

Congress of the United States
Washington, DC 20515

May 6, 2010

VIA ELECTRONIC TRANSMISSION

The Honorable Kathleen G. Sebelius
Secretary
Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Sebelius:

As part of your Department's implementation of health reform, we encourage you to provide guidance on the provisions of the Patient Protection and Affordable Care Act (PPACA) designed to ensure that low-income Americans do not suffer reductions in their eligibility for Medicaid or CHIP. We included these "maintenance-of-eligibility" (MOE) requirements in PPACA because it is vital that coverage of low-income Americans, including millions of children, remain robust in advance of the effective dates of the key coverage provisions in health reform. As you know, the MOE provisions require states to maintain their Medicaid eligibility rules and enrollment procedures for adults through January 1, 2014, when the Exchanges will be up and running. For children, the MOE provisions are in effect through September 30, 2019, and also apply to the Children's Health Insurance Program (CHIP).

We included an extended MOE for children's coverage because we are so proud of the nation's remarkable progress in covering uninsured children through Medicaid and CHIP. Members of Congress are deeply committed to seeing this progress continue as health reform is being implemented, which is why we are asking you to issue MOE-related guidance that protects the coverage currently available to low-income individuals and families.

Unfortunately, we have heard that some states may try to scale back CHIP coverage for children based on state plans that allow the state to cap or freeze enrollment in certain circumstances even though such a cap or freeze is not currently in effect (and was not in effect when PPACA was enacted). The MOE requirements are intended to prevent the implementation of any more restrictive eligibility standards, methodologies, or procedures, such as enrollment caps and freezes in CHIP, than were in place when PPACA was enacted. We therefore urge you to ensure that the Department's guidance clarifies that the MOE requirements bar the implementation of enrollment caps and freezes, or other restrictive eligibility procedures, that were not already in place and operational as of March 23, 2010.

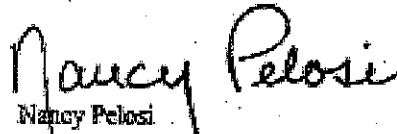
We know you share our commitment to enrolling all eligible uninsured, low-income children as soon as possible, and commend you for issuing the "Connecting Kids to Coverage" challenge to further this effort. Working together, we are confident that we can continue the nation's successful track record of covering low-income children even as we move forward on a parallel track to implement broader reform that covers millions of Americans for the first time.

Thank you for your prompt attention to this matter.

Sincerely,



Harry Reid
Majority Leader
United States Senate



Nancy Pelosi
Speaker
United States House of Representatives



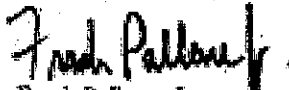
Max Baucus
Chairman
Committee on Finance
United States Senate



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Committee on Energy and Commerce
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