

# TIMES UNION

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## **A \$37M shot for kids' health Spitzer plan helps 70,000 children, goal is 400,000**

By CATHLEEN F. CROWLEY, Staff writer

ALBANY -- Gov. Eliot Spitzer's 2008-09 budget will include \$37 million to extend health insurance to 70,000 more children of working parents, despite the Bush administration's refusal to broaden the children's health insurance program.

The overall goal, the governor said, is to cover all of the state's roughly 400,000 children who are uninsured.

Spitzer said the state will pay the federal government's share, which would have been \$19 million. The governor made the announcement at a news conference Thursday at Philip J. Schuyler Achievement Academy on Clinton Street.

Spitzer's plan raises eligibility limits for the State Children's Health Insurance Program from 250 percent of the poverty level to 400 percent.

"Just so it is understood, 400 percent of the federal poverty level in New York would be an \$82,000 family income for a family with two kids," Spitzer said. "This is not great wealth. This is a family unit that still would have an unbelievably difficult time paying for health insurance."

Families also would contribute to the health coverage based on their income.

New York already insures 396,000 children under SCHIP, but Spitzer's goal is to double it, leaving no child uninsured.

Of the new children Spitzer wants to cover, about 330,000 already qualify for the SCHIP and would be eligible for federal matching dollars. The remainder would become eligible under Spitzer's expansion plan.

Spitzer would not say where he will find \$37 million to pay for it.

"I don't want in any way to diminish the enormity of \$37 million but in the context of a \$126 billion-plus budget, we will find that \$37 million," he said. "It is a moral and health care imperative and we will do it."

Spitzer will unveil his budget for the upcoming year on Tuesday. But with more doubt about the direction of the economy and analysts already projecting a \$4.5 billion deficit, one local county official is concerned about the cost of an expansion.

"I don't think there's anyone opposed to giving children health insurance. The devil is, how do you pay for it? We've got an extremely tight budget," Rensselaer County Social

Services Commissioner John Beaudoin said. He described the \$37 million estimate as "very low," and noted that other states where similar expansions have been enacted -- like Massachusetts and Vermont -- have seen costs spiral.

"I'm not saying it's not needed, but the wisdom and the wider vision is to get more affordable access to health care for children," he said.

Meanwhile, two New York nonprofits filed a lawsuit challenging the Bush administration's rejection of SCHIP expansion. The lawsuit was filed by the Community Service Society and the Empire Justice Center on behalf of five New York state children. Elisabeth director of health care initiatives for CSS called Spitzer's plan "extraordinary."

"Even with more and more people becoming uninsured in America, since there's been no federal action, it's been left to the states to do what they can with limited funds in state budgets," she said.

A lawsuit filed by New York and several other states is on hold while state officials wait to see what Congress will do, Spitzer said.

This fall, Bush increased the national SCHIP budget by \$5 billion, but would not allow states to expand the program to higher-income families. The administration's argument was there are millions of children who meet the current income limits and those children should be enrolled first. And second, if the income limits rise too high, families might be tempted to drop private health plans to get on government-subsidized programs, a practice known as "crowding-out."

Spitzer estimated that only 3 percent of families leave private plans to take advantage of SCHIP's higher income limit. The benefit of covering all children, he said, outweigh the harm caused by the small number of crowd-outs.

Standing with Spitzer at Thursday's news conference were Albany Mayor Jerry Jennings, state Sen. Neil Breslin, state Assemblyman Jack McEneny, Albany County Executive Michael Breslin and state Health Commissioner Richard Daines.

Schuyler school was chosen for Spitzer's announcement because on Monday it became the first school in the Capital Region to open a health clinic for its students. The clinic is run by the Whitney M. Young Jr. Health Services.

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