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STATES MAY PROVIDE SCHIP COVERAGE FOR PRENATAL CARE New Rule to Expand Health Care Coverage for Babies, Mothers

HHS Secretary Tommy G. Thompson today issued a new regulation allowing states to use the State Children's Health Insurance Program (SCHIP) to provide health coverage for prenatal care and delivery to mothers and their unborn children -- helping to ensure that low-income mothers have healthy pregnancies and that their babies are born healthy and strong.

The final regulation, which will be published in the Federal Register on Wednesday, October 2, allows states to file a state plan amendment to use existing SCHIP funding for coverage for children from conception to birth and up to age 19. The regulation allows states to provide this benefit regardless of the mother's immigration status.

"Prenatal care is one of the most important investments that we can make to ensure the long-term good health of our children and their mothers," Secretary Thompson said. "This is a common-sense, compassionate measure to make sure that all children born in this country come into the world as healthy as possible. It's another way to secure a safety net of care for our children and their mothers."

Because prenatal care is a key element to ensuring healthy infants and children, this rule will maximize the availability of prenatal care and consequently, promote the overall health of infants and children. In addition, the new regulation makes sure that all low-income immigrants have access to important prenatal care for their babies.

The change means that states can expand SCHIP eligibility to cover unborn children without requesting and obtaining a waiver from HHS. Two states -- New Jersey and Rhode Island -- have already obtained waivers to cover pregnant women using SCHIP funds, but the change would allow a faster path to providing such coverage.

"With this new regulation, states can offer prenatal coverage immediately -- without waiting for HHS to consider and approve a waiver," Secretary Thompson said. "It represents a speedy new option for states that want to do more to ensure that women get critical prenatal care that will increase the chances that their children are born healthy."

SCHIP was enacted with bipartisan support in 1997 with total 10-year funding authorized at \$40 billion. Under SCHIP, about 70 percent of spending by the state programs is paid by federal funds. Although all states now operate SCHIP programs, substantial portions of the available funds are still unused.

As former governors, President Bush and Secretary Thompson have made it a priority to make it simpler and easier for governors to submit Medicaid and SCHIP waiver requests and to have those requests considered promptly. Since January 2001, HHS has approved waivers and plan amendments that have expanded eligibility to more than 2 million people and enhanced benefits for more than 6 million people.

“President Bush and I are committed to doing everything we can to encourage states to use all their SCHIP funds to expand health coverage to low-income children, pregnant mothers and others in their states who otherwise would remain uninsured,” Secretary Thompson said. “By giving states more flexibility to expand coverage, we are helping to expand access to coverage for millions of Americans.”

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