

Opening Statement of Chairman Michael C. Burgess, M.D.
Energy and Commerce Subcommittee on Health Hearing
“Extension of Safety Net Health Programs”
June 23, 2017

The Subcommittee will come to order.

The Chairman will recognize himself for an opening statement.

In 2015, this Committee passed the Medicare Access and CHIP Reauthorization Act, which extended funding for many of the nation’s safety net programs, including the Community Health Center Fund and the State Children’s Health Insurance Program (SCHIP). With funding for both the Community Health Center Fund and the SCHIP program set to expire yet again at the end of the fiscal year, our Committee has the responsibility of taking a critical look at how these programs operate and setting out a long-term path to reauthorization.

The Community Health Center Fund plays an important role in supplementing the services that Federally Qualified Health Centers (FQHCs) are able to deliver to underserved communities by providing care to all Americans, regardless of income or ability to pay.

Additionally, the Community Health Center Fund provides resources for the National Health Service Corps, which provides scholarships and loan repayment opportunities to new doctors willing to serve in medically

underserved areas. This program has proven incredibly effective at placing providers, often those who are young, energetic and willing to work hard, in the most medically underserved areas.

The SCHIP program provides health care coverage to over 8 million children across the nation. Through flexible capped allotments to the States, the program has been able to successfully support children while providing States with opportunities to tailor their respective programs as to best meet the needs of their respective populations.

However, these programs are not without challenges. In regards to the Community Health Center Fund, we are interested in seeing how FQHCs can best maximize this investment. Succeeding in underserved areas can be difficult, and so I look forward to learning more as to how FQHCs can continue to deliver results and where improvements to the program can be made.

As for the State Children's Health Insurance Program, there are multiple points for consideration. As is the case with other federal insurance programs, there are considerable concerns regarding the long-

term sustainability of the program. Following the passage of the Affordable Care Act, the program's federal match rate rose an unprecedented 23%, providing some states with as much as a 100% federal match. This increase in funding has challenged the program by both shifting the nature of the shared responsibility of SCHIP to the federal government, and by making states more dependent on federal dollars.

This issue is only further complicated by concerns raised by the Congressional Budget Office (CBO) on the efficacy of the enhanced match rate. According to the CBO, an elimination of the enhanced match rate would basically not impact coverage rates for children in the country, while a continuation of the enhanced funding would add an additional \$7.2 billion to the deficit over the next five years if no other policies were adopted to offset its cost. Therefore, today's hearing should focus on how best to proceed with ACA's increased SCHIP funding rate and what a continuation of this funding would mean for taxpayers and for covered children.

With these challenges before us, I would like to welcome our witnesses and thank them for joining us today as we unpack these important issues:

On the CHIP front, we have Ms. Jami Snyder who serves as the Associate Commissioner for Medicaid and CHIP in my home state of Texas and Ms. Cindy Mann, who served as the Administrator and Director of the Center for Medicaid and CHIP Services at the Centers for Medicare and Medicaid Services (CMS) from 2009 to 2014. I am interested in hearing today how each of your experiences on either side of this has partnership worked, and where you believe that we can improve the ability of States to meet the needs of children covered under the program.

And finally, Mr. Michael Holmes serves as the CEO of Cook Area Health Services and as the Treasurer for the National Association of Community Health Centers. Mr. Holmes, I look forward to your testimony today on the role that the Community Health Center Fund has played in supporting your work.

There is much to discuss today, and I look forward to our conversation on these programs. Both the Community Health Center Fund and the State Children's Health Insurance Program provide state and local opportunities to improve access to care in the United States.