In the Literature

QUALITY OF CARE FOR CHILDREN IN COMMERCIAL AND MEDICAID MANAGED CARE

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Over the past few years, federal and state governments have increasingly turned to managed care plans to achieve cost-containment goals and expand services for children enrolled in Medicaid and the State Children's Health Insurance Program (CHIP). Yet, little is known about the quality of care provided by these plans. A recent study uses common performance measures to examine whether the care provided to children and adolescents in Medicaid managed care organizations (MCOs) is on par with the care provided to children in private, or commercial, MCOs.

"Quality of Care for Children in Commercial and Medicaid Managed Care" (*JAMA,* Sept. 17, 2003), by Joseph W. Thompson of the Department of Pediatrics at the University of Arkansas for Medical Sciences, Kevin W. Ryan and Sathiska D. Pinidiya of the Arkansas Center for Health Improvement, and James E. Bost of the College of Public Health, University of Arkansas for Medical Sciences, is the largest comparative analysis of Medicaid and commercial MCO performance results to date. It compares standard measures of clinical performance using 1999 data from the Health Plan Employer Data and Information Set (HEDIS) reported in 2000 by 423 commercial and 169 Medicaid plans.

The researchers examined three aspects of quality: clinical care, measured by early initiation of prenatal care and immunization rates; access to care, gauged by number of well-child and adolescent well visits; and procedure rates for myringotomy, to treat chronic ear infection, and tonsillectomy. The authors caution that, while utilization rates can be used to compare differences in practice, they cannot be used to draw conclusions about quality of care since they may represent better quality or overutilization.

Clinical Quality and Access to Care

For all clinical and access measures, mean performance for children enrolled in commercial plans was significantly higher than mean performance for children enrolled in Medicaid MCOs, with the exception of adolescent visits. The mean plan performance on childhood immunizations was 64 percent of commercially enrolled 2-year-olds, whereas the mean plan performance was 49 percent of Medicaid enrollees in this age group (Chart 1). For well-child visits for children in the first 15 months of life, the mean plan performance was 50 percent for commercial enrollees, compared with 27 percent for Medicaid enrollees.

Procedures Rates

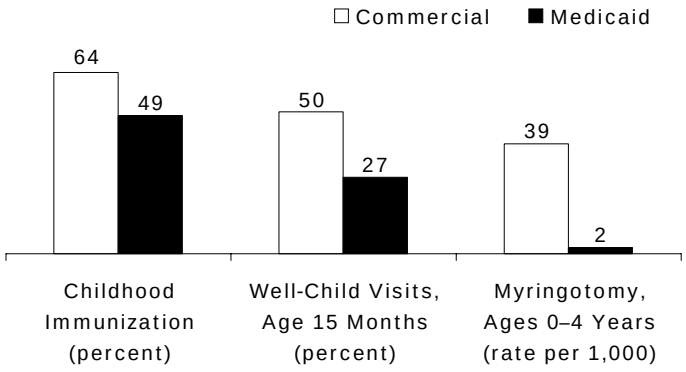
There were consistently higher utilization rates for health care procedures in the commercial populations than in their Medicaid counterparts. Across all plans, an average of 39 per 1,000 commercially enrolled children under age 5 underwent myringotomy, while an average of two per 1,000 Medicaid-enrolled children underwent this procedure (Chart 1). An average of seven per 1,000 commercially enrolled children under age 10 had a tonsillectomy, while an average of 0.4 Medicaid-enrolled children did so.

Plans that Serve Both Populations

Some MCOs offer Medicaid as well commercial products, and submit separate HEDIS reports for both. Among the 81 plans studied that served both groups, mean performance results for commercially

Chart 1

Mean Performance Results for All Managed Care Plans Serving Commercial and/or Medicaid Child Enrollees

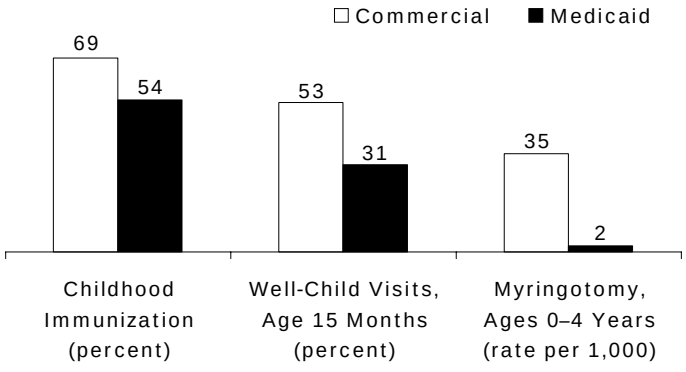


Source: J. W. Thompson, K. W. Ryan, S. D. Pinidiya, and J. E. Bost, "Quality of Care for Children in Commercial and Medicaid Managed Care," *Journal of the American Medical Association* 290 (Sept. 17, 2003): 1486–93.

enrolled children exceeded those of Medicaid-enrolled children for all clinical and quality measures, except rates of adolescent well visits. Medicaid enrollees had significantly lower rates for clinical quality indicators for immunization (69% vs. 54%) and well-child visits (53% vs. 31%) (Chart 2).

Chart 2

Mean Performance Results Restricted to 81 Plans Serving Both Medicaid and Commercially Enrolled Children



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Among plans serving both populations, the differences were greatest for those measures that involve coordinated visits, such as combined childhood immunizations or well-child visits. Disparities were less pronounced for indicators that required only one point of service delivery, such as a single vaccination for adolescents.

High Performers

The study also revealed that some of the plans with both commercial and Medicaid enrollees were able to achieve high HEDIS performance measures of 75 percent or more for both groups. Managed care organizations that had been in operation longer and/or had larger enrollments had less variation in numbers of well-child visits and utilization rates among their commercial and Medicaid enrollees. The authors suggest this may be due to the successful development of the health care network and services for Medicaid enrollees over time.

Potential Solutions

Based on these findings and interviews with health plan medical directors, the authors conclude that providing care to Medicaid populations presents unique challenges. Parents of children enrolled in Medicaid may lack reliable transportation, face language barriers in communicating with providers, and have inflexible work schedules—all of which may result in a lack of continuity in primary care.

The authors suggest that managed care organizations locate providers near target populations and/or public transportation routes and incorporate traditional providers (e.g., community health centers) into managed care networks. Extended office hours and better outreach efforts may also improve quality of care for children in Medicaid MCOs.

In addition, the researchers call for better state and federal monitoring of the quality of care being provided to children in all types of plans, whether commercial MCOs, Medicaid or CHIP plans, or traditional fee-for-service plans.