

# REPRESENTATIVE PIERSON JOINS CALL TO RESTORE CHILDREN'S HEALTH INSURANCE PROGRAM (CHIP) FUNDING

## *Pierson Calls 2003 Cuts to CHIP Fiscally Irresponsible*

AUSTIN - Today Representative Paula Pierson joined House colleagues at a press conference to announce the introduction of over 60 bills calling for the restoration of Children's Health Insurance Program funding to pre-House Bill 2292 levels.

Pierson addressed the economic impact the 2003 cuts have had on small businesses, local governments, hospitals and the state.

**"Not restoring CHIP to it's previous level is fiscally irresponsible,"** said Pierson. **"The loss of Federal matching funds and the rising costs associated with the increased number of uninsured is costing our state, our counties, our cities, and our small businesses hundreds of millions of dollars. Simply put, because of the cuts to CHIP, each and every Texan is paying the price."**

A 2005 study by The Perryman Group found that for every net dollar cut from CHIP and Medicaid, the state loses \$6.92 in gross state product, retail sales are reduced by \$1.81 and small businesses and individuals pay an additional \$1.52 in out-of-pocket and private health care costs.

**"This is too high a price to pay for what was a short-sighted policy change,"** continued Pierson. **"Of course, we must not forget who is truly paying the biggest price, it is the uninsured children of hard working families throughout this great state."**

Pierson is currently drafting a bill that will completely restore CHIP funding.

The Children's Health Insurance Program was created to assist working families insure their children. Children from families who have incomes between 100% and 200% of the Federal Poverty Level are eligible for the program. Currently, the State of Texas receives \$2.62 from the Federal government for every dollar the state spends on CHIP.

In Tarrant County, there are 8,828 fewer children on CHIP since House Bill 2292 took affect on September 1, 2003. Statewide, over 200,000 fewer children are covered by CHIP since the changes to the program took affect.