

# Health Care Utilization and Spending for Children with Mental Health Conditions in Medicaid

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**OBJECTIVE:** To examine how characteristics vary between children with any mental health (MH) diagnosis who have typical spending and the highest spending; to identify independent predictors of highest spending; and to examine drivers of spending groups. **METHODS:** This retrospective analysis utilized 2016 Medicaid claims from 11 states and included 775,945 children ages 3-17 years with any MH diagnosis and at least 11 months of continuous coverage. We compared demographic characteristics and Medicaid expenditures based on total healthcare spending: the top 1% (highest-spending) and remaining 99% (typical-spending). We used chi-squared tests to compare the 2 groups and adjusted logistic regression to identify independent predictors of being in the top 1% highest-spending group. **RESULTS:** Children with MH conditions accounted for 55% of Medicaid spending among 3- to 17-year-olds. Patients in the highest-spending group were more likely to be older, have multiple MH conditions, and have complex chronic physical health conditions ( $p < 0.001$ ). The highest-spending group had \$164,003 per-member-per-year (PMPY) in total healthcare spending, compared to \$6097 PMPY in the typical-spending group. Ambulatory MH services contributed the largest proportion (40%) of expenditures (\$2455 PMPY) in the typical-spending group; general health hospitalizations contributed the largest proportion (36%) of expenditures (\$58,363 PMPY) in the highest-spending group. **CONCLUSIONS:** Among children with MH conditions, mental and physical health comorbidities were common and spending for general healthcare outpaced spending for MH care. Future research and quality initiatives should focus on integrating MH and physical healthcare services and investigate whether current spending on MH services supports high-quality MH care.

## Journal:

[Academic Pediatrics](#)

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