A CONCURRENT RESOLUTION urging the United States Congress to continue full funding of Medicaid and the Children's Health Insurance Program and to allow states to keep unspent redistributed funds.

WHEREAS, the United States Congress provides federal funds to each state for the provision of a Medicaid program and a state children's health insurance program (CHIP) for the benefit of children who would not otherwise have health insurance coverage due to limited family income; and

WHEREAS, Kentucky's Children's Health Insurance Program (KCHIP) is widely considered one of the best CHIP programs in the country; and

WHEREAS, over 147,000 low income children have enrolled in KCHIP since its inception in July, 1998; and

WHEREAS, over 50,800 low income children were enrolled in KCHIP as of September, 2002; and

WHEREAS, Kentucky was one of only 13 states to spend all of its initial allotment of federal funds and to receive redistributed funds from other states that had been less successful in implementation of a CHIP program; and

WHEREAS, in Fiscal Year 2001, Kentucky received \$27.9 million in redistributed funds that had been unspent by other states in Federal Fiscal Year 1998, and in Fiscal Year 2002, Kentucky received \$96.3 million in redistributed funds that had been unspent by other states in Federal Fiscal Year 1999; and

WHEREAS, \$59.9 million in redistributed funds have lapsed because the funds were not spent by the end of September, 2002, less than one year after their receipt; and

WHEREAS, Congress has not taken action to allow the states to keep unspent CHIP funds, and as a result, Kentucky will not be able to continue its current enrollment and benefits levels; and

WHEREAS, Kentucky faces a severe shortfall in its Medicaid funding, and failure to provide increased funding will jeopardize the health of the state's neediest children; NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. The Kentucky General Assembly respectfully urges the United States Congress to enact measures that would effectuate a temporary increase in the federal share of Medicaid funding, permit states to keep unspent redistributed funds in the children's health insurance program, and otherwise fully fund the Medicaid and children's health insurance programs.

Section 2. The Clerk of the Senate is directed to transmit a copy of this Concurrent Resolution to the President of the United States, each member of the United States Congress, the Secretary of the United States Department of Health and Human Services, and the Administrator of the Centers for Medicare and Medicaid Services.