

Despite recession, children's health spending increased between 2009-2012, says new report

February 27 2014

Spending on health care for children covered by employer-sponsored insurance (ESI) increased between 2009 and 2012, rising an average 5.5 percent a year, with more dollars spent on boys than girls, and higher spending on infants and toddlers (ages 0-3) than any other children's age group, finds a new report released today by the Health Care Cost Institute (HCCI). Per capita spending on children reached \$2,437 in 2012, a \$363 increase from 2009. The study shows a growth in prescription use by children through age 18, as well as a rise in the number of teens being admitted for mental health and substance use (MHSU) treatment.

The report, *Children's Health Spending: 2009-2012*, presents the most up-to-date data on [health care](#) spending trends for privately insured children under age 19. It is based on fee-for-service claims for 10.5 million children per year who were covered by employer-sponsored health insurance (ESI). For all years studied, HCCI found rising prices contributed more to spending growth than did utilization of services. However, increased prescription use contributed to rising spending for children over the age of 3.

Big Gender Gap in Spending

Until age 14, boys had higher [health care spending](#) than girls, and boys of all ages had a higher share of spending on brand prescriptions. In 2012, spending for boys reached \$2,572, while spending on girls was

\$2,296 – a \$276 gender difference. Out-of-pocket spending also was higher for boys than for girls, \$440 per boy and \$414 per girl. When children reached their teens, spending on health care for girls was higher than boys, a trend that continues throughout adulthood until about age 60.

Rise in Prescription Use and Teen Mental Health Admissions

All age groups saw increased overall prescription spending in 2011 and 2012, according to the report. The most common prescription drug class was central nervous system (CNS) agents (commonly associated with attention deficit hyperactivity disorder, anxiety, and depression). Use of CNS drugs by younger children (ages 4-8), pre-teens (ages 9-13), and teens (ages 14-18) rose over time, and in each age group boys had higher use of CNS drugs than girls. Between 2011 and 2012, younger children, pre-teens, and teenagers saw double-digit growth in generic CNS use.

Teen girls had higher levels of overall prescription use than teen boys. In 2012, teen boys used an average 89 filled days of brand and generic prescriptions; in contrast, teen girls averaged 128 filled days. The difference in prescription usage between boys and girls was largely a result of teen girls' use of synthetic hormones (typically associated with birth control pills).

"The trend of rising use of prescriptions among children is particularly notable," says HCCI Executive Director David Newman. "We, and others, need to focus on the [mental health](#) needs of our children."

Other report highlights:

- **Infants and Toddlers:** For infants and toddlers, per child

spending was \$4,446 in 2012, and was largely driven by visits to doctors' offices and hospital care for the sickest newborns.

Hospitalizations accounted for nearly 40% of spending per baby.

- **Younger Children and Pre-Teens:** Possibly triggered by the recession, health care spending growth dipped temporarily in 2010, due in large part to decreased use of health care services. In 2010, outpatient visits to emergency rooms declined for all children, with the most pronounced declines for younger children and pre-teens.
- **Teen Use of Mental Health and Substance Use (MHSU) Services Grew:** There was rising use of mental health services by teens, and there were more MHSU admissions for girls than for boys in all years studied. For girls, use rose from 9 admits per 1,000 teen girls in 2010 to 11 in 2012; for boys, MHSU admits rose from 7 per 1,000 teen boys in 2010 to 9 in 2012.
- **Out-of-Pocket Spending Rose:** Slightly more than 17 percent of health care spending per child was paid out of pocket between 2009 and 2012, with out-of-pocket spending growing fastest in the Midwest and the South.
- **Prescription Spending Growth:** In 2012, spending on prescriptions for children rose 7.1 percent, 2.1 percentage points faster than in 2011, and 2.3 percentage points faster than in 2010. Higher prescription expenditure growth was driven mainly by rising use of generics.
- **Spike in Meningitis Vaccines Among Teens:** Federal policies may have helped prompt a 47.6 percent spike in meningitis vaccination rates among teens in 2011, and an additional 16.4 percent increase in 2012. These increases were likely due to vaccine recommendations promulgated by the Centers for Disease Control and Prevention and benefit changes under the Affordable Care Act.

"We hope this report illustrates where health care spending for children

is occurring," says HCCI Senior Researcher Amanda Frost. "While we know that prices have fueled health care spending growth, this report shows where those dollars are going to help identify implications for children's health and care."

The Children's Health Spending: 2009-2012 will be available on the Health Care Cost Institute's website on February 27, 2014 at 12:01 a.m. ET at: www.healthcostinstitute.org/ch...h-spending-2009-2012.

More information: www.healthcostinstitute.org/ch...h-spending-2009-2012

Provided by Burness Communications

Citation: Despite recession, children's health spending increased between 2009-2012, says new report (2014, February 27) retrieved 5 May 2024 from <https://medicalxpress.com/news/2014-02-recession-children-health-.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.