HEALTH OF CHILDREN IN FOSTER CARE: EXECUTIVE SUMMARY & RECOMMENDATIONS

May 2015

BACKGROUND

According to the American Academy of Pediatrics, children in foster care have poorer health than any other group of children. The higher prevalence of a range of physical, mental and behavioral health problems can lead to greater healthcare utilization and higher costs. However, many children in this vulnerable population have undiagnosed and under-treated medical conditions, and persistent unmet health needs.

Foster care refers to the system within a state that cares for minor children who have been removed from their normal living environment because a court or child protection agency has decided that the parents or guardians are unable to properly care for them. Most children are moved into the system because of evidence of abuse or neglect, or because of a parent or guardian's dependency on drugs or alcohol. Children in foster care include those placed in non-relative family homes, group homes, institutions (including juvenile justice and intensive behavioral health treatment facilities), as well as those placed with relatives beyond the child's immediate family. In Delaware, the Division of Family Services (DFS) within the Department of Services for Children, Youth and Their Families (DSCYF) is the lead agency for maintaining the foster care system.

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Charge: Recognizing that Delaware has an obligation to protect, support, and assist children in the foster care system, the Delaware General Assembly established a task force to study the health of foster care children, and their access to and utilization of health services. The task force carried out its charge by reviewing reports and publications done here in Delaware and in other states, and by analyzing health and health care data supplied by the Delaware Division of Medicaid and Medical Assistance (DMMA) and DFS.

Development of the Task Force: The *Task Force on the Health of Children in Foster Care* was established in June 2014 by the General Assembly, and included representation from the Division of Family Services (DFS), foster care agencies, health care providers, and community advocates. The Task Force had four formal meetings between October 2014 and March 2015 to learn more about the health status of children in foster care and to develop recommendations to improve access to care for this vulnerable population. Members reviewed data from a variety of sources, including a chart review of children in foster care summarized in a report from the *Child Death, Near Death and Stillbirth Commission* and the *Child Protection and Accountability Commission* in January 2015. Similarly, the Task Force partnered with the University of Delaware's Center for Community Research and Service to undertake an analysis of the healthcare utilization of children in foster care provided through the state's Medicaid Program.

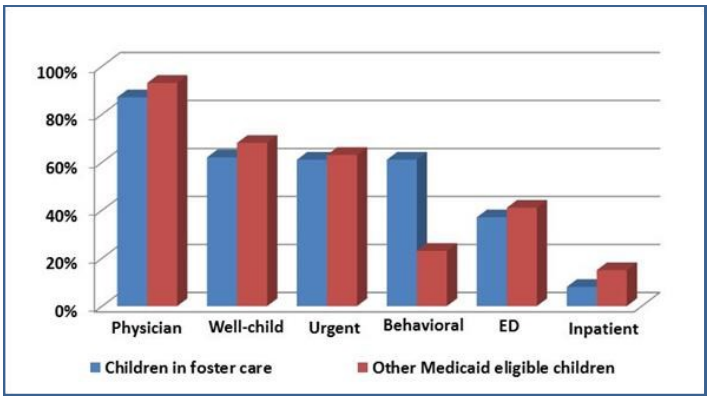
Development of Medicaid Utilization Database: This work represents the first partnership between DFS and DMMA on reviewing Medicaid data for children in foster care. It has required unprecedented collaboration across systems to collect Medicaid data, and to merge this data with other data on child welfare. The subsequent analysis of this enhanced data allowed the Task Force to have a clearer picture of the needs of foster care children, which allowed it to develop recommendations to improve the overall health system for these children. The resulting report, *Report to the Delaware Task Force on the Health of Children in Foster Care*, prepared by the University of Delaware Center for Community Research & Service, contributed to the work of the Task Force by providing an analysis of the healthcare services provided to children in foster care through the State's Medicaid program. The empirical findings presented herein are highlights from this report. Recommendations of the Task Force, presented on page four, are based on the report findings, previous research in the area of foster care, the Commission's chart review, and Task Force members' expertise.

To promote the health and well-being of children in foster care, it is critical that we better understand their health status, current healthcare utilization, and potential unmet healthcare needs.

SUMMARY OF EMPIRICAL FINDINGS

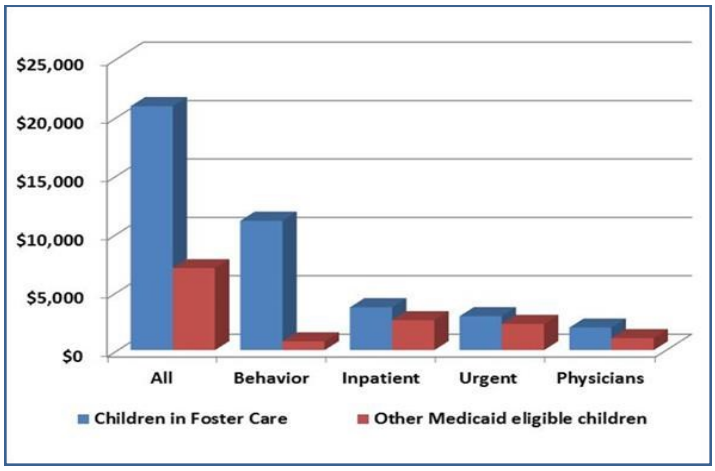
Medicaid claims data provide the basis for this analysis of the health and healthcare utilization of children in foster care. Data extracted for the health utilization study pertain to fiscal years 2013 and 2014 and include diagnoses, types of services and providers, types of prescription drugs, and expenditures. Among the 1,458 total children in foster care in Delaware during these two fiscal years, 320 were new to foster care in FY2013 and 222 were new to foster care in FY2014. Importantly, due to the nature of the claims database, most of the cost data in the analyses are based on the "billed amount" for services. The billed amount can vary substantially from the actual cost of services because most individuals who participate in Medicaid in Delaware are enrolled in managed care plans which pay for care using a capitated rate. This means that the billed amount is a somewhat artificial representation of cost. However, it is still useful for making comparisons, examining trends and understanding the relative distribution of costs.

Overall Utilization: Ninety-one percent of children in foster care received at least one type of healthcare service, and 87% had a physician visit during FY2013 or FY2014. Over three-quarters of children ages six and over had a behavioral health visit. Compared with other children in Medicaid in Delaware, children in foster care had relatively high rates of behavioral health visits. This is consistent with patterns of utilization in other states. More than half of the total Medicaid medical claims for this population are for behavioral health services. Additionally, while 87% of children in foster care had a physician visit in FY2013-FY2014, the relative cost of physician visits is low compared to other types of services, such as urgent or emergency care.



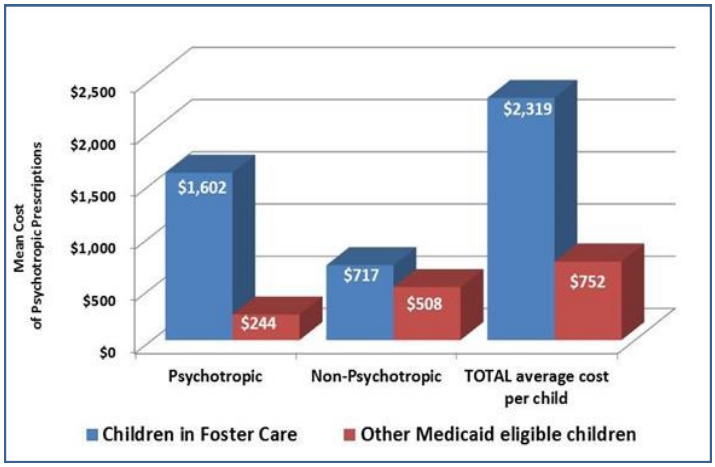
Percentages of children in foster care who received selected services compared with other children in Medicaid in Delaware, FY13-FY14

Children in foster care in Delaware have considerably higher average claims than other children in Medicaid, and the disparity is largely attributed to differences in behavioral health claims.



Average billed amount of selected services for children in foster care compared with other children in Medicaid in Delaware, FY13-FY14

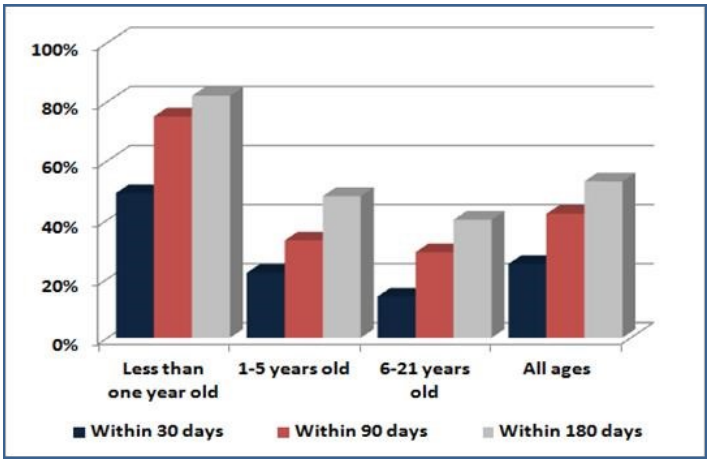
Children in foster care in Delaware have considerably higher average claims than other children in Medicaid in Delaware, and the disparity is largely attributed to differences in behavioral health claims. This finding is consistent with research that shows that states spend approximately three times as much for children in foster care, compared with spending for other non-disabled children in Medicaid.



Average per-child cost of prescription drugs among children in foster care and other children in Medicaid in Delaware, FY2013-FY2014

The average prescription drug cost was also approximately three times as high for children in foster care compared with other children in Medicaid in Delaware in FY2013-FY2014. This difference is largely attributable to higher costs associated with psychotropic drugs among the foster care population. Given the behavioral health needs of children in foster care, and the literature which highlights concerns related to high utilization of psychotropic prescription drugs, various aspects of psychotropic drug use were examined among children in foster care in Delaware. Forty percent of children in foster care in Delaware had at least one claim for a psychotropic prescription drug during FY13-FY14, and nearly one-quarter (22%) had claims for three or more psychotropic prescriptions during this time period.

Well/Preventative Visits: Preventive visits are important for early identification of problems and maintaining good health among all children. Because early screenings are particularly important for children in foster care, the American Academy of Pediatrics (AAP) recommends an initial assessment upon entry into foster care and a more comprehensive assessment within 30



Percentages of children new to foster care receiving well visits within 30, 90 and 180 days of entry into foster care, FY13-FY14

days. Current state policy recommends all children obtain a well visit within five days after entry, and within 30 days at most. Current foster care agency contracts require children under their care to have a health screen within 72 hours of entry into care.

Only 31% of children new to foster care in FY2013 or FY2014 met the AAP recommendations. After six months in care, only 59% of children had obtained a well visit. Research in other states indicates this is a challenge for children in foster care generally. This shows that meeting the AAP recommendations is an ongoing challenge not unique to Delaware.

Forty percent of children in foster care in Delaware had at least one claim for a psychotropic prescription drug during FY2013-FY2014.

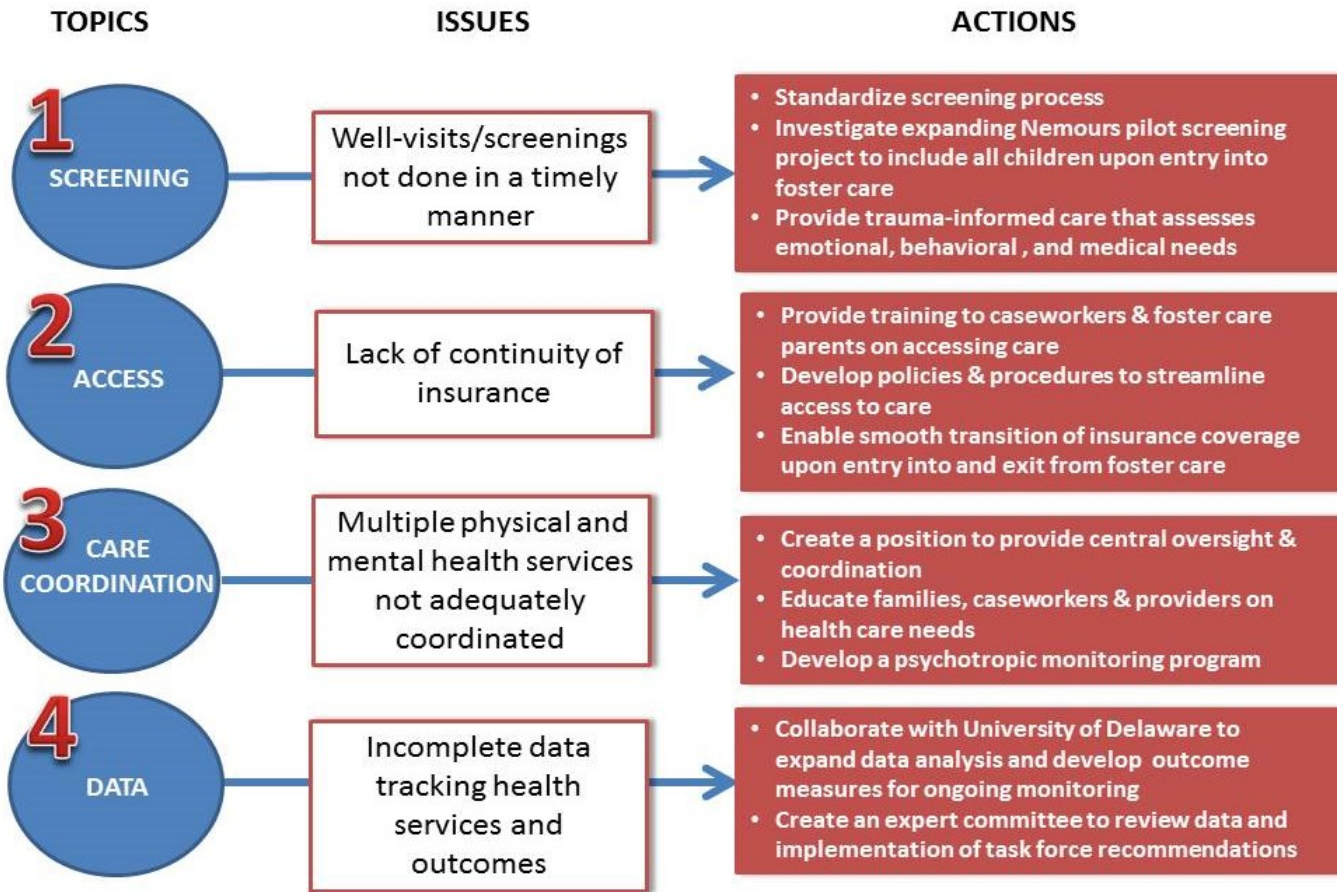
Continuity of Care: Continuity of Care (COC) is a characteristic of a healthcare system in which a patient experiences a 'continuous caring relationship' with an identified healthcare professional. Although an evaluation of COC was beyond the scope of this report, the analysis explored continuity of coverage by analyzing Medicaid claims for children in foster care before and after entry into the foster care system. More specifically, the study looked at children who had their first foster care claim in FY2014, to see if they had any prior claims, indicating Medicaid participation prior to entry into foster care. As seen in the below table, only 57% of children new to foster care in FY2014 had a prior claim. This suggests that almost half (43%) did not have Medicaid coverage prior to entry into foster care. The cohort of children that appeared to leave foster care in FY2013 was also examined, to see if these children had any Medicaid claims during the following year, which would be an indication of continuous coverage. Among children that made their last foster care claim in FY2013, 77% had at least one additional Medicaid claim after exiting foster care. Almost one-quarter of children who left foster care in FY2013 appeared to have lost their Medicaid coverage when they left foster care.

Entering and Exiting	#	%
Children who made their first foster claim in FY2014	222	100%
made their first foster care claims, with no prior Medicaid claims in FY2013	95	43%
made a Medicaid claim in FY2013 before their first foster care	127	57%
Children who made their last foster care claim in FY2013	434	100%
made their last foster care claim in FY2013 and did not make any subsequent Medicaid claims in FY2014	100	23%
made Medicaid claims after their last foster care claims	334	77%

Source: Center for Community Research & Service, University of Delaware, 2015. Compiled with data provided by the Delaware Division of Medicaid & Medical Assistance through a partnership with of the University's Colleges of Health Sciences and Arts & Sciences

TASK FORCE RECOMMENDATIONS

Based on empirical data, research literature, and the expertise of Task Force members, the Task Force submitted recommendations across four main domains to improve access and quality of care for the children in foster care in Delaware and to decrease costs. These domains are screening, care coordination, access to care, and data monitoring and continuous improvement. The figure below summarizes these recommendations. The full recommendations are described in the Task Forces' Final Report and have been presented to the Delaware General Assembly.



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