

## Chipping Away

### Chipping Away at the SCHIP debate: spin and fact from both sides

The Democrats have the better base argument in the national debate about the SCHIP program, which provides health insurance to low-income kids, than do the Republicans. That said, though, the Democrats have overplayed their hand, and in the pursuit of something surely virtuous insuring kids' health have manipulated the argument, and the SCHIP program, to other, less laudable purposes.

Surely, the Democrats say, the richest nation on Earth can afford a few billion more to make sure that virtually every poor and near-poor kid has medical care insurance. The Republican response, especially from a president who has been the most profligate in American history and who had kept his Mesopotamian misadventure (and associated friendly no-bid contracts) funded with loans from our ever-loving friends, the Chinese, is in no position to squeal about the Democrats wishing to spend a measly \$35 billion more over five years on SCHIP.

After all, the Dems say, it's just the right thing to do, to help insure and thus ensure, health care for America 's poorest children.

But wait a minute, Mr. Reid and Ms. Pelosi. The guidelines in the presently contested legislation allow SCHIP coverage for a lot of kids who are not exactly poor.

The basics: According to the federal Department of Health and Human Services, the 2007 poverty line for a single individual is slightly over \$10,000; for a family of four, about 23,000. And that is unreal. It's a lie, and one Democrats as well as Republicans maintain—neither side wants to be the one on whose watch everybody realized that we have a lot more poor people than thought, fearing their party will get the blame. The CHIP program has long had an eligibility maximum of double the formal poverty level, and given the fictions about the poverty level, that's probably about right.

But the Democrats want to set the eligibility ceiling way higher than that. They've been pushing for three times the poverty level, even perhaps four. The Republicans talk about the Dems setting the eligibility line at 62,000, even \$82,000 for a family of four. If that's poverty level, we are all Klingons. The Democrats ignore this one like the plague.

But the Republican claim that this is indeed what the Democrats have already done in several states overstates the facts a bit. In six states, the current SCHIP ceiling is at three times the poverty level, and just one state—New York—is it at four times. The Republican claim that the Democrats have been setting it at that highest level obscures the reality that it is only in one state where that is the case, implying that it might be several states.

Republicans also miss the fact that those states had to get waivers of the regular ceiling from guess who?—the Bush Administration. Why the administration has been willing to allow such waivers is not clear.

Also, Republicans claim that six out of every ten kids on SCHIP now already had private insurance. This sounds totally absurd; there are quite enough uninsured kids around who should be on SCHIP and are not, that nobody has to go around looking to bring in insured kids. We have to doubt this claim.

On the other hand, there seems more merit in the criticism that 12 states use SCHIP to insure adults. Here, the Republicans name names: according to HHS, Wisconsin spends 75% of its SCHIP money on adults; Minnesota, 63%, and New Jersey 43%.

On the one hand, that probably reflects the numbers of adults who are not poor enough to get Medicaid nor old enough for Medicare. On the other hand, once again, we see the Democrats seeking to do an arguably good thing by deceit.

Be that as it may, it seems clear the Democrats have been stuffing a good thing, the expansion of health insurance to all poor and near-poor kids, with a lot of goodies for folks who are not poor, and with adults brought into the fold as well. That's a waste of taxpayer money, as well as dishonest.

The Republicans also complain that the Dems are covertly hacking away at the "health care market" by their shenanigans, and that the Dems are threatening those poor, defenseless insurance companies. With those companies making out like bandits while a third of America's kids do not have health insurance, it is hard to grant the insurers much sympathy. Health care is one of those areas of the economy where market forces to such extent as they still apply, which ain't much have not done a shining job. Non-market, insurance company managed forces have done, if anything, worse.

To repeat, a more accurate criticism from the Reps is that the Dems are manipulating voter sympathies for those poor sick children to achieve other aims. That, indeed, is what the Democrats are doing, acting as much in the service of yet another expansion of big government, and more liberal-leaning government employees, as in the service of those poor children.

One more thought on the issue of slipping a lot of adults into a program designed for, and sold as being for, children. Perhaps Medicaid should be expanded; perhaps all Americans should receive government-sponsored health insurance. With a 3 percent administrative overhead, it is doing far better at management than any insurance company. Or perhaps not. That debate is not decided by the American people, and it seems dishonest to shovel some unknown number of grownups into a program made for, and sold as being for, children. Add to that the worry that some percentage of those grownups will, like the children, be at three or maybe four times the poverty level earning \$60,000 or even \$82,000 a year and the Democrats' deceit is compounded.

To rope down a rambling rant: The Dems want to add \$35 billion to SCHIP over the next five years; Bush is willing to add \$5 billion. Probably the best number would be \$10 to \$15 billion over that period. But with everybody in DC posturing on this one, it would take a miracle to get a sane compromise that would do what should be done but not more.