Recession forced cutbacks in care for special needs kids: study

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Some families curtailed dental visits, medicines for children with chronic health problems.

(HealthDay)—The belt tightening triggered by the recent recession appears to have forced families to make tough choices about care for children with chronic physical or emotion problems, a new study suggests.

The study, which was published in the June issue of the journal *Health Affairs*, used a large government database to track out-of-pocket costs for families with private health insurance carriers from 2001 to 2009.

Researchers were particularly interested in spending for children with special health care needs.
"Those are children who require health or related services beyond those required by children generally," said lead researcher Pinar Karaca-Mandic, an assistant professor of public health at the University of Minnesota. "A child with asthma would fit in this category, for example. A child with depression, ADHD or a physical limitation would also fit this definition."

Nearly one in five children in the United States meets the criteria for having a special health care need. Parents pay about twice as much to care for children with special needs as they do caring for children without ongoing problems. Their own health care costs usually go up, too, as they deal with the added stress of caregiving.

In the years leading up to the recession, out-of-pocket expenses climbed steadily for all family members—children and adults alike. But in 2007, the trend lines changed.

For children who were generally healthy, medical expenses jumped as insurance plans became less generous and families bore a greater share of the total tab for medical care. Average annual out-of-pocket costs rose from about $280 in 2007 to $310 in 2009.

But for children with special needs and adults, out-of-pocket costs actually dropped. Adults cut spending on their own care by an average of $40 if they had children without chronic conditions. In families with special-needs kids, adults pared their own medical bills by an average of about $65 during each year of the recession.

Spending on children with special health care needs fell even further, by about $73 each year of the recession. Families spent an average of $774 a year to care for children with special needs in 2007. By 2009, that figure was down to $626.
Taken together, researchers said it looks like parents cut back on their own care to continue to afford services for their kids.

But when those children had chronic conditions, even those sacrifices were not enough to keep up with the rising costs, and families started to make difficult decisions about the kinds of care they could do without.

"We looked at what kinds of services were most affected in terms of the utilization," Karaca-Mandic said. "We saw that services such as dental care and prescription drugs were the most hit."

The survey used to conduct the study, which is called the Medical Expenditure Panel Survey, or MEPS, doesn't track health outcomes, so researchers couldn't tell if the drop in spending translated to poorer health.

An expert who was not involved in the research praised the study for offering the first direct, national comparison of out-of-pocket spending on children with and without special health care needs.

"What we are seeing is a slight increase in the prevalence of kids that have special health care needs and an increasing trend toward those involving emotional, behavioral and mental health problems, including things like autism, [attention-deficit/hyperactivity disorder], depression and anxiety," said Christina Bethell, professor of pediatrics at Oregon Health and Science University, in Portland. "We know that the health care system is the weakest in those areas."

"We're not putting a system of care together for kids that appears to be optimal, and families are struggling," said Bethell who also directs the Child and Adolescent Health Measurement Initiative at the university.

But Bethell said she has not seen a drop in out-of-pocket spending for
children with special health care needs, even through the years of the recession. But she said that could be because her study is tracking slightly different measures.

She said one thing both studies seem to point to is the plight of low-income families with private insurance.

Many of the families in the study were low or middle income. More than a third had incomes that were less than 125 percent of the federal poverty threshold, which was about $22,000 for a family of four in 2009.

"They do the worst," Bethell said. "They need to be on public insurance. Public coverage is better for lower-income people."

In 2014, those families could be covered by Medicaid if they live in states that take advantage of federal funding through the Affordable Care Act to expand their programs. Bethell said the switch could ease the strain on low-income families that have children with special health care needs.

"It's going to vary a lot [state-by-state] because of how much freedom the states have," she said. "We're going to have to track it closely to see."

More information: To learn more about children with special health care needs, visit the Data Resource Center for Child & Adolescent Health.

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