

February 24, 2025

Re: Reconciliation Cuts to Medicaid/CHIP Significantly Harm Children's Health

Dear Honorable Members of the United States House of Representatives:

Children's health should be one of our nation's highest priorities. As a coalition of national organizations dedicated to promoting the health of our nation's children and pregnant women, we write to express our grave concerns over potential cuts to Medicaid and the Children's Health Insurance Program (CHIP) and the devastating consequences for millions of children across the country. Medicaid/CHIP serve as critical lifeline programs ensuring children – especially those from families with low incomes, those in rural areas, those with disabilities, and those with chronic health conditions – have access to the physical and mental health care they need to grow, thrive, and lead healthy lives.

Cuts to Medicaid/CHIP cannot be accomplished without harming children. By reducing Medicaid/CHIP's vital support, you would not just be cutting a budget line – you would be limiting the health prospects of our children, leaving them without the care they need to grow into healthy adults. Beyond just access to services, the potential consequences of such cuts threaten to undermine children's long-term health outcomes, educational performance, and overall well-being. The House budget resolution would force Congress to cut hundreds of billions of dollars in federal funding for these vital programs. **We urge you to vote no on the budget resolution and oppose these substantial cuts.**

Together, Medicaid and CHIP cover more than 37 million children in the United States.¹ Medicaid covers over 40% of births in the country.² Medicaid also covers 3 million children in military-connected families, helping ensure highly specialized healthcare needs not fully addressed by TRICARE or commercial insurance are met.³ Medicaid and CHIP help ensure children have access to essential healthcare services such as doctor visits, hospital care, medications, vision and dental care, and early intervention therapies. Medicaid improves health

¹ Centers for Medicare & Medicaid Services, Medicaid and CHIP Enrollment Trend Snapshot (Oct. 2024), <https://www.medicaid.gov/medicaid/program-information/medicaid-chip-enrollment-data/medicaid-and-chip-enrollment-trend-snapshot/index.html>.

² KFF, Births Financed by Medicaid (2023), <https://www.kff.org/medicaid/state-indicator/births-financed-by-medicaid/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>.

³ Children's Hospital Association, Medicaid: A Vital Resource for Nearly 3 Million Military-Connected Families (Nov. 2023), Prepared by FTI Consulting, <https://www.childrenshospitals.org/-/media/files/public-policy/medicaid/report/medicaid-military-report.pdf>

outcomes by reducing child mortality, emergency care utilization, and hospitalizations while promoting preventive care and early treatment of illnesses.⁴

Medicaid and CHIP cover 47% of the more than 13 million U.S. children with special healthcare needs.⁵ Without a robust Medicaid program, these children will not have access to the services they need. Children with life-threatening illnesses, rare diseases, and complex medical needs would face even greater barriers to care, forcing families to make impossible choices between paying for healthcare or meeting other basic needs such as food and housing.

Medicaid and CHIP also provide vital mental health services to children and their families, which are increasingly necessary in the midst of the current crisis in children's mental health. The numbers of students who persistently feel sad or hopeless and have seriously considered attempting suicide are increasing, and 50% of mental health disorders show their first signs before a child turns 14 years old.^{6,7} Medicaid's Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit ensures that children receive mental health screening and services, in addition to other necessary health services. The mental and physical health of caregivers is also vital to the well-being of babies and children. Medicaid/CHIP postpartum coverage is now provided for 12 months in 48 states and DC, and Medicaid covers 23% of nonelderly adults with mental illness.^{8,9} This coverage for families directly impacts children's health and well-being.

Additionally, Medicaid and CHIP support services in schools, enabling children with disabilities to receive necessary therapies and supports. With over one-third of school-age children (5-18 years old) covered by Medicaid/CHIP,¹⁰ reducing program funding would force schools to cut

⁴ Hakim RB, Boben PJ, Bonney JB. Medicaid and the health of children. *Health Care Financ Rev.* 2000;22(1):133–140; Currie J, Chorniy A. Medicaid and Child Health Insurance Program improve child health and reduce poverty but face threats. *Acad Pediatr.* 2021;21(8S Suppl):S146–S153; Boudreaux MH, Golberstein E, McAlpine DD. The long-term impacts of Medicaid exposure in early childhood: Evidence from the program's origin. *J Health Econ.* 2016;45:161-175. doi:10.1016/j.jhealeco.2015.11.001.

⁵ KFF, How do Medicaid/CHIP Children With Special Health Care Needs Differ From Those With Private Insurance, <https://files.kff.org/attachment/Issue-Brief-How-Do-Medicaid-CHIP-Children-with-Special-Health-Care-Needs-Differ-from-Those-with-Private-Insurance> (last accessed 02/12/2025).

⁶ Centers for Disease Control and Prevention. *Youth Risk Behavior Survey Data Summary & Trends Report: 2013–2023*. U.S. Department of Health and Human Services; 2024. <https://www.cdc.gov/yrebs/dstr/index.html>

⁷ Kessler, Ronald C., Patricia Berglund, Olga Demler, Robert Jin, Kathleen R Merikangas, Ellen E Walters. *Lifetime prevalence and age-of-onset distributions of DSM-IV disorders in the National Comorbidity Survey Replication*. National Center for Biotechnology Information, National Institutes of Health, 2023. <https://pubmed.ncbi.nlm.nih.gov/15939837/>

⁸ KFF, *Medicaid Postpartum Extension Tracker*. January 2025.

<https://www.kff.org/medicaid/issue-brief/medicaid-postpartum-coverage-extension-tracker/>

⁹ Heather Saunders and Robin Rudowitz, *Demographics and Health Insurance Coverage of Nonelderly Adults With Mental Illness and Substance Use Disorders in 2020*, KFF, June 2022. <https://www.kff.org/mental-health/issue-brief/demographics-and-health-insurance-coverage-of-nonelderly-adults-with-mental-illness-and-substance-use-disorders-in-2020/>

¹⁰ Georgetown University Center for Children and Families, *How Medicaid Supports Student Success*, <https://ccf.georgetown.edu/2025/01/09/how-medicaid-supports-student-success/>.

these critical programs, limiting educational opportunities and making it harder for children with disabilities to participate fully in their education. School nurses and counselors rely on Medicaid/CHIP funding to provide mental health services, ensuring that children struggling with anxiety, depression, and trauma receive the care they need. Eliminating or reducing funds for these supports would not only put additional strain on families but also contribute to worsening mental health crises among students.

Further, many rural, frontier, and underserved communities rely on Medicaid/CHIP. Over 40% of children in small towns and rural areas are covered by Medicaid/CHIP.¹¹ In these communities, Medicaid/CHIP provides funding to sustain pediatric care, hospitals, other health facilities, community health centers, and urgent care clinics. Any reduction in Medicaid/CHIP funding would mean that many of these providers – already operating with tight budgets – would be forced to close or scale back services, leaving many children without access to routine or emergency care. The long-term effects of such closures would be devastating, leading to increased disparities in health outcomes and widening the gap between children who receive adequate care and those who do not.

Medicaid and CHIP impact also extends beyond immediate health care needs, as research shows that children covered by Medicaid/CHIP have better health outcomes as adults, higher school attendance, and greater academic achievement.¹² Furthermore, Medicaid/CHIP enrollment during childhood is associated with lower high school dropout rates, increased college attendance, and higher future wages.¹³ By providing this vital healthcare coverage, Medicaid/CHIP not only improve children's current health status but also contribute to their long-term well-being and productivity, making it an essential investment in the nation's future and global competitiveness.

By maintaining and enhancing Medicaid/CHIP, we can help ensure that every child has the opportunity to grow up strong, healthy, and prepared for the future. Please work to strengthen, protect, and make investments in Medicaid/CHIP to ensure that all children, regardless of their background or healthcare needs, have access to the care they deserve.

Should you have any questions about the letter or wish to discuss this issue further, please contact Abuko D. Estrada, J.D., Vice President for Medicaid and Child Health Policy, at First Focus Campaign for Children at abukoe@firstfocus.org.

Respectfully,

¹¹ Georgetown University Center for Children and Families, Medicaid's Role in Small Towns and Rural Areas, <https://ccf.georgetown.edu/2025/01/15/medicaids-role-in-small-towns-and-rural-areas/>.

¹² Georgetown University Center for Children and Families, How Medicaid Supports Student Success, <https://ccf.georgetown.edu/2025/01/09/how-medicaid-supports-student-success/>.

¹³ *Ibid.*

American Academy of Pediatrics
Children's Defense Fund
Children's Hospital Association
Family Voices National
First Focus Campaign for Children
March of Dimes
National Association of Pediatric Nurse Practitioners