The findings:

- Children who are “high-cost” over consecutive years use care differently than children who are only “high-cost” for one year. These “persistently high-cost” children are more likely to have higher use of home-health and pharmacy services, compared with “acutely high-cost” children.
- “Persistently high-cost” children are most likely to have primary diagnoses in the categories of neurology, cardiology, and oncology.
- “Acutely high cost” children are most likely to have primary diagnoses in the categories of neonatology, injury and ENT.

Policy implications:

- Different systems of care may be necessary to attend to the special requirements of the highest-cost children with serious chronic illness.
- Increasing the efficiency of home-health service delivery should be a dominant feature of any improved system of care for these children.

Exhibit 1: Service Use by Cost over Time among California Children Services Enrollees

Persistently High-Cost Enrollees
(Upper decile of total costs for 4 consecutive years)

- Inpatient: 44%
- Home health: 36%
- Outpatient clinic: 11%
- Other outpatient: 7%
- Pharmacy: 3%
- Durable Medical Equipment: 2%

Acutely High-Cost Enrollees
(Upper decile of total costs for only 1 year)

- Inpatient: 32%
- Home health: 28%
- Outpatient clinic: 18%
- Other outpatient: 19%
- Pharmacy: 3%
- Durable Medical Equipment: 0%

"CCS enrollee" is any child enrolled in California Children's Medi-Cal fee-for-service from 7/1/2006 to 6/30/2012. As the nation's largest Title V program, CCS provides case management each year for >150,000 children with a serious chronic medical condition and whose family has an eligible adjusted annual income. Most CCS enrollees are enrolled in MediCal or Healthy Families. http://www.dhcs.ca.gov/services/ccs. Data analyzed were de-identified information from all paid claims for these CCS enrollees, as abstracted from the state's Management Information System / Decision Support System.

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