

United States Senate

WASHINGTON, DC 20510

February 25, 2009

The Honorable Gary Stevens
Senate President
State Capitol, Room 111
Juneau, AK 99801-1182

The Honorable Lyman Hoffman
Co-Chairman, Senate Finance Committee
State Capitol, Room 518
Juneau, AK 99801-1182

The Honorable Bert Stedman
Co-Chairman, Senate Finance Committee
State Capitol, Room 516
Juneau, AK 99801-1182

Dear Senators Stevens, Hoffman and Stedman:

As the Alaska Senate this week resumes committee work on Denali KidCare, I urge your support of proposals to increase the number of children and pregnant women eligible for health insurance under this valuable program. One of my first acts as U.S. Senator was to vote in favor of the Children's Health Insurance Program Reauthorization Act of 2009. The measure also was supported by Senator Lisa Murkowski and Congressman Don Young. Now that Congress has reauthorized and funded the Children's Health Insurance Program (CHIP) for the next five years, it is time to give more Alaska families the chance to qualify for basic health care.

The federal legislation authorizes states to offer coverage for families earning up to 300 percent of the federal poverty level (FPL), and some already do. It is troubling that Alaska – recognized in the early days of Denali KidCare as a national leader for its outreach and signup efforts – is now at only 175 percent of FPL and one of the strictest states in the nation for eligibility.

At a minimum, I urge you and your colleagues to restore Alaska's eligibility guidelines to 200 percent. As you know, that step would return Alaska to 2003 levels and immediately qualify an estimated 1,277 additional children and 218 more pregnant women for Denali KidCare. I and many other Alaskans would celebrate that improvement. However, merely restoring the program to where it was six years ago is not exactly a huge victory for Alaska's families. We can and should do better. I support efforts to increase eligibility levels beyond 200 percent of FPL, including the possibility of an effective but equitable co-pay provision for families that can afford to buy into the program. I applaud your Senate and House colleagues on both sides of the political aisle who are working to improve Alaska's program.

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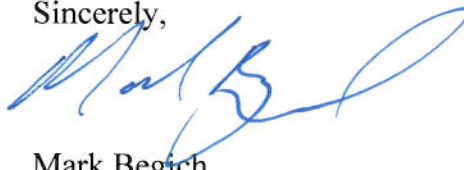
We know the need is great. According to the respected Kaiser Family Foundation, there are more than 21,000 children in Alaska without health insurance. Many are from hard-working families who make too much for regular Medicaid but not enough to afford a private health plan. This results in less preventive care, more sickness and more lost school days. Emergency room visits also increase – last-minute care that is often uncompensated and results in higher insurance premiums and medical costs for everyone.

As you deliberate, let me alleviate concerns about federal support. When President Obama signed the CHIP reauthorization bill earlier this month, he and Congress effectively joined forces to provide states with funding certainty (CHIP is now authorized through FFY2013). That continuity is especially important during these times of economic instability. If families do lose employer-provided health coverage or fall further behind in their efforts to afford private insurance, it is essential that Denali KidCare be available to cover basic health care needs. Coupled with the fact that the federal government is offering financial incentives to states that increase enrollment and will pay up to 70 percent of the total cost of the program (currently estimated at 66 percent in Alaska), this is frankly a very good deal.

Given action by Congress to reauthorize CHIP, the Legislature's obvious interest in this issue and Governor Palin's announced intent to support an expansion of Denali KidCare, it looks as if the stars are finally aligned.

Thank you for your work on this matter. Please feel free to contact me if I can be of assistance.

Sincerely,



Mark Begich
U.S. Senator

Cc: The Honorable Mike Chenault, Speaker of the House
The Honorable Mike Hawker, Co-Chairman, House Finance Committee
The Honorable Bill Stoltze, Co-Chairman, House Finance Committee
Governor Sarah Palin