

Reed maneuver in Senate saves SCHIP funds for R.I.

By [Marion Davis](#), Staff Writer

A vote near the end of the U.S. Senate's legislative session has saved a key source of funding for Rhode Island's RItE Care program, which covers low-income children and their parents, providing enough money to avert benefit cutbacks for at least a few more months.

The State Child Insurance Program, created in 1997, provides federal support for state efforts to extend health coverage to low-income people who would otherwise be uninsured. Many states use SCHIP and Medicaid funds separately, but Rhode Island uses both for RItE Care.

While states must match Medicaid funds dollar for dollar, SCHIP covers about two-thirds of the cost, so Rhode Island can afford to cover more children and parents with its limited budget – roughly 11,000 children and 11,000 parents and pregnant women right now, out of a total of about 135,000 people covered by RItE Care.

But although Rhode Island's SCHIP allocation had been drying up, and similar crises had been arising in other states, Congress had been poised to end its session without addressing the problem.

That changed on Dec. 8, when U.S. Sen. Jack Reed, a Rhode Island Democrat and an architect of the SCHIP program, blocked several key bills to force a vote on the SCHIP situation. The Senate went on to approve a short-term solution that will reallocate unused funds from other states to 14 that are running out, including Rhode Island, which will get about \$18 million.

“This is one of those win-win situations,” Reed said at a news conference Monday at Neighborhood Health Plan of Rhode Island, the HMO that covers the majority of RItE Care recipients. Reed said the funds “will take us through at least May.”

Without his efforts, the Rhode Island program would only have run out of money sometime in February, his office said in a news release.

That would have forced the state to use more of its own funds, or else reduce benefits or throw some people out of the program.

“I've been lucky enough to represent Rhode Island in the U.S. Senate for 10 years, and I didn't go there to try to throw kids off the health care programs,”

Reed said. "I went there to try to get them health care."

Linda Katz, policy director at the Poverty Institute at Rhode Island College, said the salvaged funds are "critical" to ensure that the state can maintain coverage for children and parents.

After years of reducing its uninsured rate, she noted, Rhode Island has seen more and more people fall off the rolls in the last two years, so now 19,000 children are uninsured. SCHIP is up for reauthorization next year, and Katz said it must be "fully and fairly funded" in the future.

"While the short-term fix is not perfect," Katz said of Reed's victory, "we take great comfort in knowing that Senator Reed will be a leader in the coming session to make the SCHIP program a priority."