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Congressman Walden Urged to Support Kids' Health Program Lone Member of Oregon's Delegation to Oppose CHIP Comes Under Fire

(Silverton) – As a congressional vote to override President Bush's veto of a bill reauthorizing the Children's Health Insurance Program (CHIP) nears, increased scrutiny has fallen on the sole member of Oregon's congressional delegation to side with the White House – Representative Greg Walden. The Oregon Center for Public Policy (OCPP) took Walden to task for opposing the bill in a letter to the congressman made public today.

The nonprofit research institute's letter repudiated Walden's arguments against legislation that would expand health care coverage to millions of uninsured children across the nation. The congressman's arguments are contained in a press release posted on his website.

CHIP's reauthorization garnered overwhelming support in the U.S. Senate and strong bi-partisan support in the House of Representatives, but came in about two dozen votes shy of a veto-proof majority in the House. President Bush vetoed the measure last week, setting up a showdown when the House convenes to vote to override the veto, currently expected to occur on October 18.

Walden, representing Oregon's primarily rural 2nd congressional district, opposed the bill and has vowed to vote against the override, arguing in part that the reauthorization plan "targets middle-class children."

According to OCPP, the program's focus remains low-income children. The research institute argues that 84 percent of the additional 3.8 million children to be covered by CHIP's expansion currently qualify for the program but are excluded for lack of funding, citing statistics from the non-partisan Congressional Budget Office (CBO). The vast majority of these children, OCPP noted, either live at or below the federal poverty line (\$17,170 for a family of three) or belong to families that make too much to qualify for Medicaid but not enough to afford private insurance.

"The numbers clearly show that this program is aimed at the neediest children," said Chuck Sheketoff, executive director of the Silverton-based think tank. "Representative Walden should break away from the Bush administration and side with the millions of children across the country, including thousands in his own district, who are not getting the health care they need for lack of coverage."

Walden also claims that the bill passed by Congress is "financially unsustainable." According to OCPP, the reauthorization provides full funding for the program for five years, adhering to Congress' "pay-as-you-go" rules. By contrast, the alternative CHIP plan favored by Walden provided funding for only 18 months, OCPP pointed out.

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Financing the program through an increase in the federal tobacco tax has also drawn opposition from Walden, which he suggests is part of a scheme to encourage new smokers.

"How strange for Representative Walden to criticize the use of a tobacco tax increase to fund the program," said Sheketoff, "when his own alternative program for children's health also relies on a tobacco tax."

Another point that Walden has raised in opposition to the CHIP bill is that the program will cause 2 million children currently covered under private insurance to switch to the government-funded program — the so-called crowd-out effect of the legislation. He cites CBO statistics in support of his view.

Walden's assertion misstates CBO's analysis of the crowd-out effect, according to OCPP. The research institute noted that the CBO definition of "crowd-out" includes all children who were uninsured when they enrolled in CHIP and who, in the future, might have purchased private coverage but for CHIP.

"It's true that in the future some uninsured families might forgo private coverage with high premiums and deductibles for their kids because of the federal program," Sheketoff said, "but that just goes to show the tremendous burden that American families are facing when it comes to health care costs."

Sheketoff stressed that the CBO itself has concluded that the crowd-out effect of the CHIP reauthorization is reasonable, given the scale of the reduction in uninsured children and the lack of mandates on employers and states.

"The CHIP bill is financially sound and will improve the well-being of millions of our most vulnerable children," said Sheketoff. "For the good of his own constituents, Congressman Walden should leave President Bush's side and join the rest of Oregon's delegation in voting to override the veto."

The Oregon Center for Public Policy does in-depth research and analysis on budget, tax, and economic issues. The Center's goal is to improve decision making and generate more opportunities for all Oregonians.

Note to reporters and editors:

A copy of OCPP's letter to Representative Walden is available at www.ocpp.org.