MEDICAID EXPENDITURES FOR CHILDREN IN TEXAS RECEIVING MEDICAID PERSONAL CARE SERVICES, SEPTEMBER 2008 - AUGUST 2009

REPORT TO
THE TEXAS HEALTH AND
HUMAN SERVICES COMMISSION

PREPARED BY
TEXAS A&M HEALTH SCIENCE CENTER
SCHOOL OF RURAL PUBLIC HEALTH

TEXAS A&M UNIVERSITY
COLLEGE OF EDUCATION

TEXAS A&M UNIVERSITY
PUBLIC POLICY RESEARCH INSTITUTE

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EXECUTIVE SUMMARY

The Medicaid Personal Care Services Program (PCS) provided services to over 5,800 children under the age of 21 during 2009. This report presents the results of the TAMHSC research team's analysis of Texas Medicaid claims experience for those children receiving and those children not receiving PCS during state fiscal year (SFY) 2009, September 1, 2008 through August 31, 2009. This research uses claims for children in the Texas Medicaid acute care fee-for-service program (P100) and the Medicaid Primary Care Case Management (PCCM) program (P200).

In SFY 2009, a total of 2.3 million children had Medicaid claims, accounting for roughly 19.7 million claims and $3.8 billion in payments. The children receiving PCS represented .25% of the children with claims; however, this one-quarter of one percent of children receiving Medicaid were responsible 5.06% of all Medicaid payments for children. Even more noteworthy is that, on average, Medicaid payments per child receiving PCS averaged $31,570, or just over 20 times the average payments for a child not receiving PCS ($1,571).

Comparing utilization and payments by place of service reveals interesting and important differences between children receiving PCS and those with no PCS. There is a dramatic difference in expenditures per child for inpatient and outpatient hospital services. This is driven by the much higher number of claims or level of utilization rather than by the cost per claim. The differences in expenditures on services based in the emergency room (ER) tell a different story. For ER services, there is little difference in utilization between children on the basis of their participation in the PCS Program. The difference in ER services comes, instead, in the intensity of the services. An ER visit (claim) for children in the PCS program is likely to cost almost three and one-half times the costs of the ER visit for a child not receiving PCS.

The data for office-based and home care services present a very different result to the conclusions of the ER analysis. The costs per office visit and home care visit is higher for children with no PCS than for children receiving PCS. But children in the PCS program have a dramatically higher utilization rate for office visits and for home care than do other children in the Medicaid Program.

As a summary indicator, the ratio of Medicaid payments per child with PCS to Medicaid payments per child with no PCS varied from 3.50 to 7.53 across the place of service categories. Since the PCS population is a home care population, the largest ratio (7.53) was not surprisingly in home care services. However, the next largest payment ratios were found in hospital outpatient services (6.85) and in other Medicaid services (6.18). Health care for children with PCS, based on Medicaid claims and payments, was somewhat more similar to health care for other children in the Medicaid program in inpatient services, ER services, and office-based services. Children with PCS had payment ratios for these services that ranged from 3.50 to 4.36.

LIST OF EXHIBITS

MEDICAID EXPENDITURES FOR CHILDREN IN TEXAS RECEIVING MEDICAID PERSONAL CARE SERVICES, SEPTEMBER 2008 - AUGUST 2009

FOCUS OF THE REPORT

This report compares Texas Medicaid claims experience between children receiving Personal Care Services (PCS) and children not receiving PCS during state fiscal year (SFY) 2009, September 1, 2008 through August 31, 2009. We analyze claims for children ages 0 to 20 years in the Texas Medicaid acute care fee-for-service program (P100) and the Medicaid Primary Care Case Management (PCCM) program (P200)[1]. We present 13 exhibits that compare utilization and payments for children receiving PCS and those with no Medicaid PCS by place of service, month of service, and age. In general, the comparisons include the number of children with claims, number of claims, Medicaid payments, average claims per child and average payments per claim and child.

PROJECT BACKGROUND

Since September 2007, under the leadership of the Texas Health and Human Services Commission (HHSC), case managers in the Department of State Health Services (DSHS) have been assessing children in the Early and Periodic, Screening, Diagnosis and Treatment (EPSDT) Program, newborns to those 20 years of age, to determine their level of need for PCS. For the first year of this new arrangement, assessments were performed using an interim assessment instrument.

In September 2008, DSHS case managers began using assessment forms developed by a research team from the Texas A&M Health Science Center and the main campus of Texas A&M. The project team developed assessment instruments specially designed for use in determining the PCS needs of children in the EPSDT Program. Two multi-dimensional assessment instruments were developed and tested. The first instrument was the Personal Care Assessment Form 0-3 (PCAF 0-3) used to assess the PCS needs of all children under four years of age who are seeking or

[1]We obtained Medicaid claims data from January 1, 2008 to October 31, 2009 per the State Action Request (SAR) 12232009P002. Claims for children in Medicaid managed care (e.g., STAR+PLUS), the Family Planning program (P300), and the Children with Special Health Care Needs program (P400) are excluded. Managed care claims are not billed to Texas Medicaid & Healthcare Partnership (TMHP, the fiscal intermediary) and the latter two programs receive funding differently than traditional Medicaid (P300 from Title V, X, XX and XIX; and P400 from Title V).

receiving assistance. The second instrument was the Personal Care Assessment Form 4-20 (PCAF 4-20) used to assess children from 4 years to 20 years old who are seeking or receiving PCS services.

Many items on the PCAF instruments were initially developed as part of the Minimum Data Set for Nursing Home Resident Assessment and Care Screening (MDS) or the Minimum Data Set for Home Care (MDS-HC)©. These instruments and items were chosen after a review of the assessment tools used by other states to assess children in the EPSDT Program. One of the reasons MDS-based instruments were chosen was their explicit focus on functional status, which is a key issue in determining the need for personal care. In addition, these assessment tools are used in other sectors of the health care arena in Texas (e.g., nursing homes, managed care, and home health), so the possibility for continuity of information across care settings was enhanced. Where necessary, the items and the training material were modified to assure their relevance to the EPSDT population. In addition, a variety of items were purpose-built by the research team for the assessments.[2]

For the purposes of the Medicaid claims analysis presented here, children receiving PCS were defined as those children with at least one detail line item in a Medicaid claim submitted to the Texas Medicaid Health Partnership (TMHP) with a procedure code equal to Personal Care Services (T1019) during SFY 2009. This definition results in a sample of 5,832 PCS children. Those children receiving PCS were compared to the 2,317,710 children in the Medicaid program who did not receive PCS during SFY 2009.

The exhibits in this report compare health services use and payments based on claims data for children receiving PCS and those children not receiving PCS for the acute care fee-for-service program and PCCM. Comparisons are made by place of service, month of service, and age of the children.

[2]The MDS-HC© was developed by inter*RAI,* which is an international organization of health professionals in more than 30 countries. inter*RAI* is dedicated to the development of assessment instruments for vulnerable populations round the world. More information on inter*RAI* can be obtained www.interrai.org.

TOTAL MEDICAID CLAIMS AND EXPENDITURES

Exhibit 1 compares the total number of children with Medicaid claims, the number of claims, and Medicaid payments for those children receiving PCS and those children not receiving PCS. In SFY 2009, a total of 2.3 million children had Medicaid claims, accounting for roughly 19.7 million claims and $3.8 billion in payments. The children receiving PCS represented .25% of the all children with claims. However, this one-quarter of one percent of children receiving Medicaid were responsible for 4.53% of the claims for children and 5.06% of all Medicaid payments for children. Although the average number of claims per child is comparable between the two groups, there are two noteworthy observations: (1) on average for those children with at least one claim during the year, a child receiving PCS had 18 times more claims (147 claims per child) than a child not receiving PCS (8 claims per child); and (2) Medicaid payments per child with PCS averaged $31,570, or just over 20 times the average payments for a child not receiving PCS ($1,571).

Exhibit 1

Number of Children, Claims, and Average Payments
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009

Measure of Use	With PCS[a]	No PCS	Total	PCS % of Total	Ratio PCS/No PCS
Children with Claims	5,832	2,317,710	2,323,542	0.25	
Number of Claims	854,624	18,861,861	19,716,485	4.53	
Per child	146.54	8.14	8.49		18.00
Payments ($)	184,113,817	3,641,968,859	3,826,082,676	5.06	
Per child	31,570	1,571	1,647		20.10
Per claim	215	193	194		1.11

[a]Includes all children with at least one claim detail line with a procedure code = T1019. Also includes 95 children in the comprehensive assessment form (PCAF) dataset with no T1019 procedure codes in their claims data.

CLAIMS FOR AN INPATIENT STAY

Exhibit 2 compares Medicaid claims and payments for children with hospital inpatient claims. The data represent claims with at least one detail line with a procedure code representing an inpatient room and board charge in an acute care facility. In SFY 2009, a total of 212,542 children had inpatient claims, accounting for $1.0 billion in payments (26.9% of the total Medicaid payments for children). The children receiving PCS were 1.95 times more likely to have an inpatient claim than those children not receiving PCS (17.8% vs. 9.1%). The children in the PCS program represented .49% of all children with inpatient claims, .82% of the claims, and 1.99% of the Medicaid payments for inpatient hospital services. On average, a child receiving PCS had 1.68 times more inpatient claims than a child not receiving PCS. Medicaid payments per child in the PCS program for inpatient services averaged $19,414, or 4.06 times the average payments for other children receiving Medicaid services that year ($4,776). Thus, the differences in payments for inpatient services for children receiving PCS and those not receiving PCS were largely driven by higher costs per claim.

Exhibit 2

Number of Children, Claims, and Payments for Hospital Inpatient Services[a]
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009

Measure of Use	With PCS	No PCS	Total	PCS % of Total	Ratio PCS/No PCS
Children with Claims	1,037	211,505	212,542	0.49	
Percentage of children	17.8%	9.1%	9.1%		1.95
Number of Claims	1,984	240,560	242,544	0.82	
Per child	1.91	1.14	1.14		1.68
Payments ($)	20,132,638	1,010,213,842	1,030,346,480	1.99	
Per child	19,414	4,776	4,848		4.06
Per claim	10,147	4,199	4,248		2.42

[a]Claims with at least one detail line with Place of Service = Inpatient Hospital and Room & Board as procedure code. There are some claims with Inpatient Hospital as the Place of Service that have no Room & Board procedure codes; such as for physician consultations, and these have been excluded. They are, however, included in the summary data presented in Exhibit 7. Excludes detail claim lines with a procedure code = 450 (Emergency Room).

CLAIMS FOR OUTPATIENT SERVICES

Exhibit 3 presents Medicaid claims and payment data for children with hospital outpatient claims. Specifically, the data are claims with at least one detail line with a "Place of Service" code equal to Hospital-Outpatient. In SFY 2009, a total of 729,575 children had outpatient hospital claims. These claims accounted for $583 million in payments. The children receiving PCS were 2.26 times more likely to have an outpatient hospital claim compared to those not receiving PCS; more than 7 out of 10 children with PCS had an outpatient hospital claim compared to just over 3 out of 10 children with no PCS. The children receiving PCS represented .57% of all children with hospital outpatient claims, 3.47% of claims, and 3.90% of Medicaid payments for outpatient hospital services for children. Although payments per claim were similar, on average, a child receiving PCS had 6.10 times more hospital outpatient claims (32.3 claims per child) than a child not receiving PCS (5.3 claims per child) and, remarkably, Medicaid payments per child with PCS averaged $5,295, or 6.85 times the average payments for a child with no PCS ($799). As this exhibit indicates, differences between our two populations resulted from the large difference in the number of claims per child.

Exhibit 3

Number of Children, Claims, and Payments for Hospital Outpatient Services[a]
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009

Measure of Use	With PCS	No PCS	Total	PCS % of Total	Ratio PCS/No PCS
Children with Claims	4,131	725,444	729,575	0.57	
Percentage of children	70.8%	31.3%	31.4%		2.26
Number of Claims	133,371	3,840,148	3,973,519	3.47	
Per child	32.29	5.29	5.45		6.10
Payments ($)	21,872,363	560,959,654	582,832,017	3.90	
Per child	5,295	773	799		6.85
Per claim	164	146	147		1.12

[a]Claims with at least one detail line with Place of Service = Hospital-Outpatient. Excludes detail claim lines with a procedure code = 450 (Emergency Room).

CLAIMS FOR EMERGENCY ROOM USE

Exhibit 4 compares Medicaid claims and payments for children with emergency room claims. Children included in this analysis had at least one detail line with a procedure code equal to 450 (Emergency Room). A total of 403,771 children had claims for emergency room (ER) services, accounting for $360.3 million in payments in SFY 2009. Over one-quarter of the children receiving PCS (28.6%) had an ER claim versus 17.3% of other children receiving Medicaid services. Thus, children in the PCS program were 1.65 times more likely to have an ER claim than those not receiving PCS. The children with PCS represented 1.81% of the Medicaid payments for ER services, but only .52% of the claims and .42% of children with claims. On average, a child receiving PCS had 1.26 times more ER claims than a child not receiving PCS. The bulk of the difference in payments for ER services resulted from the difference in the payments per claims. Average payments per claim were substantially higher for those children with PCS ($2,051 per claim versus $594 per claim for children with no PCS). Similarly, Medicaid payments per child with PCS averaged $3,835, or 4.36 times the average payments for a child with no PCS ($880).

Exhibit 4

Number of Children, Claims, and Payments for Emergency Room Services[a]
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009

Measure of Use	With PCS	No PCS	Total	PCS % of Total	Ratio PCS/No PCS
Children with Claims	1,669	402,102	403,771	0.42	
Percentage of children	28.6%	17.3%	17.4%		1.65
Number of Claims	3,121	596,279	599,400	0.52	
Per child	1.87	1.48	1.48		1.26
Payments ($)	6,399,992	353,933,192	360,333,184	1.81	
Per child	3,835	880	892		4.36
Per claim	2,051	594	601		3.45

[a]Claims with at least one detail line with a procedure code = 450 (Emergency Room).

CLAIMS FOR PHYSICIAN SERVICES

Exhibit 5 compares Medicaid claims and payments for children with office-based claims. These data include claims with at least one detail line with a "Place of Service" code equal to Office. In SFY 2009, there were a total of 2.1 million children with office-based claims, accounting for $1.4 billion in payments (36.4% of total). The children receiving PCS were only slightly times more likely to have an office-based claim compared to those not receiving PCS (94.3% of children with PCS had an office-based claim compared to 91.6% of children with no PCS). The PCS children represented .26% of the total children with claims, 1.72% of the claims, and 1.06% of the Medicaid payments for office-based services. A child with PCS had, on average, 6.6 times more office-based claims (37.0 claims per child) than a child not receiving PCS (5.6 claims per child). As a result, although average per claim payments for children with PCS ($72) were lower than those for children with no PCS ($117), office-based Medicaid payments per child receiving PCS averaged $2,651, or 4.08 times the average payments for a child with no PCS ($650). This differences in payments obviously resulted from the much higher number of office visits by children receiving PCS than from the intensity of services they received in their office visits.

Exhibit 5

Number of Children, Claims, and Payments for Office-based Services[a]
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009

Measure of Use	With PCS	No PCS	Total	PCS % of Total	Ratio PCS/No PCS
Children with Claims	5,497	2,122,155	2,127,652	0.26	
Percentage of children	94.3%	91.6%	91.6%		1.03
Number of Claims	203,222	11,823,871	12,027,093	1.72	
Per child	36.97	5.57	5.65		6.64
Payments ($)	14,572,744	1,379,993,700	1,394,566,444	1.06	
Per child	2,651	650	655		4.08
Per claim	72	117	116		0.61

[a]Claims with at least one detail line with Place of Service = Office.

CLAIMS FOR HOME AND COMMUNITY BASED SERVICES

Exhibit 6 compares Medicaid claims and payments for children with claims for home care services. As with the other analyses by place of service, these data represent claims with at least one detail line with a "Place of Service" code equal to Home. In SFY 2009, a total of 167,155 children had home-based claims, accounting for $566.7 million in payments. Since PCS is a home care service, the children receiving PCS were 14.26 times more likely to have a home-based claim compared to those not receiving PCS (99.3% of children with PCS had a home-based claim compared to 7.0% of children with no PCS). Importantly, although the children receiving PCS represented only 3.59% of the total children with home-based claims, they represented 41.44% of the claims, and 27.02% of the Medicaid payments for home-based services. Although perhaps expected, it is still remarkable that, on average, a child receiving PCS had 11.55 times more home-based claims (80.7 claims per child) than a child not receiving PCS (7.0 claims per child) and Medicaid payments for home-based services averaged $20,816 for children with PCS, or 7.53 times the average payments for a child with no PCS ($2,765).

Exhibit 6

Number of Children, Claims, and Payments for Home-based Services[a]
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009

Measure of Use	With PCS	No PCS	Total	PCS % of Total	Ratio PCS/No PCS
Children with Claims	5,791	161,364	167,155	3.59	
Percentage of children	99.3%	7.0%	7.2%		14.26
Number of Claims	467,349	1,127,856	1,595,205	41.44	
Per child	80.70	6.99	9.54		11.55
Payments ($)	120,543,898	446,178,473	566,722,371	27.02	
Per child	20,816	2,765	3,390		7.53
Per claim	258	396	355		0.65

[a]Claims with at least one detail line with Place of Service = Home.

CLAIMS AND EXPENDITURES BY PLACE OF SERVICE

Exhibit 7 summarizes the number of children, claims, and payments by place of service for children receiving PCS and children not receiving PCS. There is a small difference in the inpatient hospital amounts in Exhibit 7 compared to those in Exhibit 2. This is because Exhibit 7 includes all claims with a Place of Service code equal to Hospital-Inpatient, even if the claims did not include a room and board procedure code in at least one claim detail line (as required in Exhibit 2). Room and board claims represent 86.5% of the total payments for claims with Place of Service code equal to Hospital-Inpatient. The other claims primarily include physician professional fees associated with an inpatient stay.

As Exhibit 7 clearly demonstrates, for inpatient and outpatient hospital services, the intensity of the service (average cost per claim) differs little between children receiving or not receiving PCS. The dramatic difference in expenditures per child is driven by the much higher number of claims or level of utilization. The differences in expenditures on ER services tell a different story. For that service there is little difference in utilization between children on the basis of their participation in the PCS Program. The difference in ER services comes, instead, in the intensity of the services. An ER visit for children in the PCS program is likely to cost almost three and one-half times the costs of the ER visit for a child not receiving PCS.

The data for office visits and home care services present a result exactly the opposite of what was seen in ER visits. The costs per office visit and home care visit is higher for children who are not in the PCS Program than for children receiving PCS. But children in the PCS program have a dramatically higher utilization rate for office visits and home care than do other child in the Medicaid Program. The residual category of "All Other" presents yet a different picture. For these Medicaid services, children in the PCS Program have both higher utilization and receive more intense services.

Also, looking at the final entries in Exhibit 7 provides a quick picture of which types of services children with PCS differed most dramatically in their costs to the Medicaid program from children not receiving PCS. The ratio of Medicaid payments per child (PCS/no PCS) varied from 3.50 to 7.53. As one would expect, the largest ratio (7.53) was in home care services. The PCS

population is a home care population. However, the next largest payment ratios were found in hospital outpatient services (6.85) and in other Medicaid services (6.18). Health care for children with PCS was most similar to health care for other children in the Medicaid program in inpatient services, ER services, and office visits. But, "most similar" is a relative term. Children with PCS had payment ratios for these services that ranged from 3.50 to 4.36.

Exhibit 7

Summary Number of Children, Claims, and Payments by Place of Service
Children Receiving and Not Receiving Personal Care Services (PCS)
SFY2009

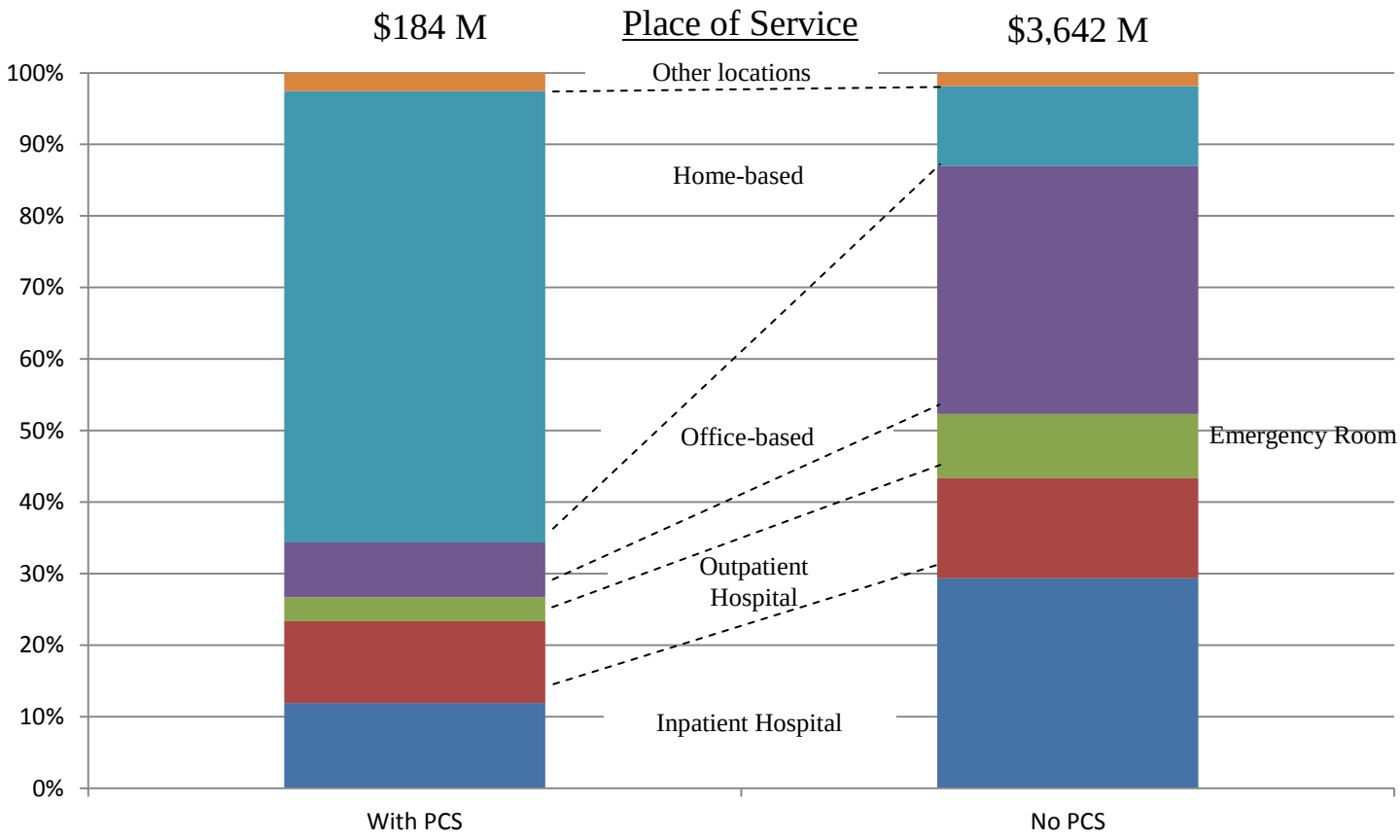
	Hospital					All
Measure of Use	**Inpatient**	**Outpatient**	**ER**	**Office**	**Home**	**Other**
With PCS						
Children with Claims	1,366	4,131	1,669	5,497	5,791	2,898
Percentage of children	23.4%	70.8%	28.6%	94.3%	99.3%	49.7%
Number of Claims	17,610	133,371	3,121	203,222	467,349	33,603
Per child	12.89	32.29	1.87	36.97	80.70	11.60
Payments ($)	22,736,568	21,872,363	6,399,992	14,572,744	120,543,898	4,820,328
Per child	16,645	5,295	3,835	2,651	20,816	1,663
Per claim	1,291	164	2,051	72	258	143
No PCS						
Children with Claims	245,577	725,444	402,102	2,122,155	161,364	272,283
Percentage of children	10.6%	31.3%	17.3%	91.6%	7.0%	11.7%
Number of Claims	953,261	3,840,148	596,279	11,823,871	1,127,856	931,340
Per child	3.88	5.29	1.48	5.57	6.99	3.42
Payments ($)	1,168,537,019	560,959,654	353,933,192	1,379,993,700	446,178,473	73,242,490
Per child	4,758	773	880	650	2,765	269
Per claim	1,226	146	594	117	396	79
Payment per Child Ratio						
With PCS to No PCS[a]	3.50	6.85	4.36	4.08	7.53	6.18

[a]For those children with at least 1 claim in the place of service category in the column header.

Exhibit 8 uses the total Medicaid payments data by place of service from Exhibit 7 and graphically compares the distribution of these payments for the children receiving PCS with those not receiving PCS. The dependence of the children with PCS on home-based services stands out, as does the heavy concentration of payments for inpatient and office-based services for children with no PCS.

Exhibit 8

Distribution of Payments by Place of Service
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009

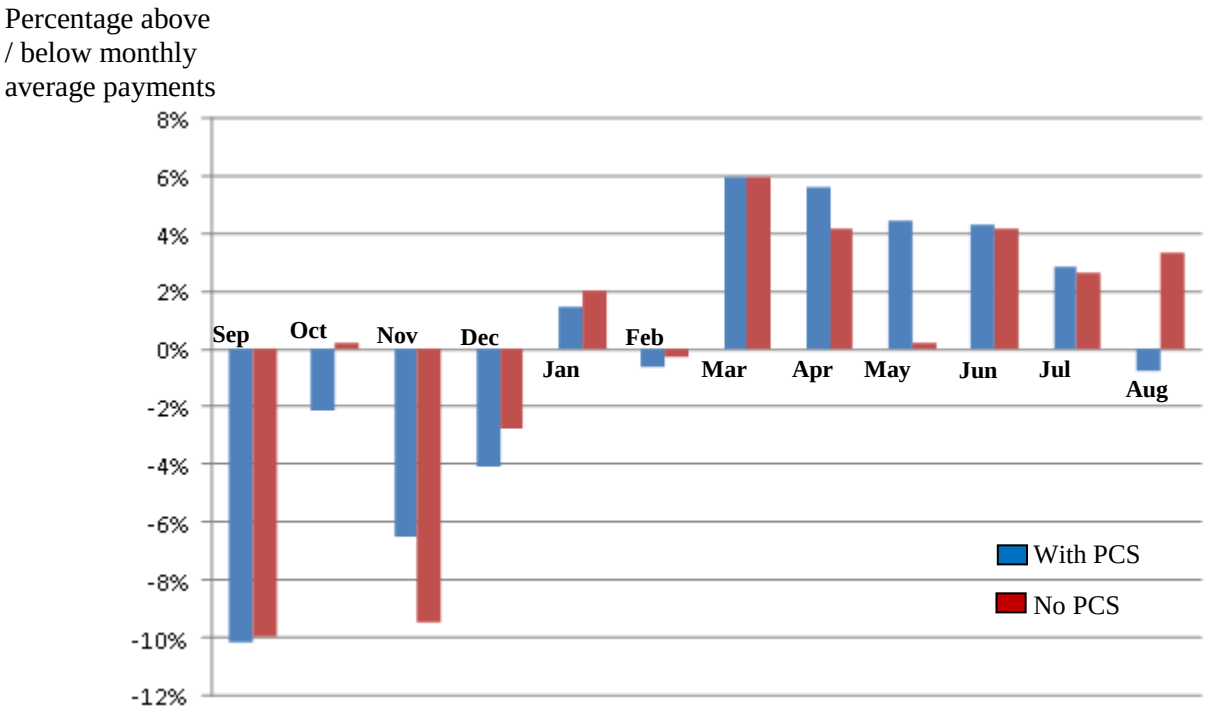


EXPENDITURES BY CALENDAR MONTH

Exhibit 9 compares the SFY 2009 monthly distribution of Medicaid payments of the children receiving PCS with those not receiving PCS. The distributions of these two groups of children are highly correlated (correlation coefficient = .9). In addition, there appears to be some seasonality in the payment distributions. In general, total monthly Medicaid payments are somewhat higher in the spring and summer compared to the fall and winter.

Exhibit 9

Monthly Payments - % Above/Below SFY 2009 Monthly Average
Children Receiving and Children Not Receiving Personal Care Services (PCS)



CONCENTRATION OF MEDICAID EXPENDITURES

Exhibit 10 and Exhibit 11 compare the distribution of Medicaid payments, by selected ranges of payments per child, of the children receiving PCS to the children not receiving PCS. For children with PCS, more than half of total Medicaid payments are for children with payments for the year that exceeded $50,000 per child. In comparison, this $50,000+ per child group represents less than one-fourth of the payments to children with no PCS. For children not receiving PCS, approximately one-third of the Medicaid payments are for children in the $1,000 - $4,999 payment range. For children with no PCS, 17.0% of the payments were for children with payments less than $1,000. Remarkably, this payment range (< $1,000) represented less than one-third of one percent for children with PCS. Extending this comparison to the < $5,000 per child ranges, almost half (49.0%) of the Medicaid payments to children not receiving PCS are less than $5,000 per child compared to only 1.0% of those children with PCS. Clearly, the children with PCS have a much larger concentration of high payments per child compared to those children with no PCS. Exhibit 11 presents these same data in a graph.

Exhibit 10

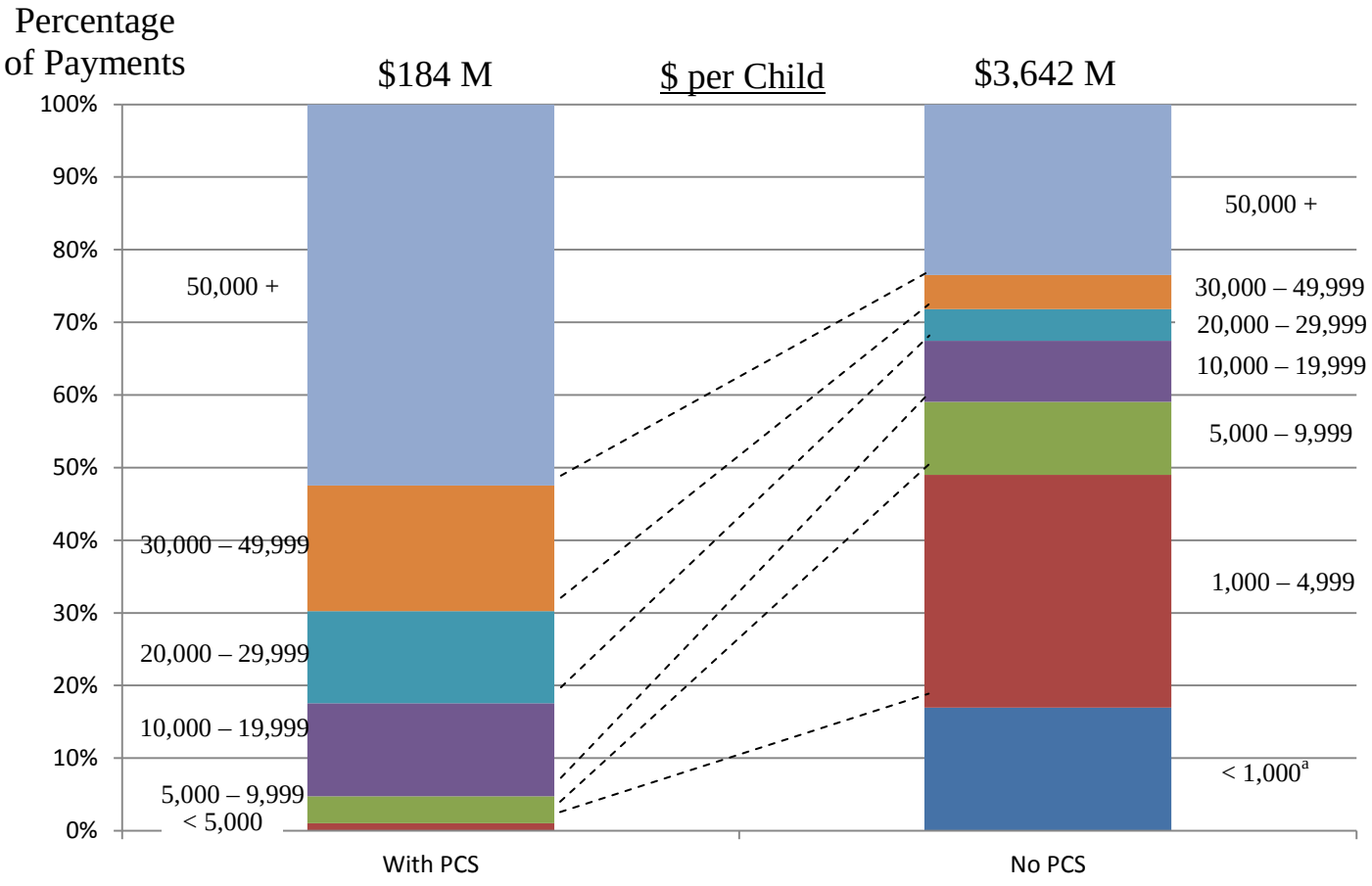
Distribution of Payments by Per Child Expenditure Range
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009

	With PCS			No PCS		
$/Child Range	**Total Payments**	**% of Payments**	**Cum. Prcnt.**	**Total Payments**	**% of Payments**	**Cum. Prcnt.**
< 1,000	55,736	0.0[a]	0.0[a]	618,359,428	17.0	17.0
1,000 – 4,999	1,868,046	1.0	1.0	1,167,087,895	32.0	49.0
5,000 – 9,999	6,798,505	3.7	4.7	365,372,461	10.0	59.1
10,000 – 19,999	23,643,781	12.8	17.6	305,706,620	8.4	67.5
20,000 – 29,999	23,283,678	12.6	30.2	158,654,505	4.4	71.8
30,000 – 49,999	31,889,330	17.3	47.5	171,628,973	4.7	76.5
50,000 +	96,574,741	52.5	100.0	855,158,976	23.5	100.0

[a]Represents .03% of the total payments to children receiving PCS.

Exhibit 11

Concentration of Medicaid Payments
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009



[a]Represents .03% of the total payments to children receiving PCS; therefore this portion of bar graph does not display.

Exhibit 12 and **Exhibit 13** present the distribution of payments by age cohort for children receiving PCS and those not receiving PCS. In addition, Exhibit 12 presents the average payment per claim for the two groups of children by age cohort. The 0 to 1 year old age cohort represents 19.4% of the Medicaid payments for children with no PCS, compared to representing only 1.9% of the payments for children receiving PCS. This is because there are no neonates and very few young infants in the group with PCS compared to the group with no PCS. For the children receiving PCS, 38.9% of the payments are for children 5 to 11 years old. Medicaid payments for children receiving

PCS that are 18 to 20 years old account for 16.3% of total payments; while this age group accounts for only 7.9% of the payments to children not receiving PCS. Exhibit 13 presents the data in Exhibit 12 as a graph.

Exhibit 12

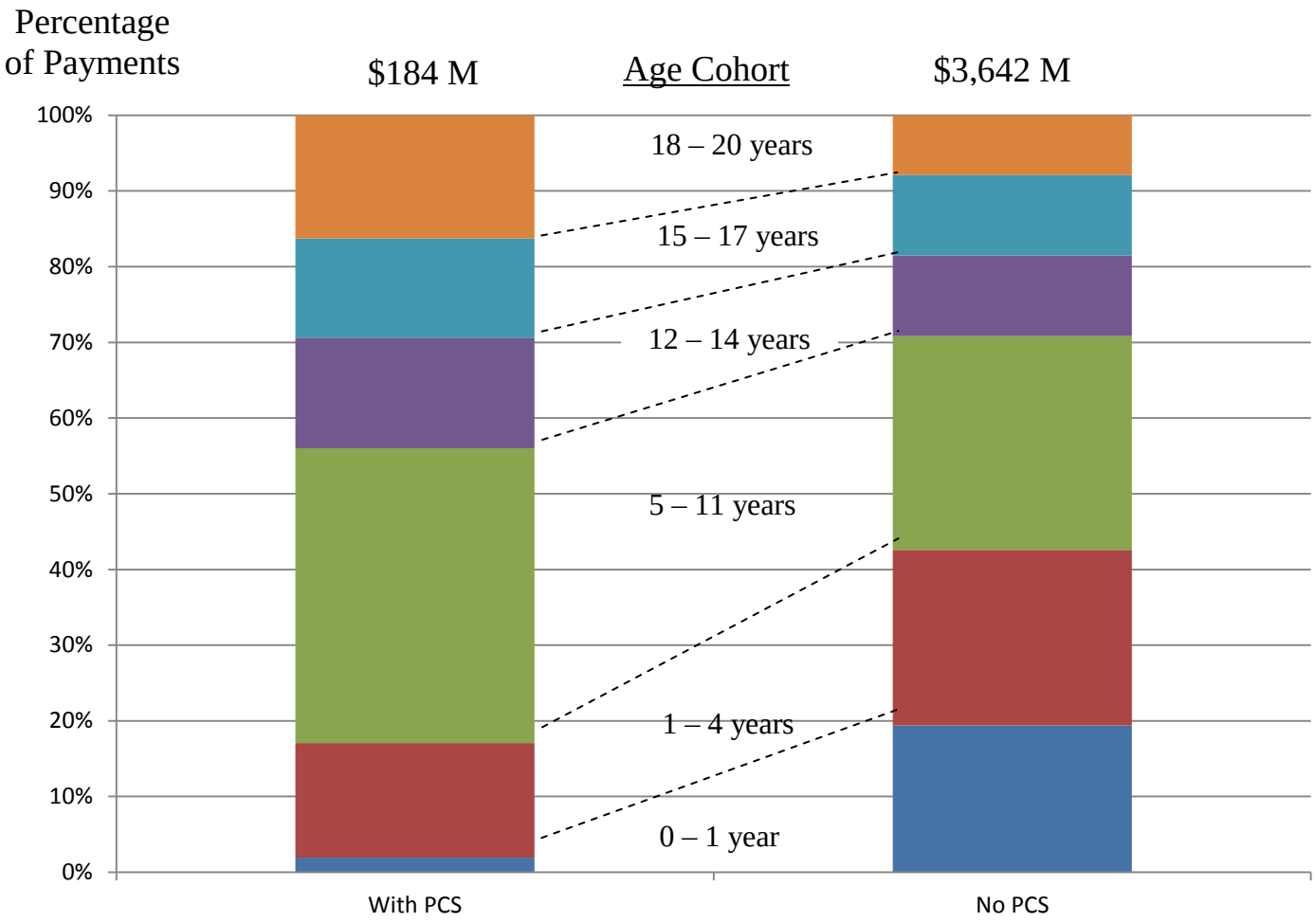
Distribution of Payments and Average Payment per Claim by Age Cohort[a]
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009

	With PCS				No PCS			
Age Cohort[a]	**Total Payments**	**% of Payments**	**Cum. Prcnt.**	**$ Per Claim**	**Total Payments[b]**	**% of Payments**	**Cum. Prcnt.**	**$ Per Claim**
0 – 1 year	$ 3,536,390	1.9	1.9	490	$ 706,560,703	19.4	19.4	357
1 – 4 years	27,864,438	15.1	17.1	258	844,194,769	23.2	42.6	175
5 – 11 years	71,670,478	38.9	56.0	193	1,027,621,330	28.2	70.8	158
12 – 14 years	26,984,762	14.7	70.6	198	388,340,210	10.7	81.5	176
15 – 17 years	24,050,490	13.1	83.7	224	386,437,772	10.6	92.1	196
18 – 20 years	30,007,259	16.3	100.0	238	288,365,971	7.9	100.0	212

[a]Age is calculated based on claim date; therefore an individual child may be in more than one age cohort.
[b]There are 1,233 claims with missing age data accounting for $448,104 in payments.

Exhibit 13

Distribution of Payments by Age Cohort
Children Receiving and Children Not Receiving Personal Care Services (PCS)
SFY 2009



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