

**MEDICAL ASSISTANCE
FOR CHILDREN WITH DISABILITIES
2007 REPORT**



**Commonwealth of Pennsylvania
Department of Public Welfare
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ACKNOWLEDGEMENTS

INTRODUCTION

This report provides the appropriate committees of the Pennsylvania Senate, House of Representatives and other interested members of the general public with the information requested in Act 1A of 2005 regarding children with disabilities enrolled in the Medical Assistance (MA) Programs. These are children enrolled in the eligibility group with category and program status code PH-95. The parental income for children in this eligibility category was not considered in determining their MA eligibility. Following the similar formatting of previously released reports, this report analyzes the demographic information of certain MA children with disabilities, their services utilization and the cost of services provided under both the Fee-for-Service (FFS) and MA managed care delivery systems during calendar year 2007.

Background

Act 1A of 2005, the Appropriations Act of 2005, requires the Department of Public Welfare (the Department) to submit an annual report to the Legislature on certain children with disabilities enrolled in the MA Programs as follows:

“The Department shall submit to the Public Health and Welfare Committee of the Senate and the Health and Human Services Committee of the House of Representatives an annual report including, but not limited to, the following data: family size, household income, county of residence, length of residence in Pennsylvania, third-party insurance information, diagnosis and the type and cost of services paid for by the medical assistance program on behalf of each eligible and enrolled child that has an SSI (Supplemental Security Income) level of disability and where parental income is not currently considered in the eligibility determination process.”

This is the fifth report released by the Department since 2005 on certain MA children with disabilities in response to the legislative mandates.

Methodology

The data for the analysis were collected from three offices within the Department.

The Office of Income Maintenance (OIM) provided information on eligible children’s household income, family size, length of residency in Pennsylvania, and diagnoses information. This information is collected at County Assistance Offices (CAOs), where caseworkers determine eligibility for MA. Eligible children with SSI-level of disability whose parents’ income is not considered in the eligibility determination process are enrolled in eligibility category PH-95. The information documenting the disability of most children assigned to this category is sent to a contracted Medical Review Team (MRT), which certifies the child’s disability using the Social Security Administration’s (SSA) rules and regulations.

The MRT, then, reports the results of their determination to the CAOs. Children receiving SSI at the time of MA application are not referred to the MRT because it is assumed that the SSA has already verified their disability. The Department was granted authority to require that all families submit information about their household income, family size and length of residency in Pennsylvania only after Act 7A of 2002, the State Fiscal Year 2002-2003 budget, was passed. CAOs began collecting this information after January 1, 2003 for new applications received and also began collecting income information from families who reached their annual re-determination date.

The Office of Mental Health and Substance Abuse Services (OMHSAS) provided information on behavioral health services rendered by behavioral health managed care organizations (BH-MCOs) in the year 2007. BH-MCOs directly submitted the data to OMHSAS. The data were not available in PA PROMISe™ at the time of analysis.

The Office of Medical Assistance Programs (OMAP) stores information about MA eligibility dates, demographic information of eligible recipients, third party insurance information, and types and cost of services provided to the recipients in the Department's Enterprise Data Warehouse (EDW) and/or the Fraud and Abuse Detection System (FADS), which loads the information from the Department's claim processing system, PA PROMISe™ and the Client Information System (CIS). Services are provided through two delivery systems: Fee-for-Service (FFS), which include ACCESS Plus, and Managed Care (MC). Data on eligibility dates and demographic information on children were extracted from the Eligibility File; data on types and costs of services provided in the FFS delivery system were extracted from the Paid Claims History; and the data on capitation payments made on behalf of managed care members were extracted from the Capitation History, all available in the EDW. Data on third party insurance availability were extracted from FADS. Data on types and costs of services provided under physical health managed care organizations (PH-MCOs) were obtained directly from PH MCOs operating under HealthChoices, the Department's mandatory managed care program. In addition, a very limited volume of data, approximately 1% of the managed care data, were provided by voluntary MCOs.

Limitation

The service records for the 2007 MCOs service utilization analysis were directly submitted by MCOs, which were not available in PA PROMISe™. Any data limitations resulting from the data collection process were noted in the document.

Description of Report Format

The report provides information in three parts.

Part I provides demographic information on the MA eligible children with disabilities. The analysis is based on data from three sources. Analysis of eligibility data available through EDW provides information on any children who were in the eligibility category anytime during the year 2007, and who were younger than age 21 as of December 31, 2007. Information on Third Party Liability (TPL) was available through FADS within OMAP. Analysis of information on household income, family size, length of residency in Pennsylvania, and diagnoses of the eligible children is based on data provided by OIM. Data provided by OIM are based on any children with disabilities in eligibility category PH-95 for whom the data are available. The numbers of children for whom the analysis is based on are noted in the document.

The analysis of demographic information of eligible children was based on county of residence, age group, household income group, length of residency in Pennsylvania, as well as health service delivery system (FFS vs. Managed Care).

The age group analysis was conducted in the following four age groups:

- Between 0 and 5
- Between 6 and 12
- Between 13 and 17
- Between 18 and 20

The analysis by household income group was conducted for the following ten groups based on annual household income and TPL availability:

- Income less than \$50,000 with TPL
- Income \$50,000 or greater and less than \$75,000 with TPL
- Income \$75,000 or greater and less than \$100,000 with TPL
- Income between \$100,000 and \$200,000 with TPL
- Income greater than \$200,000 with TPL
- Income less than \$50,000 without TPL
- Income \$50,000 or greater and less than \$75,000 without TPL
- Income \$75,000 or greater and less than \$100,000 without TPL
- Income between \$100,000 and \$200,000 without TPL
- Income greater than \$200,000 without TPL

Part II provides information on MA expenditures for the children identified under Part I. MA expenditures consist of payments made to MA enrolled providers for services rendered to children with disabilities in the Fee-for-Service (FFS)

delivery system, capitation payments made for disease management services for FFS enrolled children under ACCESS Plus, and capitation payments made to MA Managed Care Organizations (MCOs) for services provided to managed care members identified under Part I. To analyze the information on types and cost of services provided in the FFS delivery system, services were grouped into the following twelve service categories:

- Inpatient Behavioral Health Services
- Inpatient Physical Health Services
- Institutional Care Services
- Outpatient Behavioral Health Facility Services
- Outpatient Behavioral Health Services
- Outpatient Physical Health Facility Services
- Outpatient Physical Health Services
- Pharmacy Services
- Private Duty Nursing Services
- Residential Treatment Facility Services
- School-Based Services
- Skilled Nursing Facility Services

The definitions of these service categories are provided in Appendix I.

Part III provides information on services rendered by MCOs to the children identified under Part I. Due to the data limitations, services were grouped into the following five service categories, as provided by MCOs:

- Behavioral Health Services
- Dental Services
- Inpatient Physical Services
- Outpatient Physical Services
- Pharmacy Services

Key Facts on Medical Assistance for Children with Disabilities, 2007

•	Total Number of Children with Disabilities	47,828
•	Managed Care (MC) Enrollment*	
	Physical Health	33,131
	Behavioral Health	44,108
	Physical and Behavioral Health	33,065
•	Fee-for-Service Enrollment**	
	Physical Health	14,697
	Behavioral Health	3,720
•	Total DPW Expenditure***	\$443,521,166.67
	Federal Share	\$259,277,064.19
	State Share	\$184,244,102.48
•	Total Amount Paid by Managed Care ****	\$236,205,488.13

*DPW completed the implementation of HealthChoices, a mandatory managed care program, to provide behavioral health services in all 67 counties in Pennsylvania in July 2007. The numbers include the distinct number of children with managed care capitation payment.

**The numbers include the distinct count of children with no managed care capitation payment throughout the year.

***The DPW Expenditure includes the payments for services provided under the FFS delivery system, the capitation payments made for recipients enrolled in AccessPlus, and the capitation payments made to the managed care organizations for recipients enrolled in managed care.

****The Department did not pay this amount. This was the total amount that MCOs paid to their providers, based on the encounter data provided by MCOs. This figure included the amounts paid for limited number of services provided by voluntary managed care.

ANALYSIS OF CHILDREN WITH DISABILITIES ON MEDICAL ASSISTANCE

PART I: Demographic Profile

County of Residence

The total number of MA eligible children with disabilities enrolled sometime in 2007, who were younger than 21 as of December 31, 2007, was 47,828. This number indicated an increase of 0.4% from 47,632 reported in the 2006 report. Table 1 lists the number of these children and the percentage of total PH-95 enrollment by county of residence. If a child was once enrolled during the year 2007, the child was counted even when the child became non-eligible. If a child moved from one county to another during the year, which happened to less than 1% of these children, one county was randomly chosen for each child as a county of residence, so that all the children were counted only once.

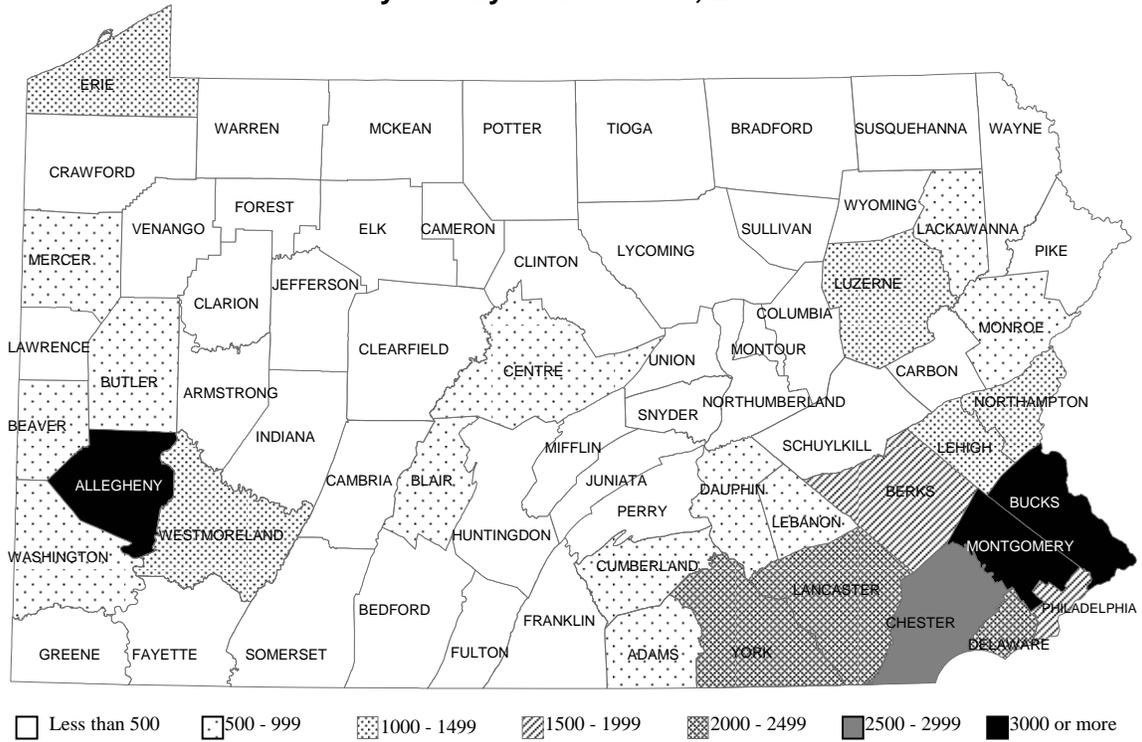
Figure 1 geographically shows how MA enrolled children with disabilities were distributed across the state by county of residence, based on Table 1. The greatest number of these children resided in Allegheny County followed by Montgomery and Bucks Counties in the southeast region of the state. Philadelphia County and York County showed a decrease in enrollment of more than 100 children compared to the 2006 report, and two counties, Chester and Montgomery showed the largest increase in the number of enrollment with 159 and 93 respectively.

Table 1: Number of MA Enrolled Children with Disabilities and Percent of Total MA Enrolled Children with Disabilities by County of Residence, 2007

County	Enrolled	Percent Enrolled
Adams	513	1.07%
Allegheny	4,421	9.24%
Armstrong	271	0.57%
Beaver	626	1.31%
Bedford	185	0.39%
Berks	1,600	3.35%
Blair	512	1.07%
Bradford	188	0.39%
Bucks	3,164	6.62%
Butler	899	1.88%
Cambria	391	0.82%
Cameron	27	0.06%
Carbon	252	0.53%
Centre	507	1.06%
Chester	2,501	5.23%
Clarion	149	0.31%
Clearfield	433	0.91%
Clinton	119	0.25%
Columbia	227	0.47%
Crawford	373	0.78%
Cumberland	945	1.98%
Dauphin	892	1.87%
Delaware	2,320	4.85%
Elk	372	0.78%
Erie	1,172	2.45%
Fayette	254	0.53%
Forest	7	0.01%
Franklin	398	0.83%
Fulton	44	0.09%
Greene	87	0.18%
Huntingdon	265	0.55%
Indiana	280	0.59%
Jefferson	214	0.45%
Juniata	86	0.18%
Lackawanna	859	1.80%
Lancaster	2,358	4.93%
Lawrence	328	0.69%
Lebanon	604	1.26%
Lehigh	1,462	3.06%
Luzerne	1,157	2.42%
Lycoming	382	0.80%
McKean	194	0.41%
Mercer	656	1.37%
Mifflin	206	0.43%
Monroe	808	1.69%
Montgomery	3,600	7.53%
Montour	103	0.22%
Northampton	1,240	2.59%
Northumberland	263	0.55%
Perry	199	0.42%
Philadelphia	1,805	3.77%
Pike	343	0.72%
Potter	73	0.15%
Schuylkill	479	1.00%
Snyder	159	0.33%
Somerset	177	0.37%
Sullivan	14	0.03%
Susquehanna	160	0.33%
Tioga	84	0.18%
Union	159	0.33%
Venango	163	0.34%
Warren	228	0.48%
Washington	910	1.90%
Wayne	237	0.50%
Westmoreland	1,296	2.71%
Wyoming	140	0.29%
York	2,288	4.78%
Total	47,828	100.00%

Source: DPW Enterprise Data Warehouse

Figure 1: Distribution of MA Enrolled Children with Disabilities in Pennsylvania by County of Residence, 2007

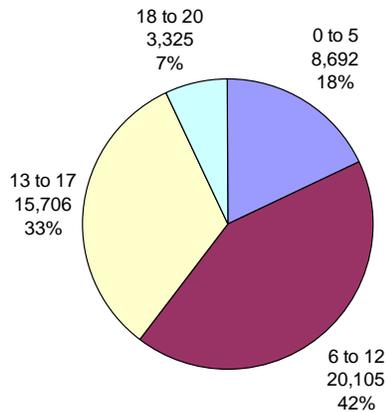


Demographic Profile (Continued)

Age Group

As presented in Figure 2, 42% of the MA children with disabilities enrolled in 2007 were in the age group between 6 and 12.

Figure 2: Percent of MA Enrolled Children with Disabilities by Age Group, 2007*



* Age was determined as of December 31, 2007.
Source: DPW Enterprise Data Warehouse

Demographic Profile (Continued)

Household Income, Third Party Insurance, Family Size and Length of Residency in Pennsylvania

Information on household income, family size and length of residency in Pennsylvania for MA children with disabilities was provided by OIM for 39,507 children. Information on third party insurance was extracted from FADS within OMAP. This analysis was based on the information for these 39,507 children. The information on the remaining 8,321 children was not available for analysis.

Average monthly income of MA eligible children with disabilities, their mothers, fathers, other household members and the total household are presented in Table 2.

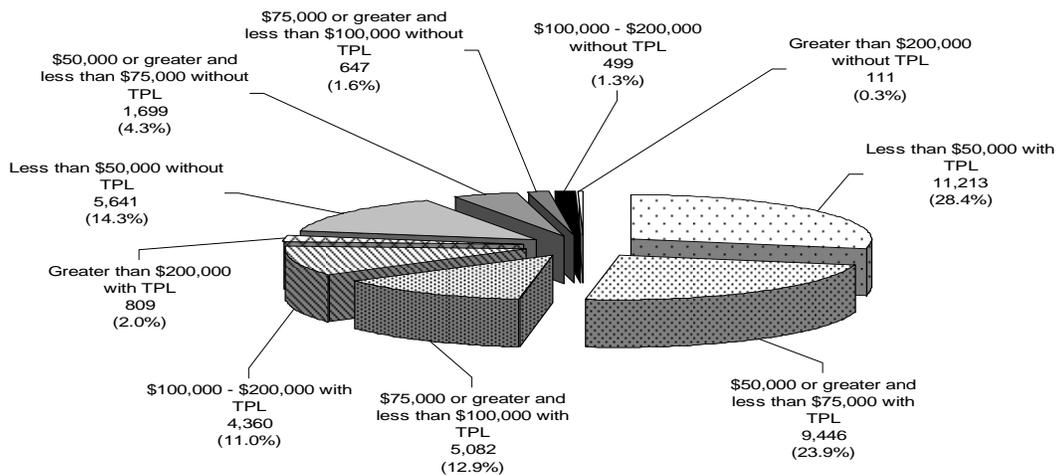
Table 2: Average Monthly Income of Household Members for MA Enrolled Children with Disabilities, 2007 (N=39,507)

Household Member	Earned Income	Unearned Income	Total
Eligible Child	\$17.81	\$63.13	\$80.94
Mother	\$1,686.00	\$95.61	\$1,781.61
Father	\$4,406.48	\$124.99	\$4,531.47
Other Household Members	\$20.04	\$52.13	\$72.17
Total Average Monthly Income	\$6,130.33	\$335.86	\$6,466.19

Source: Office of Income Maintenance (OIM)

Figure 3 shows the number of MA children with disabilities by annual income group with and without TPL in 2007. Over 28% of these children were in the annual income group of less than \$50,000 with TPL.

Figure 3: Number of MA Enrolled Children with Disabilities by Annual Income Group with and without TPL, 2007 (N=39,507)



Source: OIM

* Percentage may not equal to 100% due to rounding.

Demographic Profile (Continued)

Table 3 shows the number of MA children with disabilities, the total number of household members, and average number of household members by annual income group.

Table 3: Number and Percent of MA Enrolled Children with Disabilities by Annual Income Group, and Total and Average Number of Household Members, 2007 (N=39,507)

Income Group	Number of PH-95 Children	Percent*	Total Number of Household Members	Average Number of Members per Household**
With TPL				
Less than \$50,000	11,213	28.4%	42,638	3.8
\$50,000 or greater and less than \$75,000	9,446	23.9%	39,512	4.2
\$75,000 or greater and less than \$100,000	5,082	12.9%	21,827	4.3
\$100,000 - \$200,000	4360	11.0%	18,969	4.4
Greater than \$200,000	809	2.0%	3,535	4.4
Without TPL				
Less than \$50,000	5,641	14.3%	19881	3.5
\$50,000 or greater and less than \$75,000	1,699	4.3%	7,005	4.1
\$75,000 or greater and less than \$100,000	647	1.6%	2,732	4.2
\$100,000 - \$200,000	499	1.3%	2,166	4.3
Greater than \$200,000	111	0.3%	450	4.1
Total	39,507	100.0%	158,715	4.0

* Percentage may not equal to 100% due to rounding.

** The number of children was used as number of households. It is possible that some eligible children live in the same household, so that the actual number of households might be slightly less than the actual number of children.

Source: OIM

Table 4 shows the number and percent of MA children with disabilities by the length of residency in Pennsylvania. Nearly 90% of the eligible children who were re-determined to be MA eligible in 2007 lived in Pennsylvania for over five years.

Table 4: Number and Percent of MA Enrolled Children with Disabilities by Length of Residency in Pennsylvania, 2007 (N=39,507)

Length of Residency	Number of Children	Percent
Over 5 Years	34,575	87.5%
1 Year to 5 Years	4,312	10.9%
6 Months to 1 Year	230	0.6%
Less than 6 Months	390	1.0%
Total	39,507	100.0%

Source: OIM

Demographic Profile (Continued)

Health Service Delivery System

MA services are provided through two delivery systems: Fee-for-Service (FFS) and managed care. When a child becomes MA eligible in a county where managed care is available, either under the HealthChoices mandatory managed care program, or under a voluntary managed care plan, physical health MCO enrollment occurs 30 – 45 days after the eligibility determination is made in order to allow children to choose their physical health MCO and primary care physician. During this period, MA covered physical health services are paid under the FFS delivery system. In addition, there are certain services which are not paid by managed care and continue to be paid under the FFS delivery system; these include:

- school-based services, and
- institutional care services after thirty (30) days.

In these cases, the services provided for the managed care members are paid under the FFS delivery system. For these reasons, there are occasions when children identified as MCO members receive services paid for through the FFS program.

In July 2007, the Department completed the statewide implementation of the HealthChoices Behavioral Health managed care program for MA recipients in all 67 counties.

Table 5 shows the numbers of MA enrollment for children with disabilities in 2007 by each delivery system for physical health and behavioral health. As children move from a managed care county to a FFS county, the delivery system in which they receive their physical health care services often changes. If children had a record of managed care capitation payments with the total amount greater than \$0 for a managed care organization during the year, these children were counted in the managed care delivery system, and the remaining children were counted in the FFS delivery system.

Table 5: Numbers of Enrollment of Children with Disabilities by Health Care Delivery System, 2007

Enrollment	Managed Care	FFS
Physical Health	33,131	14,697
Behavioral Health	44,108	3,720

Demographic Profile (Continued)

Diagnoses

Analysis of diagnoses of children with disabilities was based on information provided by the OIM's contracted Medical Review Team (MRT) which certifies each child's disability. The information was available for 27,632 MA eligible children with disabilities through the MRT in 2007. As discussed under Introduction, children receiving SSI at the time of MA application are not referred to the MRT because it is assumed that the SSA has already verified their disability. For that reason, the analysis was based on these 27,632 children with diagnosis information available through MRT.

Table 6 shows the ten most frequently reported diagnoses for the children with disabilities. Tables 7 through 10 present the ten most frequently reported diagnoses for these children by age group.

Table 6: Top 10 Diagnoses of MA Enrolled Children with Disabilities (N=27,632)

Rank	Diagnosis*	Number of Children**	Percent***
1	Autistic Disorder and Otherwise Pervasive Developmental Disorders	4,703	17.0%
2	Attention Deficit Hyperactivity Disorder	3,774	13.7%
3	Organic Mental Disorder	2,637	9.5%
4	Communication impairment, associated with documented neurological disorder	2,180	7.9%
5	Mood Disorders	1,902	6.9%
6	Multiple Body Dysfunction	1,654	6.0%
7	Hearing Impairments	1,510	5.5%
8	Juvenile Diabetes Mellitus	872	3.2%
9	Down Syndrome	851	3.1%
10	Anxiety Disorders	799	2.9%

* Diagnoses are based on the Disability Evaluation under Social Security.

** A total of 6,750 children had other diagnoses.

*** Percentages are based on 27,632 children, for whom the diagnoses information was available.

Source: OIM

Demographic Profile (Continued)

**Table 7: Top 10 Diagnoses of MA Enrolled Children with Disabilities
Between 0 and 5 Years of Age (N=5,454)**

Rank	Diagnosis*	Number of Children**	Percent***
1	Autistic Disorder and Otherwise Pervasive Developmental Disorders	984	18.0%
2	Communication impairment, associated with documented neurological disorder	912	16.7%
3	Organic Mental Disorder	525	9.6%
4	Multiple Body Dysfunction	502	9.2%
5	Hearing Impairments	276	5.1%
6	Category of Impairments, Multiple Body Systems	263	4.8%
7	Down Syndrome	248	4.5%
8	Category of impairments, Neurological	227	4.2%
9	Congenital Heart Disease	141	2.6%
10	Attention Deficit Hyperactivity Disorder	138	2.5%

* Diagnoses are based on the Disability Evaluation under Social Security.

** A total of 1,238 children had other diagnoses.

*** Percentages are based on 5,454 children between 0 and 5 years of age.

Source: OIM

**Table 8: Top 10 Diagnoses of MA Enrolled Children with Disabilities
Between 6 and 12 Years of Age (N=13,184)**

Rank	Diagnosis*	Number of Children**	Percent***
1	Autistic Disorder and Otherwise Pervasive Developmental Disorders	2,678	20.3%
2	Attention Deficit Hyperactivity Disorder	1,968	14.9%
3	Organic Mental Disorder	1,414	10.7%
4	Communication impairment, associated with documented neurological disorder	1,100	8.3%
5	Multiple Body Dysfunction	758	5.7%
6	Hearing Impairments	735	5.6%
7	Mood Disorders	455	3.5%
8	Juvenile Diabetes Mellitus	450	3.4%
9	Down Syndrome	421	3.2%
10	Anxiety Disorders	351	2.7%

* Diagnoses are based on the Disability Evaluation under Social Security.

** A total of 2,854 children had other diagnoses.

*** Percentages are based on 13,184 children between 6 and 12 years of age.

Source: OIM

Demographic Profile (Continued)

**Table 9: Top 10 Diagnoses of MA Enrolled Children with Disabilities
Between 13 and 17 Years of Age (N=8,904)**

Rank	Diagnosis*	Number of Children**	Percent***
1	Attention Deficit Hyperactivity Disorder	1,651	18.5%
2	Mood Disorders	1,396	15.7%
3	Autistic Disorder and Otherwise Pervasive Developmental Disorders	1,035	11.6%
4	Organic Mental Disorder	693	7.8%
5	Hearing Impairments	493	5.5%
6	Anxiety Disorders	426	4.8%
7	Multiple Body Dysfunction	390	4.4%
8	Juvenile Diabetes Mellitus	345	3.9%
9	Personality Disorders	238	2.7%
10	Major Motor Seizure Disorder	182	2.0%

* Diagnoses are based on the Disability Evaluation under Social Security.

** A total of 2,055 children had other diagnoses.

*** Percentages are based on 8,904 children between 13 and 17 years of age.

Source: OIM

**Table 10: Top 10 Diagnoses of MA Enrolled Children with Disabilities
Between 18 and 20 Years of Age (N=90)**

Rank	Diagnosis*	Number of Children**	Percent***
1	Mood Disorders	29	32.2%
2	Attention Deficit Hyperactivity Disorder	17	18.9%
3	Hearing Impairments	6	6.7%
3	Autistic Disorder and Otherwise Pervasive Developmental Disorders	6	6.7%
5	Organic Mental Disorder	5	5.6%
6	Multiple Body Dysfunction	4	4.4%
7	Anxiety Disorders	3	3.3%
7	Juvenile Diabetes Mellitus	3	3.3%
9	Personality Disorders	2	2.2%
9	Somatoform, Eating, and Tic Disorders	2	2.2%
9	Mental Retardation	2	2.2%

* Diagnoses are based on the Disability Evaluation under Social Security.

** A total of 11 children had other diagnosis.

**** Percentages are based on 90 children between 18 and 20 years of age.

Source: OIM

PART II: MA Expenditures and Fee-for-Service (FFS) Profile

Total MA Expenditure

The total MA expenditures for children with disabilities consisted of FFS payments made to MA enrolled and participating providers and capitation payments made to voluntary and mandatory (HealthChoices) MCOs for managed care enrolled children. In addition, the primary care case management system, ACCESS Plus, requires FFS enrolled children to choose a primary care physician (PCP) who manages physical health services for children. The Department makes capitation payments for disease management services for FFS enrolled children.

Table 11 shows MA expenditures for children with disabilities grouped by federal and state share amounts and total amounts paid. The FFS expenditures represent payments made directly to FFS providers for services rendered and ACCESS Plus capitation payments made for the service months in year 2007. The capitation payments made to MCOs consisted of three types of medical services: maternity care, physical health and behavioral health. The managed care capitation figures in Table 11 represent the payments made for the capitation months in year 2007.

- Approximately 77% of the total MA expenditures for children with disabilities were paid for managed care capitation payments.
- The total DPW expenditures for children with disabilities in 2007 increased by 1% from 2006 by nearly \$4.5 million.
- The FFS expenditure paid to service providers for children with disabilities in 2007 decreased by \$40.3 million from 2006. Under managed care, however, the total capitation payment for behavioral health services increased from 2006 by over \$23 million, while the capitation payment for physical health services increased by over \$21.6 million.

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

**Table 11: MA Expenditures for Children with Disabilities,
Dates of Service / Capitation Months 2007***

	Federal	State	Total
Fee-for-Service	\$72,713,836.02	\$27,232,276.10	\$99,946,112.12
Payments to Providers	\$72,459,984.83	\$27,019,591.90	\$99,479,576.73
ACCESS Plus Capitations	\$253,851.19	\$212,684.20	\$466,535.39
Managed Care Capitations**	\$186,563,228.17	\$157,011,826.38	\$343,575,054.55
Maternity Care	\$64,835.87	\$54,813.48	\$119,649.35
Physical Health	\$120,413,644.54	\$101,325,124.54	\$221,738,769.08
Behavioral Health	\$66,084,747.76	\$55,631,888.36	\$121,716,636.12
Total	\$259,277,064.19	\$184,244,102.48	\$443,521,166.67
Federal/State Ratio of Total Expenditure***	58.46%	41.54%	100.00%

* The data are based on claims and capitations paid through December 2009.

** The amounts include the payments paid to voluntary MCOs.

*** This ratio is not based on the Federal Financial Participation (FFP) rate.

Source: DPW Enterprise Data Warehouse

Average Cost per Member per Month

Table 12: Average Cost per Member per Month, Service Dates 2007

Total Average Cost per Member per Month (PMPM)*:	\$989.92
FFS**:	\$725.56
Managed Care/Physical Health***:	\$715.00
Managed Care/Behavioral Health:	\$309.58

*Average cost per member per month was calculated by summing eligible days for all eligible children, dividing the amount by 30.4 to get the number of months, and then dividing the total cost by the number of months.

**The cost for FFS was based on the payments made for the services provided under the FFS delivery system, as well as Access Plus capitation payments made for disease management for FFS enrolled children. This includes the payments made for managed care enrolled children for the services excluded from the managed care capitation payments that are provided and paid for under the FFS delivery system. The FFS cost is based on the number of days that the recipients were not enrolled in a physical health managed care. The recipients may have been enrolled in a behavioral health managed care while physical health services were covered under the FFS delivery system. For this reason, PMPMs between FFS and managed care are not directly comparable.

***The cost for managed care for physical health was based on the capitation payments for maternity care services and physical health services made to MCOs.

See Appendix II for actual calculations.

Source: DPW Enterprise Data Warehouse

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

FFS Expenditures by Service Category

Table 13 presents the claim counts, MA expenditures, the numbers of unique children who received services under the FFS delivery system and the average MA expenditure per child for children with disabilities in the year 2007 by service category. The expenditures included the FFS claims paid for MCO members for services provided during the 30 – 45 days of MCO enrollment waiting period and non-MCO covered services which included school based services and institutional care after thirty (30) days.

Table 13: FFS Claim Counts, MA Expenditures, Numbers of Unique Children (N =28,129) and Average Expenditure per Child for Children with Disabilities by Service Category, Dates of Service 2007*

Service Category	Claim Count**	MA Expenditure	Number of Unique Children***	Average Expenditure per Child
Inpatient Behavioral Health Services	192	\$853,598.96	156	\$5,471.79
Inpatient Physical Health Services	203	\$968,757.27	157	\$6,170.43
Institutional Care	23	\$221,021.32	6	\$36,836.89
Outpatient Behavioral Health Facility Services	12,265	\$1,192,079.24	1,406	\$847.85
Outpatient Behavioral Health Services	158,586	\$22,985,559.57	6,012	\$3,823.28
Outpatient Physical Health Facility Services	42,488	\$1,594,423.97	4,325	\$368.65
Outpatient Physical Health Services	109,142	\$7,868,035.82	10,958	\$718.02
Pharmacy Services	180,774	\$11,464,719.57	11,130	\$1,030.07
Private Duty Nursing Services	3,449	\$12,441,060.98	223	\$55,789.51
Residential Treatment Facility Services	211	\$1,420,006.37	53	\$26,792.57
School Based Services	1,128,587	\$38,463,576.02	16,764	\$2,294.42
Skilled Nursing Facility	2	\$6,737.64	1	\$6,737.64
Total****	1,635,922	\$99,479,576.73	N/A	N/A

* The data are based on claims paid through December 2009.

** Claim count is the count of paid header claims for inpatient, institutional care, residential treatment facility provided by inpatient facilities, and pharmacy services, and the count of detail claims for other services.

*** The numbers of children are unique in each service category, and cannot be summed due to duplications among the categories. The numbers include MCO members who received services in the FFS delivery system.

**** The total amount excludes the AccessPlus capitation payments presented in Table 11.

Source: DPW Enterprise Data Warehouse

The analysis excludes the AccessPlus capitation payments presented in Table 11.

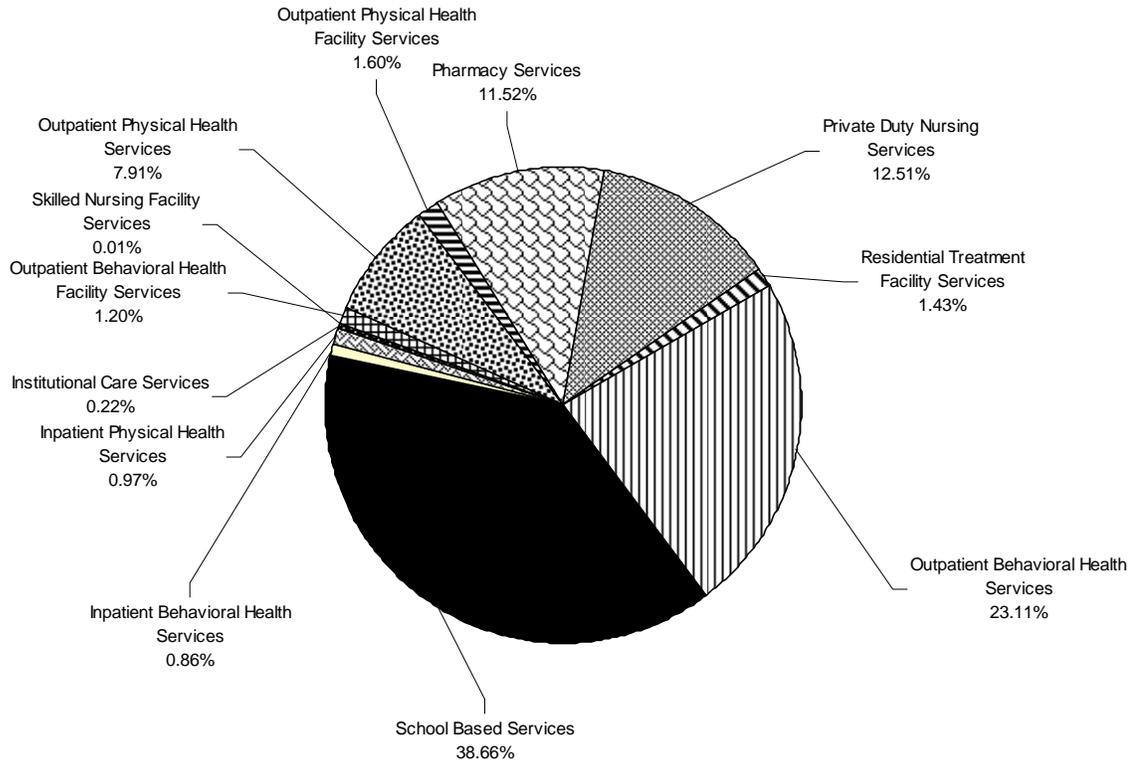
MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

- The highest cost service category for MA children with disabilities in 2007 was School Based Services, followed by Outpatient Behavioral Health Services and Private Duty Nursing Services.
- The most frequently provided service category for MA children with disabilities in 2007 under the FFS delivery system was School Based Services.
- Private Duty Nursing Services were the most costly service category by average expenditure per child for MA children with disabilities, followed by Institutional Care.

Figure 4 presents the FFS expenditures for MA children with disabilities in 2007 by service category by percentage.

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

Figure 4: FFS Expenditures for MA Enrolled Children with Disabilities by Service Category, Dates of Service 2007



Percentages may not equal to 100% due to rounding.
The analysis excludes the AccessPlus capitation payments presented in Table 11.
Source: DPW Enterprise Data Warehouse

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

FFS Expenditures by Service Category by Age Group

Table 14 presents the number of FFS claims and expenditures for MA children with disabilities in 2007 by service category by age group.

Table 14: FFS Claim Counts and MA Expenditures for Children with Disabilities by Service Category by Age Group, Dates of Service 2007

Service Category	0 - 5 years old*		6 - 12 years old*		13 - 17 years old*		18 - 20 years old*	
	Claim Count**	Expenditure	Claim Count**	Expenditure	Claim Count**	Expenditure	Claim Count**	Expenditure
Inpatient Behavioral Health Services	0	\$0.00	25	\$140,826.20	167	\$712,772.76	0	\$0.00
Inpatient Physical Health Services	61	\$173,831.32	65	\$355,460.56	74	\$437,172.39	3	\$2,293.00
Institutional Care Services	13	\$124,104.32	2	\$21,622.82	6	\$55,573.85	2	\$19,720.33
Outpatient Behavioral Health Facility Services	376	\$38,784.23	4,231	\$423,400.78	7,488	\$715,241.23	170	\$14,653.00
Outpatient Behavioral Health Services	21,645	\$3,408,418.93	88,588	\$14,412,136.73	46,255	\$5,023,267.73	2,098	\$141,736.18
Outpatient Physical Health Facility Services	11,955	\$438,126.44	17,767	\$686,781.65	12,191	\$449,208.01	575	\$20,307.87
Outpatient Physical Health Services	35,638	\$2,674,128.92	40,290	\$3,091,301.35	32,110	\$2,059,255.41	1,104	\$43,350.14
Pharmacy	22,186	\$1,425,132.93	81,437	\$4,378,551.31	74,226	\$5,488,264.46	2,925	\$172,770.87
Private Duty Nursing	1,533	\$4,006,539.63	1,146	\$6,009,105.63	727	\$2,409,127.47	43	\$16,288.25
Residential Treatment Facility	0	\$0.00	34	\$534,426.41	144	\$874,001.93	33	\$11,578.03
School Based Services	216,655	\$7,701,149.17	659,817	\$21,597,547.52	240,716	\$8,745,080.64	11,399	\$419,798.69
Skilled Nursing Facility Services	0	\$0.00	0	\$0.00	2	\$6,737.64	0	\$0.00
Total	310,062	\$19,990,215.89	893,402	\$51,651,160.96	414,106	\$26,975,703.52	18,352	\$862,496.36

* The age was determined on the date of service.

** Claim count is the count of paid header claims for inpatient, institutional care, residential treatment facility provided by inpatient facilities, and pharmacy services, and the count of detail claims for other services.

***The total amount excludes the AccessPlus capitation payments presented in Table 11.

Source: DPW Enterprise Data Warehouse

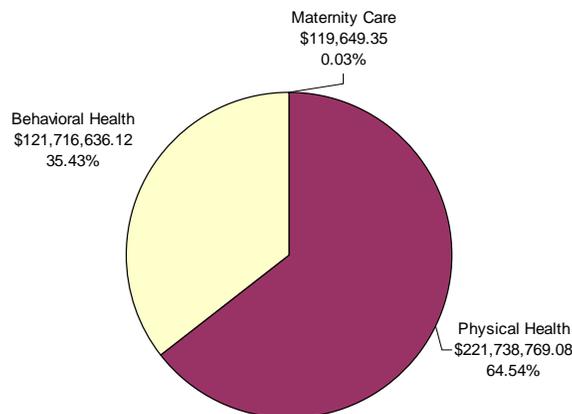
MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

- Children between 0 and 5 years of age represented 18% of the total number of MA children with disabilities. For these children, MA paid 34% for the total expenditures of \$7,868,035.82 related to Outpatient Physical Health Services, 32% of \$12,441,060.98 related to Private Duty Nursing Services, while 20% of the \$38,463,576.02 associated with School Based Services.
- Children between 6 and 12 years of age represented 42% of the total number of MA children with disabilities. For these children, MA paid 63% for the total expenditures of \$22,985,559.57 for Outpatient Behavioral Health Services, 56% of \$38,463,576.02 for School Based Services, and 48% of \$12,441,060.98 related to Private Duty Nursing Services.
- Children between 13 and 17 years of age represented 33% of the total number of MA children with disabilities. For these children, MA paid 83.5% for the total expenditures of \$853,598.96 for Inpatient Behavioral Health Services, 61.5% of \$1,420,006.37 for Residential Treatment Facility Services, and 60% of \$1,192,079.24 for Outpatient Behavioral Health Facility Services.
- Children between 18 and 20 years of age represented 7% of the total number of MA children with disabilities. For these children, MA paid less than 1% of the total FFS claim expenditures of \$99,479,576.73.

Managed Care Capitation Payments

Figure 5 presents the amounts of capitation payments paid for MA children with disabilities for three types of health services for capitation months in 2007.

Figure 5: Managed Care Capitation Payments for MA Children with Disabilities by Service Type, Capitation Months 2007



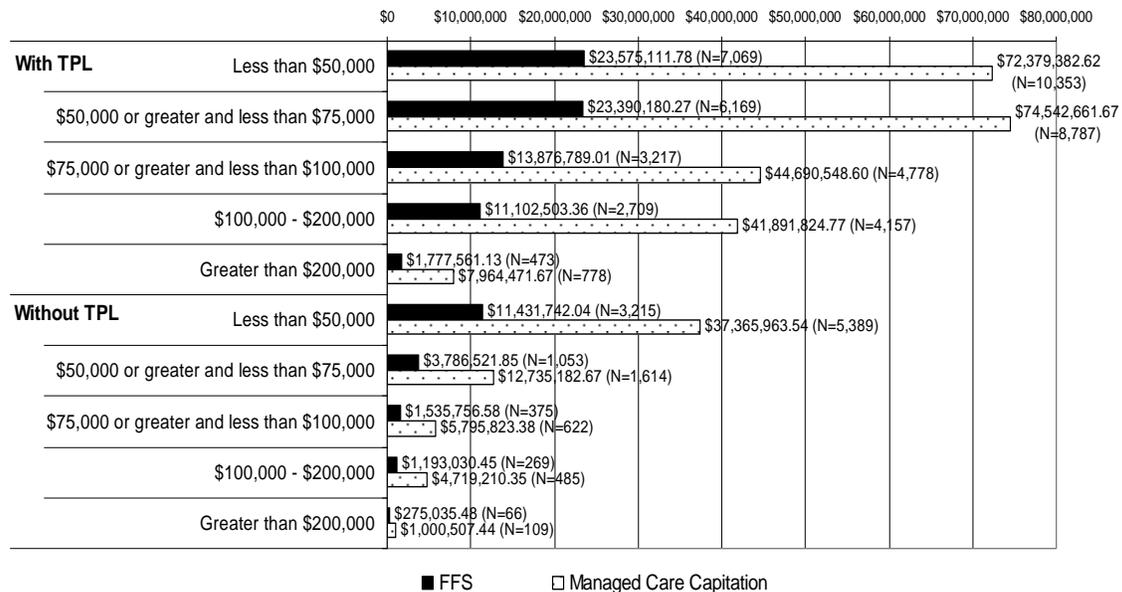
Source: DPW Enterprise Data Warehouse

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

MA Expenditures on FFS and Capitation Payments by Income Group

Figure 6 presents the FFS expenditures, capitation payments and the number of MA children with disabilities that received services in 2007 by the annual household income groups. Among the 47,828 MA children with disabilities, OIM provided income information on 39,507 children. Among these children, 39,235 recipients had records of paid medical services under the FFS or managed care capitation payments. The analysis is based on these children for whom income information was available and had at least one paid medical service or capitation payment record during 2007, and it included approximately 90% of the total expenditures.

Figure 6: FFS Expenditures*, Managed Care Capitation Payments And Numbers of Children with Disabilities *** (N=39,235) by Annual Income Group with and without TPL, Dates of Service/Capitation Months in 2007**



* The FFS expenditures included capitation payments for disease management programs under the ACCESS Plus program.

** The Managed Care Capitation Payments included payments made to the MCOs to provide physical health, behavioral health and maternity care services for managed care enrolled children.

*** The numbers of children are unique in each of FFS and capitation categories. If a child received services under the FFS delivery system and had capitation records under the managed care system during the year, the child was counted both in the FFS and Capitation categories. Therefore, adding the numbers together will not result to 39,235.

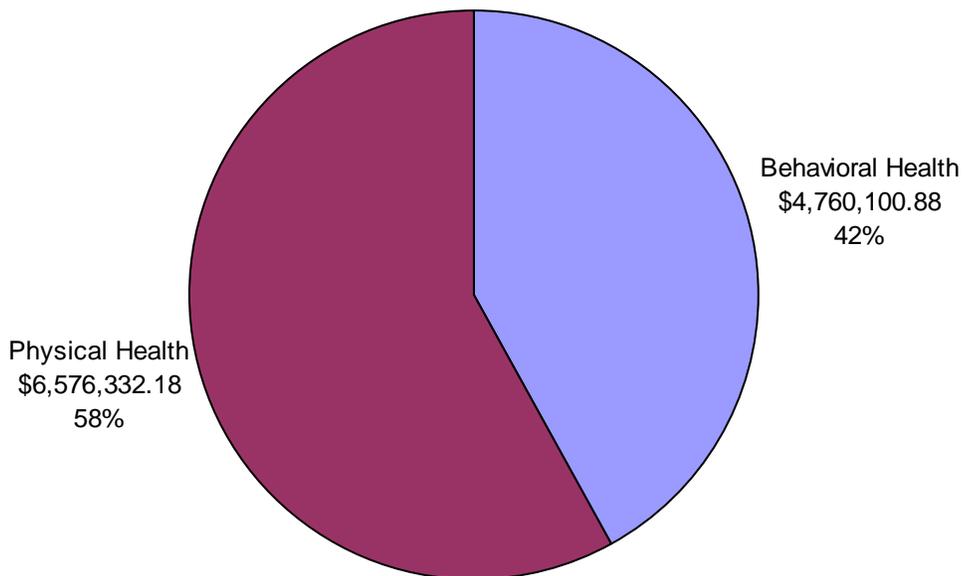
Sources: OIM for income data, Enterprise Data Warehouse for expenditure data

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

FFS Drug Utilization

The Department spent over \$11.4 million for pharmacy services for MA children with disabilities under the FFS delivery system in 2007. This was approximately 11.5% of the total FFS expenditures paid to providers for these children. Figure 7 shows the ratio of the pharmacy expenditures in physical health drugs and behavioral health drugs.

Figure 7: FFS Pharmacy Expenditures on MA Children with Disabilities by Physical Health (PH) and Behavioral Health (BH), Dates of Service 2007*



* Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug claims. The amount in Figure 7 excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total FFS drug expenditures presented in Tables 13 and 14.

Source: DPW Enterprise Data Warehouse

- More than half of the FFS pharmacy expenditures for MA children with disabilities were spent for physical health drugs in 2007.

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

FFS Physical Health Drugs

In year 2007, a total of 9,520 MA children with disabilities received physical health drug services in the FFS delivery system. Table 15 presents the top 10 physical health drug types that were paid for these children in the FFS delivery system, the total MA expenditures, the claim count, the numbers of unique children who received one of the top 10 physical health drugs and the average cost per child, in the order of total expenditure. Examples of drugs for these drug types, which are based on GC3 therapeutic class, are presented in Appendix III.

Table 15: FFS Top 10 Physical Health Drug Types Paid for MA Children with Disabilities by Total Expenditure, Dates of Service 2007 (N=9,520)

Rank	Drug Type	MA Expenditure	Claim Count	Number of Unique Children	Average Cost per Child
1	Antihemophilic Factors	\$823,529.37	94	11	\$74,866.31
2	Growth Hormones	\$740,511.79	510	81	\$9,142.12
3	Mucolytics	\$392,669.69	482	83	\$4,730.96
4	Insulins	\$387,828.99	5,443	580	\$668.67
5	Leukotriene Receptor Antagonists	\$292,681.47	5,318	989	\$295.94
6	Blood Sugar Diagnostics	\$281,812.92	3,552	545	\$517.09
7	Aminoglycosides	\$243,766.09	204	63	\$3,869.30
8	Proton-Pump Inhibitors	\$239,938.71	4,368	857	\$279.98
9	Glucocorticoids	\$179,712.74	4,516	1,563	\$114.98
10	Drugs to treat Hereditary Tyrosinemia	\$155,851.00	13	1	\$155,851.00

Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug claims. The amount excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total FFS drug expenditures presented in Tables 13 and 14. Examples of drug names for drug types are presented in Appendix III.

Source: DPW Enterprise Data Warehouse (can we remove the line on top of the first letter if possible?)

- On the average, Antihemophilic factors were the highest cost physical health drug types under the FFS delivery system for MA children with disabilities in 2007, followed by growth hormones.

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

Table 16 presents the top 10 physical health drug types that were paid for MA children with disabilities in the FFS delivery system, the claim count, total MA expenditures and the number of unique children who received one of the top 10 physical health drugs, in the order of claim count.

- Penicillins were the most highly dispensed physical health drug type for MA children with disabilities under the FFS delivery system in 2007, with the total claim count of 6,937, followed by Antihistamines – 2nd Generation.
- Penicillin was the physical health drug type provided to the greatest number of MA children with disabilities, 3,769, under the FFS delivery system.

Table 16: FFS Top 10 Physical Health Drug Types Paid for MA Children with Disabilities by Claim Count, Dates of Service 2007 (N=9,520)

Rank	Drug Type	Claim Count	MA Expenditure	Number of Unique Children*
1	Penicillins	6,937	\$106,584.11	3,769
2	Antihistamines – 2 nd Generation	6,437	\$138,302.87	1,543
3	Insulins	5,443	\$387,828.99	580
4	Leukotriene Receptor Antagonists	5,318	\$292,681.47	989
5	Glucocorticoids	4,516	\$179,712.74	1,563
6	Proton-Pump Inhibitors	4,368	\$239,938.71	857
7	Antihypertensives, Sympatholytic	4,336	\$31,148.17	714
8	Beta-Adrenergic Agents	4,193	\$75,882.09	1,656
9	Macrolides	3,582	\$80,149.99	2,252
10	Blood Sugar Diagnostics	3,552	\$281,812.92	545

* Numbers of children are unique in each drug type.

Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug claims. The amount excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total FFS drug expenditures presented in Tables 13 and 14. Examples of drug names for drug types are presented in Appendix III.

Source: DPW Enterprise Data Warehouse

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

FFS Behavioral Health Drugs

In calendar year 2007, a total of 6,230 MA children with disabilities received behavioral health drug services under the FFS delivery system. Table 17 presents the top 10 behavioral health drug types that were paid for these children under the FFS delivery system, the total MA expenditures, the claim count, the numbers of unique children who received one of the top 10 behavioral health drugs and the average cost per child, in the order of total expenditures.

- Anticonvulsants were the behavioral health drug type with the highest costs for MA children with disabilities under the FFS delivery system in 2007.
- Antipsychotics, which include such drugs as Abilify, were the most expensive behavioral health drug type for MA children with disabilities with an average cost per child at \$1,028.71.

Table 17: FFS Top 10 Behavioral Health Drug Types Paid for MA Children with Disabilities by Total Expenditure, Dates of Service 2007 (N=6,230)

Rank	Drug Type	MA Expenditure	Claim Count	Number of Unique Children*	Average Cost per Child
1	Anticonvulsants	\$1,174,693.58	14,059	1,496	\$785.22
2	Antipsychotics, Atypical, Dopamine,& Serotonin Antagonist	\$938,517.35	10,747	1,524	\$615.83
3	Treatment for Attention Deficit-Hyperactivity (ADHD)/Narcolepsy	\$796,787.88	15,037	2,052	\$388.30
4	Antipsychotics, Atypical, D2 Partial Agonist/5HT Mixed	\$751,987.14	4,174	731	\$1,028.71
5	Adrenergics, Aromatic, Non-Catecholamine	\$428,515.75	7,372	1,157	\$370.37
6	Treatment for Attention Deficit-Hyperactivity (ADHD), NRI-Type	\$313,378.37	4,519	683	\$458.83
7	Selective Serotonin Reuptake Inhibitor (SSRIS)	\$155,193.48	8,264	1,404	\$110.54
8	Norepinephrine and Dopamine Reuptake Inhibitor (NDRIS)	\$58,136.84	1,443	283	\$205.43
9	Serotonin-Norepinephrine Reuptake-Inhibitor (SNRIS)	\$35,888.13	570	121	\$296.60
10	Anti-Mania Drugs	\$23,065.45	1,159	211	\$109.31

* Numbers of children are unique in each drug type.

Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug claims. The amount excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total FFS drug expenditures presented in Tables 13 and 14. Examples of drug names for drug types are presented in Appendix III.

Source: DPW Enterprise Data Warehouse

MA Expenditures and Fee-for-Service (FFS) Profile (Continued)

Table 18 presents the top 10 behavioral health drug types that were paid for MA children with disabilities in the FFS delivery system, the claim count, total expenditures and the numbers of unique children who received one of the top 10 behavioral health drugs, in the order of claim count.

- Drugs for the treatment of Attention Deficit – Hyperactivity (ADHD) / Narcolepsy were the most highly dispensed behavioral health drug type for MA children with disabilities under the FFS delivery system in 2007, with the total number of claims of 15,037.
- Drugs for the treatment of Attention Deficit – Hyperactivity (ADHD) / Narcolepsy were also the behavioral health drug type provided to the greatest number of MA children with disabilities, 2,052, under the FFS delivery system in 2007.

Table 18: FFS Top 10 Behavioral Health Drug Types Paid for MA Children with Disabilities by Claim Count, Dates of Service 2007 (N=6,230)

Rank	Drug Type	Claim Count	MA Expenditure	Number of Unique Children*
1	Treatment for Attention Deficit- Hyperactivity (ADHD)/Narcolepsy	15,037	\$796,787.88	2,052
2	Anticonvulsants	14,059	\$1,174,693.58	1,496
3	Antipsychotics, Atypical, Dopamine,& Serotonin Antagonist	10,747	\$938,517.35	1,524
4	Selective Serotonin Reuptake Inhibitor (SSRI)	8,264	\$155,193.48	1,404
5	Adrenergics, Aromatic, Non-Catecholamine	7,372	\$428,515.75	1,157
6	Treatment for Attention Deficit- Hyperactivity (ADHD), NRI-Type	4,519	\$313,378.37	683
7	Antipsychotics, Atypical, D2 Partial Agonist/5HT Mixed	4,174	\$751,987.14	731
8	Anti-Anxiety Drugs	1,528	\$10,150.71	410
9	Norepinephrine and Dopamine Reuptake Inhibitor (NDRIS)	1,443	\$58,136.84	283
10	Anti-Mania Drugs	1,159	\$23,065.45	211

* Numbers of children are unique in each drug type.

Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug claims. The amount excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total FFS drug expenditures presented in Tables 13 and 14. Examples of drug names for drug types are presented in Appendix III.

Source: DPW Enterprise Data Warehouse

PART III: Managed Care Service Profile

The Medical Assistance (MA) Program provides physical health services under a mandatory managed care program (known as HealthChoices) in 25 counties in the Southeast, Southwest and Lehigh/Capital Regions, and a voluntary managed care program in some counties of Pennsylvania where a mandatory managed care program is not available. In July 2007, the Department completed the statewide implementation of behavioral health HealthChoices. Following the implementation, behavioral health services are provided to eligible recipients under the managed care delivery system in all 67 counties. The Department makes capitation payments on a per-member per-month basis to participating MCOs on behalf of MA eligible members enrolled in one of the MCO plans. The analysis of capitation payments was presented in Part II. As discussed in Part I, the services provided to MCO members during the 30 – 45 days of physical health MCO enrollment waiting period are paid in the FFS delivery system. In addition, non-MCO covered services, such as school based services and long term care services after 30 days are also paid in the FFS delivery system for MA eligible children enrolled in managed care. Part III presents the analysis of services rendered by the managed care service providers for MA children with disabilities. The analysis included the number of children with disabilities who received the services, the number of service records, the types of services, and the expenditures that MCOs paid for the services rendered for these children. These MCO expenditures did not represent the amount paid to the MCOs by the Department.

Due to a system limitation in encounter data processing, service records of MCOs were received as they were submitted by the MCOs. The data were analyzed based on what the Department received. The analysis is intended as the description of one-year service utilization pattern, and not for trend comparison to previously released data.

Managed Care Service Profile (Continued)

Managed Care Expenditures by Service Category

Table 19 presents the MCO service record counts, MCO expenditures, the numbers of unique children with disabilities with service records and average MCO expenditure per child by service category.

Table 19: Service Record Counts, Managed Care Organization's (MCO) Expenditures, Numbers of Unique Children (N =33,086), and Average Expenditure per Child for MA Children with Disabilities by Service Category, Dates of Service 2007

Service Category	Service Record Count*	MCO Expenditure	Number of Unique Children**	Average MCO Expenditure per Child
Behavioral Health Services	1,119,370	\$157,433,212.29	14,408	\$10,926.79
Dental Services	46,132	\$1,741,951.54	5,629	\$309.46
Inpatient Physical Services	877	\$5,625,787.33	559	\$10,064.02
Outpatient Physical Services	459,671	\$49,445,165.05	23,112	\$2,139.37
Pharmacy Services	400,183	\$21,959,371.92	22,951	\$956.79
Total	2,026,233	\$236,205,488.13	N/A	N/A

* Service Record Count is the count of encounter records provided by MCOs for each service category.

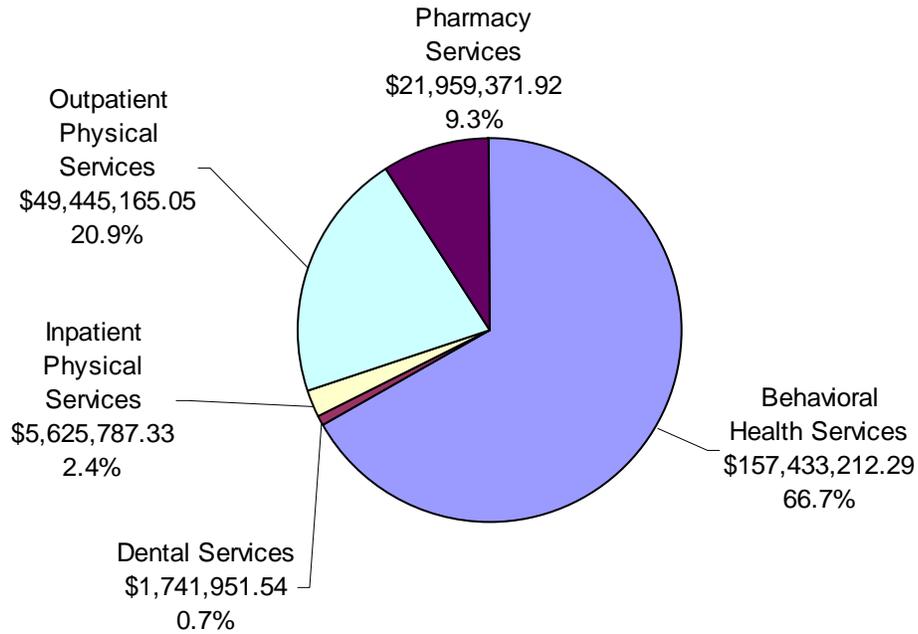
** Numbers of children are unique in each service category. The total number is the unique count of children who received any of these services.

Sources: OMHSAS for Behavioral Health Services data, OMAP Expedited Data for other data.

- The most frequently provided service category for MA children with disabilities under the managed care delivery system in 2007 was Behavioral Health Services.
- The highest cost service category for MA children with disabilities in average MCO expenditure per child in 2007 was Behavioral Health Services.

Managed Care Service Profile (Continued)

Figure 8: Managed Care Organization's (MCO) Expenditures on MA Children with Disabilities by Service Category, Dates of Service 2007



Sources: OMHSAS for Behavioral Health Services data, OMAP Expedited Data for other data.

- Approximately 66.7% of the total MCO expenditures for MA children with disabilities in 2007 were for Behavioral Health Services, and 20.9% of the expenditures were for Outpatient Physical Services.

Managed Care Service Profile (Continued)

Managed Care Expenditures by Service Category by Age Group

Table 20: Service Record Counts and Managed Care Organization (MCO) Expenditures for MA Children with Disabilities by Service Category by Age Group, Dates of Service 2007

Service Category	0 - 5 years old*		6 - 12 years old*		13 - 17 years old*		18 - 20 years old*	
	Service Record Count**	MCO Expenditure	Service Record Count**	MCO Expenditure	Service Record Count**	MCO Expenditure	Service Record Count**	MCO Expenditure
Behavioral Health Services	221,783	\$23,800,078.17	616,325	\$78,783,191.93	272,469	\$53,317,186.30	8,793	\$1,532,755.89
Dental Services	4,698	\$148,180.77	22,342	\$739,517.40	18,338	\$813,397.36	754	\$40,856.01
Inpatient Physical Services	202	\$951,887.04	308	\$1,860,333.26	343	\$2,681,866.40	24	\$131,700.63
Outpatient Physical Services	132,830	\$15,004,769.19	192,523	\$19,796,909.06	127,158	\$14,226,936.45	7,160	\$416,550.35
Pharmacy Services	55,279	\$2,081,963.11	178,369	\$9,810,083.73	157,725	\$9,572,176.00	8,810	\$495,149.08
Total	414,792	\$41,986,878.28	1,009,867	\$110,990,035.38	576,033	\$80,611,562.51	25,541	\$2,617,011.96

*The age was determined on the date of service.

**Service Record Count is the count of encounter records provided by MCOs for each service category.

Sources: OMHSAS for Behavioral Health Services data, OMAP Expedited Data for other data.

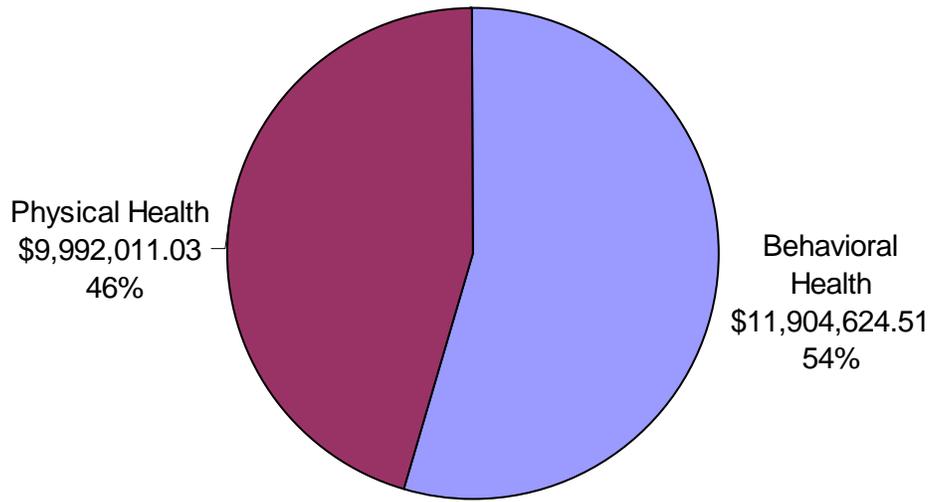
- In 2007, Behavioral Health Services was the most frequently utilized service category followed by Outpatient Physical Services for MA children with disabilities within the 0 through 5 years old age group, and the 6 through 12 years old age group. As for the children in the 13 through 17 age group, the most frequently utilized service category was Behavioral Health Services followed by Pharmacy Services. However, for those MA children with disabilities aged 18 to 20, Pharmacy Services was the most frequently utilized service category followed by Behavioral Health Services.
- Behavioral Health Services was the highest cost service category under the managed care for children with disabilities within all age groups, followed by the Outpatient Physical Services category for children aged 0 to 5, those aged 6 to 12, and those aged 13 to 17, and by the Pharmacy Services category for children aged 18 to 20.

Managed Care Service Profile (Continued)

Managed Care Drug Utilization

Managed care organizations spent almost \$22 million in 2007 for pharmacy services for MA children with disabilities. This was over 9% of the total MCO expenditures for these children. Figure 9 shows the ratio of the pharmacy expenditures for the children with disabilities in physical health drugs and behavioral health drugs.

Figure 9: Managed Care Organization (MCO) Pharmacy Expenditures on MA Children with Disabilities by Physical Health (PH) and Behavioral Health (BH), Dates of Service 2007



Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug encounter records. The amount excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total MCO drug expenditures presented in Tables 19 and 20.

Source: OMAP Expedited Data

- More than half of MCO pharmacy expenditures for MA children with disabilities in 2007 were for behavioral health drugs.

Managed Care Service Profile (Continued)

MCO Physical Health Drugs

In calendar year 2007, a total of 19,859 MA children with disabilities received physical health drug services under the managed care delivery system. Table 21 presents the top 10 physical health drug types that the MCOs paid for these children in the managed care delivery system, the total expenditures, the numbers of unique children who received one of the top 10 physical health drugs and the average cost per child, in the order of MCO expenditures.

- Growth hormones were the highest cost physical health drug types under the managed care delivery system for children with disabilities in 2007.

Table 21: Managed Care Organization (MCO) Top 10 Physical Health Drug Types Paid for MA Children with Disabilities by MCO Expenditures, Dates of Service 2007 (N=19,859)

Rank	Drug Type	MCO Expenditure	Number of Unique Children*	Average Cost per Child
1	Growth Hormones	\$632,481.91	137	\$4,616.66
2	Leukotriene Receptor Antagonists	\$581,490.81	2,181	\$266.62
3	Mucolytics	\$490,938.59	183	\$2,682.72
4	Insulins	\$466,867.08	745	\$626.67
5	Proton-Pump Inhibitors	\$464,745.18	1,588	\$292.66
6	Glucocorticoids	\$423,398.21	3,534	\$119.81
7	Aminoglycosides	\$376,574.88	123	\$3,061.58
8	Blood Sugar Diagnostics	\$359,757.20	678	\$530.62
9	Incontinence Supplies	\$355,385.25	858	\$414.20
10	Pancreatic Enzymes	\$343,487.67	213	\$1,612.62

* Numbers of children were unique in each drug type.

Due to data quality issues, the drug quantities dispensed were not available.

Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug encounter records. The amount excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total MCO drug expenditures presented in Tables 19 and 20.

Examples of drug names for drug types are presented in Appendix III.

Source: OMAP Expedited Data

Managed Care Service Profile (Continued)

Table 22 presents the top 10 physical health drug types that were paid for MA children with disabilities under the managed care delivery system, the total MCO expenditures, and the numbers of unique children who received one of the top 10 physical health drugs, in the order of service record count.

- Penicillin was the physical health drug type with the largest service record count (14,119) for the children with disabilities under the managed care delivery system in 2007.
- Penicillin was the physical health drug type provided to the greatest number of children with disabilities, 7,863, in the managed care delivery system in 2007.

Table 22: Managed Care Organization (MCO) Top 10 Physical Health Drug Types Paid for MA Children with Disabilities by Service Record Count, Dates of Service 2007 (N=19,859)

Rank	Drug Description	Service Record Count*	MCO Expenditure	Number of Unique Children**
1	Penicillins	14,119	\$189,091.49	7,863
2	Antihistamines – 2nd Generation	13,053	\$334,207.17	3,156
3	Leukotriene Receptor Antagonists	11,755	\$581,490.81	2,181
4	Glucocorticoids	10,767	\$423,398.21	3,534
5	Antihypertensives, Sympatholytic	10,016	\$91,049.33	1,644
6	Beta-Adrenergic Agents	9,901	\$217,769.44	3,853
7	Proton-Pump Inhibitors	8,849	\$464,745.18	1,588
8	Insulins	8,261	\$466,867.08	745
9	Macrolides	6,635	\$129,744.13	3,996
10	Laxatives and Cathartics	6,048	\$96,059.61	1,713

* Service Record Count is the count of encounter records provided by MCOs for each service category

** Numbers of children were unique in each drug type.

Due to data quality issues, the drug quantities dispensed are not available.

Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug encounter records. The amount excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total MCO drug expenditures presented in Tables 19 and 20.

Examples of drug names for drug types are presented in Appendix III.

Source: OMAP Expedited Data

Managed Care Service Profile (Continued)

MCO Behavioral Health Drugs

In calendar year 2007, a total of 13,208 MA children with disabilities received behavioral health drug services under the managed care delivery system. Table 23 presents the top 10 behavioral health drug types that were paid for these children in the managed care delivery system, the total expenditures, the number of unique children who received the drug services and the average cost per child, in the order of MCO expenditure.

- Anticonvulsants was the behavioral health drug type with the highest costs to MCOs for MA children with disabilities, followed by antipsychotics, which included Risperdal, Seroquel, Zypreza and Geodon.
- Antipsychotics, which includes Abilify, was the most expensive behavioral health drug type based on the average cost per child with a cost of \$1,131.07 per child.

Table 23: Managed Care Organization (MCO) Top 10 Behavioral Health Drug Types Paid for MA Children with Disabilities by MCO Expenditures, Dates of Service 2007 (N=13,208)

Rank	Drug Type	MCO Expenditure	Number of Unique Children*	Average Cost per Child
1	Anticonvulsants	\$2,724,472.18	3,243	\$840.11
2	Antipsychotics, Atypical, Dopamine & Serotonin Antagonists	\$2,506,606.10	3,443	\$728.03
3	Treatment For Attention Deficit-Hyperactivity (ADHD) / Narcolepsy	\$2,058,271.73	4,488	\$458.62
4	Antipsychotics, Atypical, D2 Partial Antagonist / 5HT Mixed	\$1,792,740.92	1,585	\$1,131.07
5	Adrenergics, Aromatic, Non-Catecholamine	\$1,010,683.55	2,397	\$421.65
6	Treatment For Attention Deficit-Hyperactivity (ADHD), NRI-Type	\$863,790.15	1,625	\$531.56
7	Selective Serotonin Reuptake Inhibitor (SSRIS)	\$440,028.70	3,477	\$126.55
8	Norepinephrine and Dopamine Reuptake Inhibitors (NDRIS)	\$151,163.93	702	\$215.33
9	Serotonin-Norepinephrine Reuptake - Inhibitor (SNRIS)	\$117,808.48	309	\$381.26
10	Anti-Mania Drugs	\$44,215.03	422	\$104.77

* Numbers of children are unique in each drug type.

Due to data quality issues, the drug quantities dispensed are not available.

Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug encounter records. The amount excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total MCO drug expenditures presented in Tables 19 and 20.

Examples of drug names for drug types are presented in Appendix III.

Source: OMAP Expedited Data

Managed Care Service Profile (Continued)

Table 24 presents the top 10 behavioral health drug types that were paid for MA children with disabilities in the managed care delivery system, the total MCO expenditures, and the numbers of unique children who received one of the top 10 behavioral health drugs, in the order of service record count.

- Treatment for Attention Deficit-Hyperactivity Disorder (ADHD)/Narcolepsy was the behavioral health drug type with the largest service record count (35,785) for MA children with disabilities under the managed care delivery system in 2007.
- Treatment for Attention Deficit-Hyperactivity Disorder (ADHD)/Narcolepsy was also the behavioral health drug type provided to the greatest number of MA children with disabilities, 4,488, under the managed care delivery system in 2007.

Table 24: Managed Care Organization (MCO) Top 10 Behavioral Health Drug Types Paid for MA Children with Disabilities by Service Record Count, Dates of Service 2007 (N=13,208)

Rank	Drug Description	Service Record Count*	MCO Expenditure	Number of Unique Children**
1	Treatment for Attention Deficit-Hyperactivity (ADHD)/Narcolepsy	35,785	\$2,058,271.73	4,488
2	Anticonvulsants	32,427	\$2,724,472.18	3,243
3	Antipsychotics, Atypical, Dopamine, & Serotonin Antagonists	25,565	\$2,506,606.10	3,443
4	Selective Serotonin Reuptake Inhibitor (SSRIS)	21,743	\$440,028.70	3,477
5	Adrenergics, Aromatic, Non-Catecholamine	16,499	\$1,010,683.55	2,397
6	Treatment for Attention Deficit-Hyperactivity (ADHD), NRI-Type	11,196	\$863,790.15	1,625
7	Antipsychotics, Atypical, D2 Partial Agonist/5HT mixed	9,676	\$1,792,740.92	1,585
8	Norepinephrine and Dopamine Reuptake Inhibitors (NDRIS)	3,587	\$151,163.93	702
9	Anti-Anxiety Drugs	3,434	\$41,804.10	936
10	Anti-Mania Drugs	2,773	\$44,215.03	422

* Service Record Count is the count of encounter records provided by MCOs for each service category

** Numbers of children were unique in each drug type.

Due to data quality issues, the drug quantities dispensed were not available.

Drugs were categorized by GC3 therapeutic class code of valid National Drug Codes (NDCs) indicated on single drug encounter records. The amount excluded any claims for compound drugs and claims without valid NDCs, and represents approximately 99% of the total MCO drug expenditures presented in Tables 19 and 20.

Examples of drug names for drug types are presented in Appendix III.

Source: OMAP Expedited Data

APPENDIXES

APPENDIX I: DEFINITIONS OF FFS SERVICE CATEGORIES AND CAPITATION PAYMENTS

FFS SERVICE CATEGORIES

Inpatient Behavioral Health Services – Inpatient mental health and drug and alcohol services furnished by a public or private psychiatric hospital or unit, or a drug and alcohol rehabilitation hospital or unit.

Inpatient Physical Health Services – Inpatient medical services furnished in an acute care general hospital or a rehabilitation hospital.

Institutional Care Services – Inpatient services furnished by state mental retardation centers and private intermediate care facilities for persons with mental retardation or other related conditions. Individuals in public intermediate care facilities for the mentally retarded and for other related conditions are excluded from managed care.

Outpatient Behavioral Health Facility Services – Mental health outpatient services furnished by an outpatient psychiatric, drug and alcohol clinic, or psychiatric partial-hospitalization facility.

Outpatient Behavioral Health Services – Outpatient therapeutic staff support, mobile therapy, mobile mental health treatment, peer support, crisis intervention or behavioral specialist consultant services furnished by psychiatrists, mental health/mental retardation case managers, psychologists, family based mental health providers, licensed social workers, clinical social workers, and other behavioral health therapists. Includes Summer Therapeutic Activities Program.

Outpatient Physical Health Facility Services – Physical health outpatient services furnished by an outpatient hospital clinic, as well as any services provided by short procedure unit, ambulatory surgical center, birth center, independent medical/surgical clinic, renal dialysis, family planning clinic, comprehensive outpatient rehabilitation facility, or all services of Rural Health Clinic and Federally Qualified Health Center except Behavioral Health Services.

Outpatient Physical Health Services – Outpatient services furnished by a physician, dentist, podiatrist, chiropractor, optometrist, ambulance company, portable X-ray provider, home health agency, nurse midwife, occupational, physical or speech therapist, audiologist, certified registered nurse anesthetist, certified registered nurse practitioner, MA case manager, nutritionist, smoking cessation provider, a medical supplier, laboratory, hospice, or certified rehabilitation agency.

Pharmacy Services – Pharmaceutical products dispensed by a pharmacy, a dispensing physician, certified registered nurse practitioner, or Certified Nurse Midwife.

Private Duty Nursing Services – Services furnished by a registered nurse or a licensed practical nurse employed by a home health agency or a nursing agency.

Residential Treatment Facility Services – Mental health services furnished by a facility which provides comprehensive mental health treatment and/or substance abuse services for children with severe emotional disturbances, substance abuse or mental illness.

School-Based Services – Medically necessary services that enable an MA-eligible child to participate in public education. Services, which are authorized on an Individual Education Plan, may be medical or mental-health related. These services are paid in the FFS delivery system only.

Skilled Nursing Facility Services – Inpatient nursing home services furnished by state restoration centers, long term care units located at state mental hospitals, county nursing facilities and private nursing facilities.

CAPITATION PAYMENTS

Behavioral Health Capitation Payment – Payments provided to each Behavioral Health Managed Care Organization (BH-MCO) on a per member per month basis. The amount of the capitation payments is negotiated with each contracted BH-MCO. Behavioral Health capitation payments include behavioral health pharmacy costs.

Maternity Care Capitation Payment – Payments provided to Physical Health Managed Care Organization (PH-MCOs) for each trimester of a member's pregnancy. Each capitation payment covers the cost of all services (e.g. prenatal check-ups, ultrasounds) provided during that trimester.

Physical Health Capitation Payment – Payments provided to each Physical Health Managed Care Organization (PH-MCO) on a per member per month basis. The amount of the capitation payments is risk-adjusted and negotiated with each contracted PH-MCO. Physical Health capitation payments include physical health pharmacy costs.

APPENDIX II: COST PER MEMBER PER MONTH CALCULATIONS

I: Total Average Cost per Member per Month

1. $13,620,362 \text{ total eligible days} / 30.4 = 448,038.22 \text{ total eligible months}$
2. $\$443,521,166.67 / 448,038.22 \text{ total eligible months} = \989.92

II: FFS Average Cost per Member per Month

1. $4,187,611 \text{ total eligible days} / 30.4 = 137,750.36 \text{ total eligible months}$
2. $\$99,946,112.12 / 137,750.36 \text{ total eligible months} = \725.56

III: Managed Care Average Cost per Member per Month

Physical Health

1. $9,432,751 \text{ total eligible days} / 30.4 = 310,287.86 \text{ total eligible months}$
2. $\$221,858,418.43 / 310,287.86 \text{ total eligible months} = \715.00

Behavioral Health

1. $11,952,072 \text{ total eligible days} / 30.4 = 393,160.26 \text{ total eligible months}$
2. $\$121,716,636.12 / 393,160.26 \text{ total eligible months} = \309.58

APPENDIX III: EXAMPLES OF DRUGS BY DRUG TYPE (GC3)

Drug Type	Examples of Drugs
ADRENERGICS, AROMATIC, NON-CATECHOLAMINE	ADDERALL, AMPHETAMINE SALTS, DEXEDRINE, DEXTROAMPHETAMIN
AMINOGLYCOSIDES	TOBI, TOBRAMYCIN, GENTAMICIN, NEO-FRADIN, NEOMYCIN
ANTI-ANXIETY DRUGS	TRANXENE, CLORAZEPATE, XANAX, BUSPIRONE, LORAZEPAM, DIAZEPAM, ATIVAN, VALIUM
ANTICONVULSANTS	TOPAMAX, DEPAKOTE, TRILEPTAL, LAMICTAL, KEPBRA, DIASTAT, LAMOTRIGINE
ANTIHEMOPHILIC FACTORS	RECOMBINATE, ALPHANATE, HELIXATE, HUMATE-P, ADVATE, KOGENATE
ANTIHISTAMINES - 2ND GENERATION	ZYRTEC, ALLEGRA, CLARINEX, LORATADINE, FEXOFENADINE, CLARITIN
ANTIHYPERTENSIVES, SYMPATHOLYTIC	GUANFACINE, CLONIDINE, CATAPRES, TENEX
ANTI-MANIA DRUGS	LITHIUM, LITHOBID, ESKALITH
ANTIPSYCHOTICS, ATYPICAL, D2 PARTIAL ANTAGONIST / 5HT MIXED	ABILIFY
ANTIPSYCHOTICS, ATYPICAL, DOPAMINE, & SEROTONIN ANTAGONISTS	RISPERDAL, SEROQUEL, ZYPREXA, GEODON, CLOZAPINE
BETA-ADRENERGIC AGENTS	XOPENEX, ALBUTEROL, MAXAIR AUTOHALER, SEREVENT, ACCUNEb, PROAIR INHALER
BLOOD SUGAR DIAGNOSTICS	ONE TOUCH ULTRA TEST STRIPS, FREESTYLE TEST STRIPS, BD TEST STRIPS, ACCU-CHEK, CONTOUR TEST STRIPS
DRUGS TO TREAT HEREDITARY TYROSINEMIA	ORFADIN
GLUCOCORTICOIDS	PULMICORT, FLOVENT, CORTEF, PREDNISOLONE, ENTOCORT
GROWTH HORMONES	NUTROPIN, GENOTROPIN, HUMATROPE, SAIZEN, NORDITROPIN
INCONTINENCE SUPPLIES	PAMPERS, HUGGIES, SIMPLICITY BRIEFS, CONFIDENCE BRIEFS, TENA CLASSIC BRIEFS
INSULINS	HUMALOG, LANTUS, NOVOLOG, HUMULIN, NOVOLIN
LAXATIVES AND CATHARTICS	GLYCOLAX, POLYETHYLENE GLYCOL
LEUKOTRIENE RECEPTOR ANTAGONISTS	SINGULAIR, ACCOLATE
MACROLIDES	ZITHROMAX, ERYTHROMYCIN, AZITHROMYCIN, BIAXIN, CLARITHROMYCIN
MUCOLYTICS	PULMOZYME, ACETYLCYSTEINE, MUCOMYST
NOREPINEPHRINE AND DOPAMINE REUPTAKE INHIBITOR (NDRIS)	WELLBUTRIN, BUPROPION, BUDEPRION
PANCREATIC ENZYMES	CREON, PANCRECARB, ULTRASE, PANCREASE, PELCAPS, LIPRAM
PENICILLINS	AUGMENTIN, AMOX TR-K CLV, AMOXICILLIN, AMOXIL
PROTON-PUMP INHIBITORS	PREVACID, NEXIUM, OMEPRAZOLE, PRILOSEC, ZEGERID, PROTONIX
SELECTIVE SEROTONIN REUPTAKE INHIBITOR (SSRIS)	ZOLOFT, LEXAPRO, FLUOXETINE, PAXIL, FLUVOXAMINE, CITALOPRAM, SERTRALINE
SEROTONIN-NOREPINEPHRINE REUPTAKE - INHIBITOR (SNRIS)	EFFEXOR, CYMBALTA, VENLAFAXINE

Drug Type	Examples of Drugs
TREATMENT FOR ATTENTION DEFICIT-HYPERACTIVITY (ADHD) / NARCOLEPSY	CONCERTA, METADATE, PROVIGIL, FOCALIN, METHYLIN, METHYLPHENIDATE
TREATMENT FOR ATTENTION DEFICIT-HYPERACTIVITY (ADHD), NRI-TYPE	STRATTERA

APPENDIX IV: ACRONYMS

BH.....Behavioral Health

CAO County Assistance Office

DPW Department of Public Welfare

FADS Fraud and Abuse Detection System

FFS..... Fee-for-Service Delivery System

MA Medical Assistance

MC Managed Care

MCO Managed Care Organization (e.g. HMO)

MRTMedical Review Team

NDCNational Drug Code

OIM..... Office of Income Maintenance

OMAPOffice of Medical Assistance Programs

OMHSAS Office of Mental Health and Substance Abuse Services

PA PROMISe™ Pennsylvania Provider Reimbursement
and Operations Management Information System

PH..... Physical Health

SSA.....Social Security Administration

SSI Supplemental Security Income

TPL.....Third Party Liability

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Bureau of Operations and Quality Management
Division of Evaluation & Management Information
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