur before the end of September.

Health and Human Services Secretary Mike Leavitt said most states would have enough money to continue their programs for a while even if the SCHIP expires at the end of this month. However, he said about 12 states may not have enough money to keep going for a sustained period. He did not provide a list of the states. House Republican leader John Boehner, R-Ohio, said he supported Bush's call for a temporary extension of the program. He described the legislation to be offered by Democrats as flawed and partisan. However, Sen. Charles Grassley, R-Iowa, said a temporary extension leaves many children without health coverage. "I talked to the president this morning," Grassley said. "I pointed out that his limit of \$5 billion over five years isn't enough to accomplish what he said he wants to do, and that's cover more kids."

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