Department of Public Welfare (DPW) Report on Children’s MA “Loop Hole”


Act 7 [FY 02-03 Budget] Reporting Requirements

In passing the state’s FY 02-03 Budget, the Legislature requires the Department of Public Welfare to submit to the Legislature an annual report on children enrolled in the Medicaid Program where eligibility is based on disability and where parental income is not considered in the determination (eligible as category PH-95). This report reflects the household demographics, income, diagnosis and the type and cost of physical and behavioral health care MA services for children in the HealthChoices and Fee for Service regions of the Commonwealth.

Data Sample of the Report as of June 30, 2004

This interim report is based on data provided by the Office of Income Maintenance and the Office of Medical Assistance Programs. Compliance with reporting standard necessitated changes in eligibility reporting forms used by County Assistance Offices beginning on January 1, 2003. Current date is available only for applications received or redetermined after this date. A complete data report is not yet available. This recently released report is based on data for 10,781 of the 29,865 children eligible as category PH-95. DPW sees this number as a representative sample, and has based their report on this data.

Demographic Profiles of PH-95 Category Children and their Families

Average Monthly Income: $5,069
Percentage with Annual Household Income less than $100,000 89.7%
Percentage with Annual Household Income between $100,000 and $200,000 8.9%
Percentage with Annual Household Income greater than $200,000 1.4%
Average number of Household Members (range of 3.6 to 4.6) 4

County Rate of PH-95 Enrollment

Based on the current data, there is a high degree of variability in the rate of PH-95 enrollment. Listed below are those counties in which the current sample shows more than 1,000 children as being PH-95 category eligible.

<table>
<thead>
<tr>
<th>County</th>
<th>PH-95 Eligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegheny</td>
<td>2579</td>
</tr>
<tr>
<td>Montgomery</td>
<td>2234</td>
</tr>
<tr>
<td>Bucks</td>
<td>1880</td>
</tr>
<tr>
<td>Delaware</td>
<td>1637</td>
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<td>York</td>
<td>1510</td>
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<tr>
<td>Lancaster</td>
<td>1473</td>
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<tr>
<td>Chester</td>
<td>1235</td>
</tr>
<tr>
<td>Lehigh</td>
<td>1046</td>
</tr>
</tbody>
</table>
Types and Costs of Services Paid for by MA
Percentage of Children in the Managed Care Programs 70%
Percentage of Children in the Fee for Service Programs 30%
Average Cost per member per month in Managed Care $831.43
Average Cost per member per month in Fee for Service $663.54

Most Commonly Reported Disabilities (in descending order)
- Attention Deficit Hyper-activity
- Autistic Disorder and other Pervasive Developmental Disability
- Mood Disorders
- Organic Mental Disorders, Multiple Body Dysfunction
- Hearing Impairment
- Down Syndrome
- Communication Impairment associated with neurological disorder

MA Services Most Frequently Purchased (in descending order)
- Behavioral Health Rehabilitation Services
- Educational Rehabilitation Services (school MA ACCESS)
- Pharmacy
- Ancillary Physical Health
- Ancillary Behavioral Health
- Private Duty Nursing
- Outpatient Behavioral Health
- Inpatient Behavioral Health