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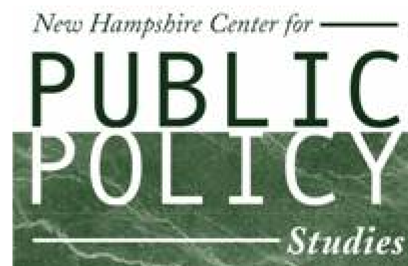

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Mental Health Services for NH's Children

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About this paper

This report is one of a series published by the NH Center for Public Policy Studies on the broad topic of mental health in New Hampshire. The Concord-based Endowment for Health has sponsored this work.

We thank the New Hampshire Insurance Department for their analysis of the Comprehensive Health Information System data. The analysis and opinions expressed in this report, however, are those of the Center alone.

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Mental Health Services for NH's Children

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Executive Summary

Data on mental health service use is critical to understanding the system of mental health care for children. In addition, such data can provide a baseline against which policymakers can assess access to mental health services in light of prevalence estimates or future policy interventions designed to increase access to mental health services. This analysis assesses private insurance claims data, Medicaid data, and data on care provided to those without insurance from hospital discharge data and from the community mental health system. This report is one of a series of reports commissioned to inform policy-makers about the status of mental health in New Hampshire. This analysis is designed to answer basic questions about the mental health service system by analyzing the services that are being provided to those with mental illnesses.

Major Findings

The public Medicaid system provides a significant amount of mental health services to children in New Hampshire. One-quarter of all children enrolled in Medicaid access services for a mental illness at a cost of $81 million – more than half of the total medical expenditures for children. Surprisingly, children enrolled in Medicaid via Temporary Aid to Needy Families (TANF) comprise the majority of the total mental health expenditures. But, not surprisingly, the average costs for mental health care to children with permanent disabilities or to children in the foster care system are higher then other Medicaid eligible children.

While the traditional community mental health system represents a significant share of the total services provided to children, the data confirm that other organizations charged with the health, education, and general welfare of children in New Hampshire also play a significant role. Three relatively distinct systems define the public mental health provider system in New Hampshire: the community mental health centers, the public school system, and therapeutic foster care providers. The costs for the services they provide constitute 74% - $60 million - of the total expenditures for mental health services.

At least measured by non-pharmacy total expenditures, the private insurance system plays a much smaller role in the provision of mental health services for children. In total, in 2005, there were approximately $15 million in payments for mental health services provided to children. Moreover, whereas the children in the public system are largely receiving services through the public systems, including the schools, the expenditures for the private system were predominately for office-based individual psychotherapy rather than comprehensive rehabilitative services.

The analysis of self-pay hospital discharge suggests that the hospital system provides a relatively small amount of care to children lacking insurance or those that lack coverage for specific mental health services. Charges for mental health services amounting to almost $19 million were provided to self-pay individuals of all ages in 2004. Of this amount, only $666,000 was for children. This is not surprising given the fact that the rate of children lacking insurance is much lower than it is for adults.

The lack of data regarding service use and diagnostic information – particularly for the services provided through the schools – is of some concern. While the data provides much information

on the children's mental health service system, there is at least one aspect of the mental health delivery system that remains opaque. For almost half the total Medicaid expenditures, the data was missing diagnosis information, making it difficult to explore the reasons for these children to seek care. Moreover, it is clear that the program is funding providers to deliver mental health services to vulnerable children, but the administrative claims data does little to shed light on what is actually being provided. Further analysis – likely involving surveys of school districts, the mental health clinics and the various providers of therapeutic services to foster children – would be required to better understand the types of services that are being provided.

Data Sources

In this analysis, we use administrative claims data to describe the mental health service system for insured children in New Hampshire. For the analysis of the private sector, the Center relied on data from the Comprehensive Healthcare Information System (CHIS). This system was designed to collect health care claims information from all private insurers covering people in New Hampshire.[1]

For the analysis of the public Medicaid system, the Center relied on claims files developed from the Dartmouth Psychiatric Research Center (PRC). The Department of Health and Human Services provided the PRC with claims level data for all Medicaid recipients receiving a service during calendar year 2005 and monthly eligibility files identifying who was eligible for Medicaid during that period. The Center used these files – and encrypted individual identifiers – to create analytic files at the claim level and the individual level, as well as creating analytic files which described eligibility across all Medicaid recipients.[2,3]

For the analysis of the hospital system, the Center relied on the state's hospital discharge reporting system. This data includes hospital discharges for all payers – self-pay, Medicare, Medicaid, private insurance and others – and thus provides the most comprehensive perspective on the services being provided within the hospital system.

To identify claims that were mental health services, the Center did a search of all New Hampshire Medicaid fee schedules and selected any code with specific mention of psychiatric or substance abuse issues, including inpatient admissions, rehabilitation, counseling and therapy. These codes included CPT codes (the industry standard in describing procedures) as well as local codes (used by states to supplement national codes). A full list of the mental health procedures codes used in the analysis is available upon request. Two exceptions were made to this methodology. In those cases where the primary diagnosis was a mental health diagnosis, but the claim was not a known mental health procedure, the claim was assumed to be a mental health service. In the case of the private claims data, special codes based on provider type were used to

[1] Neither pharmaceutical expenditures nor dental expenditures were included in the analysis files and therefore were not part of this analysis.

[2] Ibid.

[3] The Medicaid claim level files provided by the PRC were straightforward with one exception: They included administrative adjustments. The Center cleaned these files in two steps. First, to the extent possible given the data, the Center eliminated duplicate claims by matching each individual duplicate claim with its duplicate. In addition, any claim that had a zero paid amount was deleted, as these claims likely reflected administrative adjustments.

identify a mental health service, a methodology used to identify mental health claimants used by the Substance Abuse and Mental Health Services Administration (SAMHSA).[4]

To classify claims based on diagnoses, we created a diagnostic grouper based on a methodology developed by SAMHSA in 2003.[5] Each claim was assigned to a diagnostic category based on the given type of diagnosis. An implicit hierarchy was established based on the diagnosis in the appendix beginning with schizophrenia and ending with mental retardation.

The Public System

As discussed in other work by the Center, approximately 17,600 children – representing a quarter of all Medicaid enrolled children - accessed services for mental illness in 2005. The care for these children represents over half of all Medicaid medical expenditures for children. The total expenditures for these children were over $80 million, as shown in Figure 1.

Figure 1

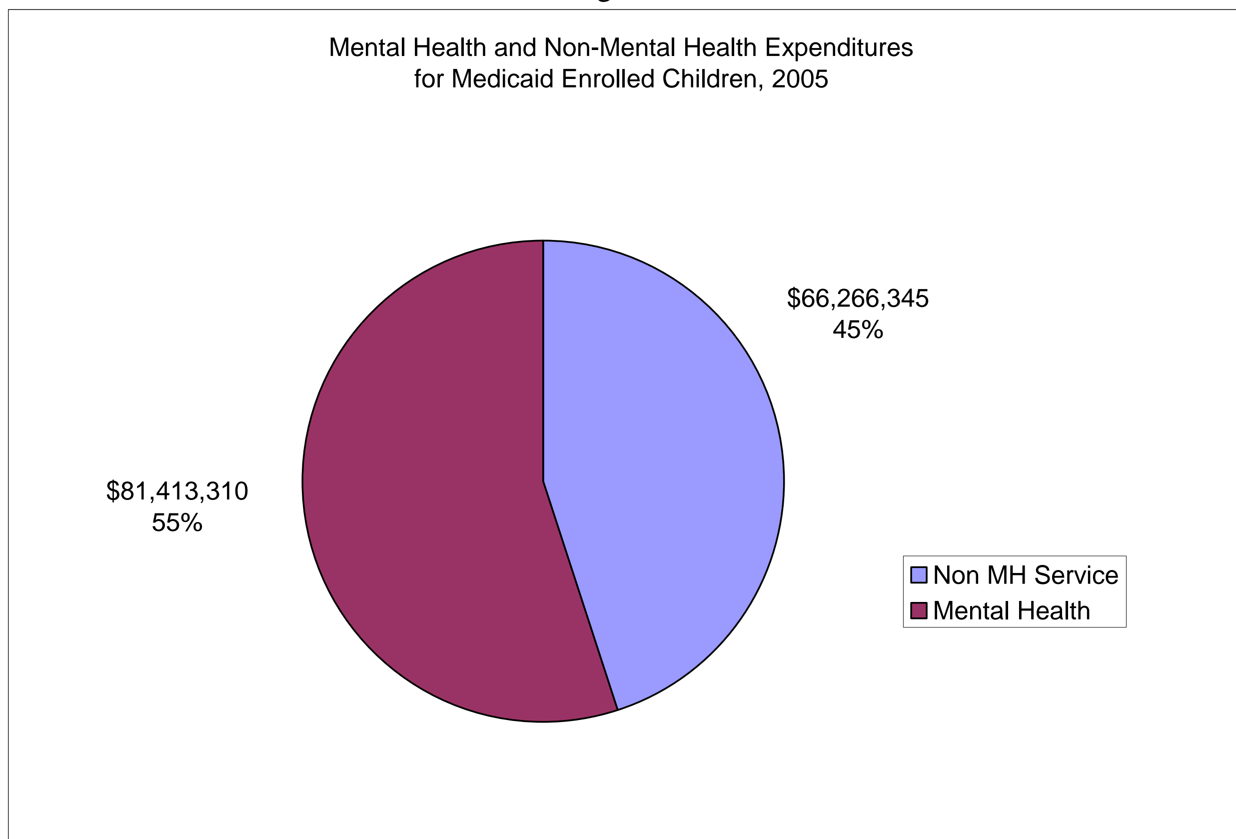


Table 1 presents an overview of how mental health expenditure are distributed across children who access services for mental illness and children accessing other medical services.

[4] RIT International. "Defining Mental Health and/or Substance Abuse (MH/SA) Claimants. The Medicare, Medicaid and Managed Care Analyses Project. October 2003. Hereafter referred to as, *Defining MH/SA Claimants, 2003*.
[5] Ibid.

The average cost per child for mental health services is almost four times the cost of other services yet only serves a fourth of the children enrolled in Medicaid. Services for children's mental health are clearly a driver of costs in the public healthcare system.

Table 1
Total Expenditures for Mental Health and Non-MH Services for Medicaid Enrolled Children up to age 19

	Total Expenditures	Service Count	Average Cost per Service	Total Children	Average Cost per Child	Average Number of Services per Child
Non MH Service	$66,266,345	945,547	$70.08	53,969	$1,227.86	18
Mental Health	$81,413,310	530,039	$153.60	17,680	$4,604.83	30
Total	$147,679,655	1,475,586	$100.08	71,649	$2,061.15	21

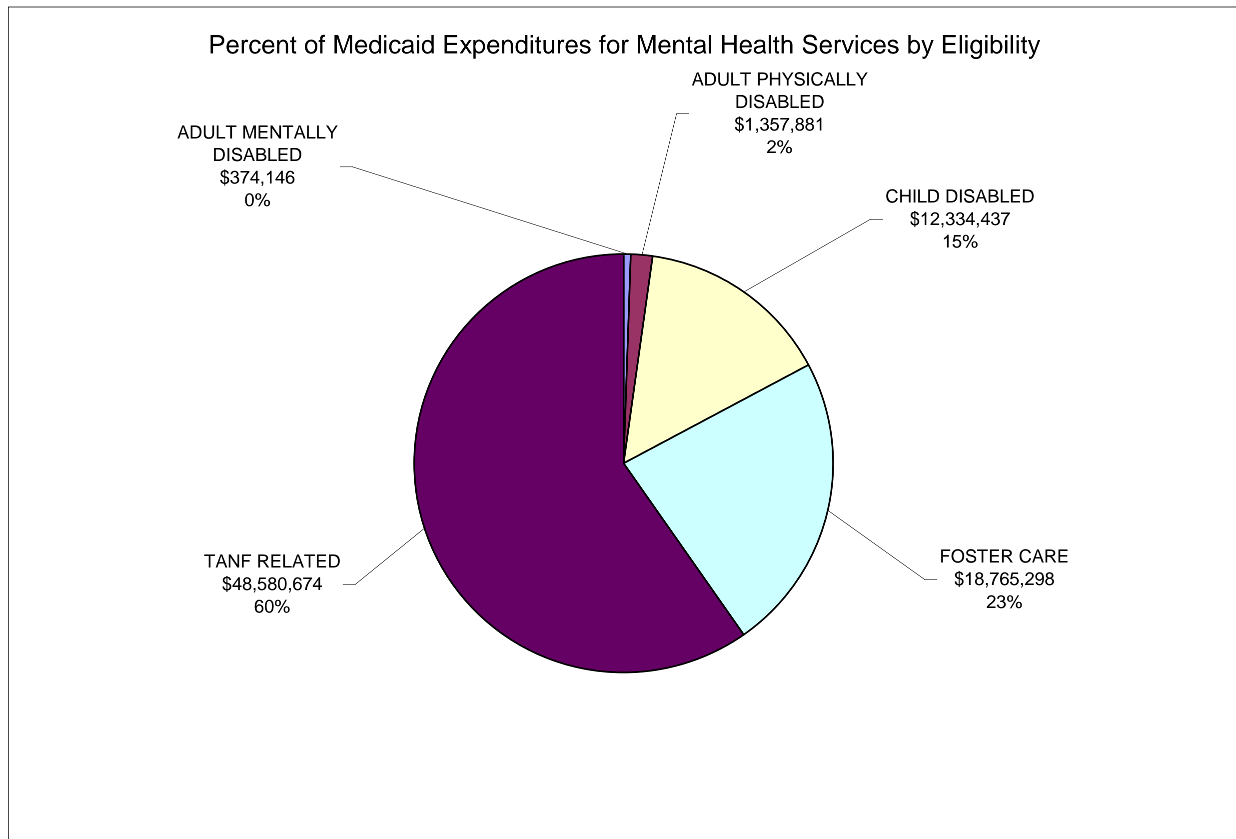
How are the expenditures distributed?

In what follows, we describe the public mental health service system through an analysis of who is receiving and providing those services. Furthermore, we revisit the distribution of diagnoses to evaluate which mental illnesses are a significant driver of costs.

Who is receiving services?

As shown in Figure 2, the vast majority of the children enrolled and the costs associated with mental health are among the children in the TANF program. Though, the high proportion of costs compared to the other eligibility categories is due to the relatively high numbers of these children in the system. On average, the per child cost of services provided to a TANF enrolled child is at least one-third the costs of children enrolled through foster care or via a disability.

Figure 2



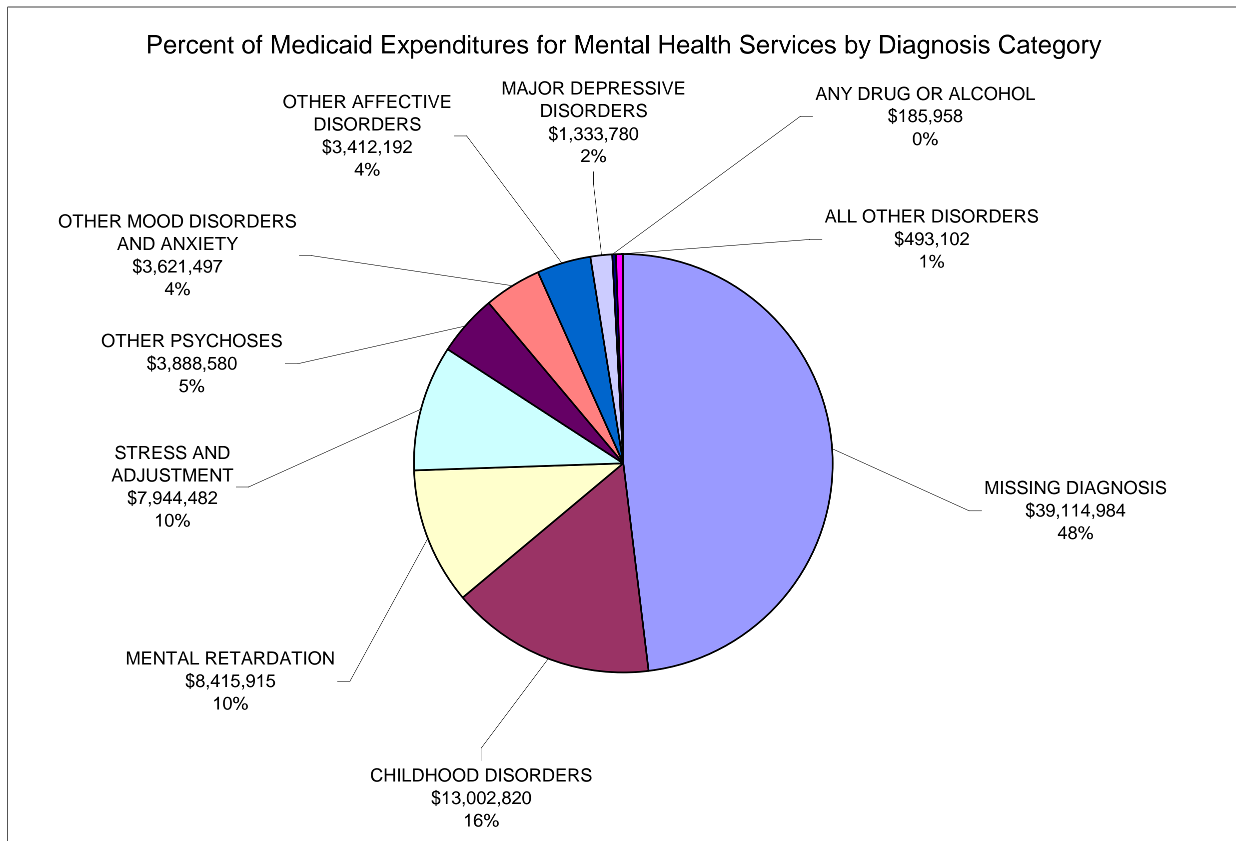
Children with a long-term mental disability have the highest costs per child; whereas, mental health service costs are the highest for children in the foster care system. These results raise questions about how and why these services are being provided. The subsequent sections will explore these questions in further detail.

What are these children receiving services for?

Among the children who received a service for a mental health diagnosis, over one third of them were for childhood disorders – predominately hyperkinetic syndromes, such as ADHD. Furthermore, one-fifth of these children were treated for stress and adjustment disorders.

Figure 3 illustrates the distribution of costs for the different categories of diagnoses. The majority of costs and services were provided for children without a mental health diagnosis – at 48% of total expenditures. Many of these children represent those receiving service through the Medicaid-to-Schools program, which will be discussed further in later sections of this report. Childhood disorders – which include hyperkinetic syndromes – constitute 16% of the total mental health expenditures and represents one-fourth of all children accessing services.

Figure 3



Overall, the lack of diagnosis data on many of the claims is of concern. With no diagnosis information to account for almost half of the total Medicaid expenditures, one cannot determine which mental illnesses are truly driving costs. This creates difficulty for policymakers and provider organizations seeking to create and/or implement services for these children.

What services are being provided?

Table 2 lists the top 20 Medicaid mental health services provided to children ranked by total expenditures. The primary behavioral health service provided to children in New Hampshire is H0019 which are services provided to foster children via programs established in the Division for Children, Youth and Families in the Department of Health and Human Services. The second largest group of services is H2017, psychosocial rehabilitation services provided in New Hampshire schools via the New Hampshire Medicaid-To-Schools program. The third largest set of services is T1016, categorized as case management services, which are provided via the community mental health system. The other services group (OTH S) includes respite care, evaluation and management activities for children and targeted case management services for children with a diagnosis of mental retardation.

Table 2
Total Expenditures for Mental Health Services for Medicaid Enrolled Children up to age 19 for the Top 20 CPT Codes

CPT Code	Description	Total Expenditure	Service Count	Total Children	Average Cost per Child
H0019	Behavioral health; long term residential (non-medical, non-acute care in a residential treatment program where stay is typically longer than 30 days), without room and board, per diem	$21,548,382	13,270	1,251	$17,225
H2017	Psychosocial rehabilitation services, per 15 min.	$12,765,281	222,140	3,435	$3,716
T1016	Case Management	$11,026,910	28,082	5,077	$2,172
OTH S	Other Services, not specified	$10,935,926	58,818	5,859	$1,867
H0036	Community psychiatric supportive treatment, face to face, per 15 min.	$8,610,382	51,186	2,490	$3,458
H0043	Supported housing, per diem	$2,797,719	1,811	142	$19,702
INP S	Inpatient Services	$2,227,576	416	325	$6,854
90806	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approx. 45 to 50 min. face-to- face with the patient	$2,217,411	34,575	4,829	$459
90804	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approx. 20 to 30 min. face-to-face with the patient	$2,140,132	26,638	4,745	$451
90847	Family psychotherapy (conjoint psychotherapy) (with patient present)	$2,058,853	21,894	4,377	$470
H0040	Assertive community treatment program, per diem	$848,415	481	60	$14,140
H0046	Mental health services, not otherwise specified	$558,002	25,275	1,903	$293
90801	Psychiatric diagnostic interview examination	$450,814	4,629	3,621	$124
90862	Pharmacologic management, including prescription, use, and review of medication with no more than minimal medical psychotherapy	$398,282	10,456	2,528	$158
96100	Psychological testing (includes psychodiagnostic assessment of personality, psychopathology, emotionality, intellectual abilities, e.g., WAIS-R, Rorschach, MMPI) with interpretation and report, per hour.	$370,426	1,741	666	$556
99213	Office or other outpatient visit for the evaluation and management of an established patient, which requires at least two of these three key components: An expanded problem focused history; An expanded problem focused examination; Medical decision making of low complexity. Counseling and coordination of care with other providers or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of low to moderate severity. Physicians typically spend 15 minutes face-to-face with the patient and/or family.	$353,470	6,414	2,562	$138
INPT	Inpatient Services	$292,266	45	31	$9,428
90846	Family psychotherapy (without the patient present)	$278,722	3,141	1,339	$208
H0018	Behavioral health; short-term residential (non-hospital residential treatment program) without room and board, per diem	$268,150	1,754	13	$20,627
H2011	Crisis intervention service, per 15 min.	$233,760	997	686	$341

Who is Providing Services: The Provider System

While the previous discussion of what services are being provided gives an initial sense of the mental health system for children, an analysis of the providers themselves gives a much clearer picture. Table 3 shows the distribution of all identified Medicaid mental health claims by expenditure and counts of services by provider type. The three largest providers of services based on expenditures are mental health clinics, private non-medical institutions for children and school health services provided through the Medicaid to schools system. These three provider types represent the Medicaid service network for three different systems: the community mental health, abuse and neglect and foster care, and education systems.

Table 3

Total Expenditures for Mental Health Services for Medicaid Enrolled Children Up to age 19 by Provider Type

Provider Type	Total Expenditures	Service Count	Total Children	Average Cost per Child	Average Cost per Service	Average Number of Services per Child
Mental Health Clinic	$25,191,173	148,927	6,544	$3,850	$169	23
Private Non-Medical Institution	$21,548,382	13,270	1,251	$17,225	$1,624	11
School Health Services	$13,525,760	253,390	4,680	$2,890	$53	54
Home and Community Based Care	$4,951,315	20,587	638	$7,761	$241	32
Day Rehabilitation Center	$4,382,659	19,460	1,402	$3,126	$225	14
DCYF Services	$4,061,514	4,139	207	$19,621	$981	20
Psychologist	$2,538,164	36,305	3,559	$713	$70	10
Mental Hospital	$2,030,499	342	263	$7,721	$5,937	1
Home Health Agency	$950,512	7,362	208	$4,570	$129	35
Physician – Group	$617,480	13,132	4,712	$131	$47	3
Distinct Part Unit – Rehabilitation	$433,125	92	78	$5,553	$4,708	1
Chap Clinic	$281,472	877	317	$888	$321	3
Medicaid Supp - DME	$197,475	1,416	178	$1,109	$139	8
Rural Health Clinic	$164,753	1,620	715	$230	$102	2
Occupational Therapist	$109,834	1,329	107	$1,026	$83	12
Physician - Individual	$70,650	1,476	418	$169	$48	4
Advanced Regular Nurse Practice	$67,152	1,223	210	$320	$55	6
Nursing Home – General	$64,487	12	3	$21,496	$5,374	4
General Hospital	$56,218	27	27	$2,082	$2,082	1
Speech Therapist	$49,701	767	71	$700	$65	11
Ambulance - Wheelchair Van	$36,602	358	140	$261	$102	3
Non-Hospital Laboratory	$19,968	1,699	294	$68	$12	6
Pharmacy	$18,381	182	42	$438	$101	4
Sign Language Interpreter	$15,730	1,329	259	$61	$12	5
Physical Therapist	$13,520	198	18	$751	$68	11
Medical Services Clinic	$13,210	338	101	$131	$39	3
Osteopath – Group	$1,622	37	26	$62	$44	1
Osteopath - Individual	$756	17	9	$84	$44	2
Non-Hospital X-Ray	$600	1	1	$600	$600	1
Planned Parenthood Clinic	$240	120	58	$4	$2	2
Ambulatory Surgery Center	$226	1	1	$226	$226	1
Optometrist	$133	6	3	$44	$22	2

It is clear that the Community Mental Health Centers (CMHC) serve the most children. Over 6,000 children received services at one of these clinics, costing, on average, $3,850 per child. Similarly, the education system served about 4,600 children; presumably, many of these children received services at a CMHC as well. In contrast, as previously discussed, children receiving

therapeutic foster care have the highest costs per child. On average, therapeutic out-of-home placements for children is almost five times the cost per child.

A variety of agencies provide care for children with mental illness. Table 4 lists the top 20 individual providers of mental health services in the state ranked by total expenditures. While the top 5 providers are mental health clinics, two schools districts, Nashua and Manchester, are among the top twenty largest providers of mental health services in the state. In the following sections, the three major service public service systems will be discussed in further detail.

Table 4
Total Expenditures for Mental Health Services for Medicaid Enrolled Children Up to age 19 for the Top 20 Providers

Provider	Total Expenditures	Service Count
RIVERBEND COMMUNITYMENTAL HEALTH	$3,840,202	22,205
THE MENTAL HEALTH CENTER OF GREATER MANCHESTER	$3,426,685	18,817
LAKES REGION MENTAL HEALTH	$3,013,125	15,118
WEST CENTRAL BEHAVIORAL HEALTH	$2,674,982	18,875
MONADNOCK FAMILY SERVICES	$2,602,120	15,333
SEACOAST MENTAL HEALTH CENTER	$2,487,523	12,907
MOUNT PROSPECT ACADEMY INC	$2,444,888	1,632
COMMUNITY COUNCIL OF NASHUA	$2,201,147	14,849
ODYSSEY HOUSE INC	$1,683,859	647
BEHAVIORAL HEALTH SERVICES	$1,586,829	9,558
NASHUA CHILDREN'S HOME	$1,527,389	1,103
CLM BEHAVIORAL HEALTH SYSTEMS	$1,506,753	9,288
EASTER SEALS NH	$1,487,099	887
EASTER SEALS NH INC - ZACHARY RD	$1,393,243	550
NEW HAMPSHIRE HOSPITAL	$1,354,952	251
LUTHERAN COMMUNITY SERVICES OF NORTHERN NEW ENGLAND	$1,030,063	838
ECKERD FAMILY YOUTH ALTERNATIVE	$960,273	385
MANCHESTER SCHOOL DISTRICT	$904,534	18,897
EASTER SEAL SOCIETY OF NH INC	$895,072	436
NASHUA SCHOOL DISTRICT	$852,734	22,967

Community Mental Health Centers

In order for children to be eligible to receive Medicaid services in a community mental health center, they must first meet the income and/or other Medicaid eligibility criteria established by the federal government and the state. In addition, the child must be diagnosed with a serious emotional disturbance, with resultant serious problems with school or work. Children may also be eligible to receive services as a result of a caregiver's inability to support that child.

Table 5 provides a listing of the services provided by community mental health centers. Seventy six percent of the expenditures for mental health services are either case management services or psychiatric supportive treatment. About 15% of the services provided are psychotherapy services, either individual or family based.

Table 5
Total Expenditures for Mental Health Services for Medicaid Enrolled Children Up to age 19 by CPT Code for the CMHCs

CPT Code	Description	Total Expenditures	Percent	Service Count	Percent
H0036	Community psychiatric supportive treatment, face to face, per 15 min.	$8,610,382	34%	51,186	34%
T1016	Case Management	$10,650,275	42%	26,910	18%
90804	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approx. 20 to 30 min. face-to-face with the patient	$2,135,137	8%	26,506	18%
90847	Family psychotherapy (conjoint psychotherapy) (with patient present)	$1,876,794	7%	18,674	13%
90862	Pharmacologic management, including prescription, use, and review of medication with no more than minimal medical psychotherapy	$334,493	1%	8,004	5%
90806	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approx. 45 to 50 min. face-to- face with the patient	$302,332	1%	4,881	3%
99213	Initial Evaluation	$252,570	1%	3,886	3%
90846	Family psychotherapy (without the patient present)	$240,375	1%	2,365	2%
90801	Psychiatric diagnostic interview examination	$250,518	1%	1,974	1%
H2011	Crisis intervention service, per 15 min.	$233,760	1%	997	1%
90853	Group psychotherapy (other than of a multiple-family group)	$45,043	0%	997	1%
90808	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approx. 75 to 80 min. face-to-face with the patient	$83,807	0%	803	1%
H2018	Psychosocial rehabilitation services, per diem	$80,712	0%	1,003	1%
S0201	Partial hospitalization services, less than 24 hours, per diem	$32,666	0%	161	0%
96100	Mental Health Testing	$39,483	0%	122	0%
H2001	Rehabilitation program, per ½ day	$4,338	0%	78	0%
M0064	Brief office visit for the sole purpose of monitoring or changing drug prescriptions used in the treatment of mental psychoneurotic and personality disorders	$1,966	0%	90	0%
H2010	Comprehensive medication services, per 15 min.	$1,552	0%	41	0%
90782	Medication administration	$548	0%	63	0%
S9485	Crisis intervention, mental health services, per diem (existing)	$361	0%	16	0%
H0037	Community psychiatric supportive treatment program, per diem	$12,960	0%	160	0%
OTH S	NOT LISTED SERVICE	$377	0%	5	0%
T1023	Disability Determination	$726	0%	5	0%
Total		$25,191,173	100%	148,927	100%

The Medicaid-To-Schools Program

The Medicaid-to-Schools program – established in 1990 - is designed to pay for services to students with disabilities and specified in a child's Individual Education Plan (IEP). The services paid for by the program included psychiatric services, mental health services, psychological services and a variety of other rehabilitative services, including occupational, speech, and physical therapy, among others. The Medicaid-to-Schools program constitutes 16% of the Medicaid expenditures for children's mental health services.

The types of services provided through school health services and the Medicaid program are listed in Table 6. The majority of the services, more than 90%, are psycho-social rehabilitation services. According to staff at DHHS, these services represent aides' one-on-one engagement with children with an IEP. In total, 146 schools provided some mental health services reimbursed for by the Medicaid program.

Table 6

Total Expenditures for Mental Health Services for Medicaid Enrolled Children up to 18 by CPT Code for Medicaid-to-Schools Program

CPT Code	Description	Total Expenditures	Service Count
90810	Individual psychotherapy, interactive, using play equipment, physical devices, language interpreter, or other mechanisms of non-verbal communication, in an office or outpatient facility, approx. 20 to 30 min. face-to-face with the patient	$202,476	5,975
H0046	Mental health services, not otherwise specified	$558,003	25,275
H2017	Psychosocial rehabilitation services, per 15 min.	$12,765,281	222,140
Total		$13,525,759	243,664

Table 7 presents the top 20 school districts billing for mental health services via the Medicaid-to-Schools program. The larger school districts in the state both provide more services and have been reimbursed for more expenditures. However, total Medicaid school health expenditures are not distributed evenly across the state. Some districts, either because they have more students in need of such services or simply because they provide them, account for a disproportionate share of the school health expenditures.

Table 7
Total Expenditures for Mental Health Services for Medicaid Enrolled Children Up to age 19 for the Top 20 School Districts

School District	Total Expenditures	Percent of All School Service Expenditures	Service Count	Percent of All Services Provided
MANCHESTER SCHOOL DISTRICT	$904,534	7%	18,897	7%
NASHUA SCHOOL DISTRICT	$852,734	6%	22,967	9%
MERRIMACK SCHOOL DISTRICT	$661,437	5%	9,922	4%
CONVAL SCHOOL DISTRICT	$377,535	3%	4,391	2%
MONADNOCK REGIONAL SCHOOL	$352,681	3%	6,316	2%
TIMBERLANE REGIONAL SCHOOL DISTRICT	$319,151	2%	6,097	2%
JAFFREY/RINDGE SCHOOLS	$311,111	2%	95	0%
HAVERHILL COOPERATIVE	$299,162	2%	2,651	1%
FALL MOUNTAIN REGIONAL SCHOOL	$290,006	2%	5,373	2%
ROCHESTER SCHOOL DISTRICT	$286,190	2%	3,234	1%
CONCORD SCHOOL DISTRICT	$258,594	2%	1,278	1%
DERRY COOPERATIVE	$255,921	2%	339	0%
THE EXETER REGION COOPERATIVE	$245,518	2%	2,870	1%
LACONIA SCHOOL DISTRICT	$236,603	2%	4,312	2%
PORTSMOUTH SCHOOL DISTRICT	$234,351	2%	4,957	2%
CLAREMONT SCHOOL DISTRICT	$229,291	2%	4,337	2%
DOVER SCHOOL DISTRICT	$224,376	2%	7,266	3%
LONDONDERRY SCHOOL DISTRICT	$200,426	1%	8,006	3%
SALEM SCHOOL DISTRICT	$184,833	1%	4,066	2%
CONWAY SCHOOL DISTRICT	$181,819	1%	2,973	1%

The Division of Children Youth and Families Program

Medicaid pays for a variety of services for children that are eligible for the Medicaid program through the IV-E Medicaid program. The IV-E component of the Medicaid program provides Medicaid eligibility to children that are in foster care placements. The IV-E component of the Medicaid program accounts for 31% of all Medicaid mental health services expenditures for children. Over 95% of the total costs associated with DCYF is for therapeutic placements for children. Table 8 shows the breakdown of the services provided to these children.

Table 8
Total Expenditures for Mental Health Services for Medicaid Enrolled Children Up to age 19
by CPT Code for DCYF Services

CPT Code	Description	Total Expenditures	Percent	Service Count	Percent
H0019	Behavioral health; long term residential (non-medical, non-acute care in a residential treatment program where stay is typically longer than 30 days), without room and board, per diem	$21,548,382	84.1%	13,270	76.2%
H0043	Supported Housing, Per Diem	$2,797,719	10.9%	1,811	10.4%
H0040	Assertive Community Treatment Program, Per Diem	$848,415	3.3%	481	2.8%
H0018	Behavioral health; short-term residential (non-medical, non-acute care in a residential treatment program where stay is typically longer than 30 days), without room and board, per diem	$268,150	1.0%	1,754	10.1%
T1025	Intensive, Extended Multidisciplinary Services Provided in a Clinic Setting to Children with Complex Medical, Physical, Mental and Psychosocial Impairments, Per Diem	$144,057	0.6%	32	0.2%
OTH S	Other Services	$3,172	0.0%	61	0.4%
Total		**$25,609,895**	**100.0%**	**$17,409**	**100.0%**

The Private System

In contrast to the public system of mental health care for children, the private system does not pay for children requiring therapeutic placement. The major component of costs to the private insurers is office-based psycho-therapeutic services. Table 9 illustrates the distribution of these costs by facility type and Table 10 presents the distribution of costs by service received. Approximately 16% of the total payments of mental health services were borne by the consumer in the form of deductibles or co-insurance.

Table 9

Total Expenditures for Mental Health Services for Privately Insured Children Up to age 19 by Provider Facility

Provider Facility	Total Expenditures	Cost-Sharing	Service Count
OFFICE	$7,596,129	$1,587,944	124,286
INPATIENT HOSPITAL	$2,089,067	$108,735	2,698
MISSING	$1,404,390	$64,446	2,593
OUTPATIENT HOSPITAL	$986,175	$141,638	13,614
PSYCH RES TREATMENT CENTER	$946,209	$156,631	14,945
HOME	$611,772	$105,743	7,861
COMMUNITY MENTAL HEALTH CENTER	$409,542	$90,267	7,289
EMERGENCY DEPARTMENT	$240,116	$50,835	2,542
OTHER UNLISTED	$178,094	$29,912	2,139
INVALID	$128,694	$26,580	2,291
AMBULANCE	$122,705	$11,419	579
INDEPDENT LABORATORY	$64,897	$2,589	3,754
INPATIENT PSYCHIATRIC	$11,637	$1,917	162
PARTIAL HOSPITAL PSYCHIATRIC	$2,195	$130	43
SKILLED NURSING FACILITY	$674	$0	8
PUBLIC HEALTH CLINIC	$487	$105	2
AMBULATORY SURGICAL CENTER	$447	$0	6
HOSPICE	$390	$90	6
AMBULANCE – OTHER	$349	$80	8
OUTPATIENT REHAB	$323	$185	6
RESIDENTIAL SUBSTANCE ABUSE	$196	$8	2
BIRTHING CENTER	$165	$0	3
NURSING FACILITY	$164	$0	6
TOTAL	**$14,794,818**	**$2,379,255**	**184,843**

Table 10

Total Expenditures for Mental Health Services for Privately Insured Children Up to age 19 for the Top 20 CPT Codes

CPT Code	Description	Total Expenditures	Cost-Sharing	Service Count
90806	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approx. 45 to 50 min. face-to- face with the patient	$3,362,255.00	$783,707.42	61,198
OTH S	Mental Health Primary Diagnosis but not identified as a mental health procedure	$2,189,948.00	$283,897.68	29,915
INP S	Inpatient Service	$2,085,561.00	$98,555.29	1,593
MISS	Mental Health Primary Diagnosis but Invalid Procedure Code	$1,719,845.00	$97,022.48	5,293
90847	Family psychotherapy (conjoint psychotherapy) (with patient present)	$1,125,946.00	$232,309.85	18393
90801	Psychiatric diagnostic interview examination	$959,760.30	$166,480.53	11,396
90862	Pharmacologic management, including prescription, use, and review of medication with no more than minimal medical psychotherapy	$716,997.30	$208,838.35	17,647
99214	Office or other outpatient visit, for the evaluation and management of an established patient,	$594,923.10	$92,894.89	6,754
99213	Office or other outpatient visit, for the evaluation and management of an established patient,	$383,697.10	$97,698.48	7,500
92507	Treatment of speech, language, voice, communication, and/or auditory processing disorder	$339,225.00	$75,741.13	4,413
90807	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility with medical evaluation and management services, approx. 45 to 50 min. face-to- face with the patient	$286,807.20	$56,219.92	3,400
90846	Family psychotherapy (without the patient present)	$207,028.60	$39,972.36	3,460
96100	Psychological Testing	$161,548.90	$15,187.79	780
H2015	Comprehensive community support services, per 15 min.	$122,240.70	$19,597.80	2,393
S9485	Crisis intervention, mental health services, per diem (existing)	$96,726.50	$13,592.59	539
90853	Group psychotherapy (other than of a multiple-family group)	$80,897.49	$16,557.48	1,485
90808	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approx. 75 to 80 min. face-to-face with the patient	$79,111.97	$15,375.51	927
90782	Therapeutic, prophylactic, or diagnostic injections	$64,397.23	$22,638.55	4,305
90899	Unlisted psychiatric service or procedure	$44,784.29	$2,346.95	297
90805	Individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility with medical evaluation and management services, approx. 20 to 30 min. face-to-face with the patient	$42,374.15	$12,599.48	843
Total		**$14,794,818.83**	**$2,379,254.73**	**$184,843.00**

Children without Insurance

In the previous section, we provided data on the services provided to individuals with a mental illness through two insurance mechanisms: Medicaid and private insurance. In what follows, we document – to the extent possible given the available data – the mental health services being provided to those without insurance by New Hampshire's hospitals. As discussed previously, data from the hospital sector is based on hospital discharge data collected by the Department of Health and Human Services. Data from the community mental health centers on uncompensated care is based on data from the community mental health centers' audited financial data.

Table 11 provides information on the total mental health visits provided by major payers within the hospital system for those of all ages and children less than 19 years. In total, there were slightly more than $165 million in hospital charges for mental health services. Roughly 12% - or almost $20 million - of those charges were for those identified as self-pay. This category represents both those that lack insurance coverage entirely as well as those who might have health insurance, but whose insurance coverage does not cover the service being provided.

Table 11

Total Hospital Visits for Mental Health Services in 2004 by Payer

	All Ages			Children up to age 19		
Payer	**Total Visits**	**Total Charges**	**Percent of Total Charges**	**Total Visits**	**Total Charges**	**Percent of Total Charges**
Medicaid	5,482	$25,299,443	15%	1,621	$8,190,908	45%
Medicare	7,669	$64,730,146	39%	16	$64,706	0%
Other	1,039	$9,033,393	5%	133	$535,065	3%
Private	12,269	$46,145,915	28%	3,142	$8,949,167	49%
Self Pay	7,357	$19,836,802	12%	439	$665,784	4%
Total	**33,816**	**$165,045,699**	**100%**	**5,351**	**$18,405,630**	**100%**

Table 12 provides information on the total value of care provided by the community mental health centers to those individuals without insurance or to those individuals who have insurance, but whose insurance policy did not cover the service in question. In total, the community mental health center system reported providing approximately $4.8 million in uncompensated care.

Table 12
Uncompensated Care Provided by the 10
Community Mental Health Centers of New Hampshire

CMHC	Total Amount of Uncompensated Care, FY 2007
Center for Life Management	$285,645
Community Council of Nashua	$730,270
Community Partners	$412,417
Genesis Behavioral Health	$361,346
Mental Health Center of Greater Manchester	$976,502
Monadnock Family Services	$407,591
Northern Human Services	$200,000
Riverbend Community Mental Health	$784,705
Seacoast Mental Health Center	$370,178
West Central Services	$289,210
Total	**$4,817,864**

Source: NH Community Mental Health Centers

Discussion

This analysis provides a comprehensive description of the mental health service system for children through an analysis of the public Medicaid system, the private insurance system, and the hospital sector providing care to those without insurance. While demonstrating the importance of the Medicaid system to serving the mental health needs of New Hampshire's children, it also raises important questions about the system.

It is clear that within the public Medicaid system, mental health services play an important role for all children enrolled in the Medicaid system. Traditionally, mental health service systems have focused on those children enrolled in the Medicaid program as a result of a mental or developmental disability. This analysis, however, suggests that children enrolled via the TANF program account for a significant share of total mental health expenditures within Medicaid. This clearly suggests that understanding the well-being of children in the Medicaid program and the underlying drivers of expenditures should begin with an analysis of the mental health needs and service use patterns of the TANF population.

While each of the insurance systems, and sets of providers within those systems, is presented as distinct components of the mental health sector, other analyses have shown that almost 20% of the children using mental health services use multiple types of service agencies.[6] This raises important questions about the potential need for service integration between, for example, the schools, including both the Medicaid-to-Schools program and the Catastrophic Aid program which provides aid to schools with students with very high needs, and the traditional community mental health system. While federal legislation makes schools fiscally responsible for all services listed with an IEP, it is unclear from this analysis how the various systems and agencies are coordinating services and activities for these children.

[6] Burns et al. "Children's Mental Health Service Use Across Service Sectors." Health Affairs. 14:3. Fall 1995.

This lack of clarity is in part a function of the fact that there is significant missing information in Medicaid administrative claims data. As mentioned previously, for almost half the total Medicaid expenditures, data was missing on diagnosis information, making it difficult to explore the reasons for these children to seek care. This is primarily driven by the fact that data for the Medicaid-to-Schools program lacks diagnosis information. While a system of audits executed by the New Hampshire Department of Health and Human Services does exist to ensure services are being provided effectively to children, further analysis – likely involving surveys of school districts, the mental health clinics and the various providers of therapeutic services to foster children – would be required to understand in depth the types of services that are being provided by the schools.

Appendix

Table A-1

Description and ICD-9-CM Codes	
Description	**Code**
Serious Mental Illnesses (SMI)	
Schizophrenic disorders	295
Major depressive disorder	296.2, 296.3
Other affective psychoses	
Manic disorders	296.0, 296.1
Bipolar affective disorders	296.4 - 296.7
Other & unspecified manic-depressive psychoses	296.8
Other & unspecified affective psychoses	296.9
Other psychoses	
Transient organic psychotic conditions	293
Other organic psychotic conditions, chronic	294
Paranoid states or delusional disorders	297
Other non-organic psychoses	298
Psychoses with origin specific to childhood	299
Other Mental Illnesses (OMI)	
Stress & adjustment disorders	
Acute reaction to stress	308
Adjustment reaction	309
Personality disorders	301, excluding 301.13
Childhood disorders	
Disturbance of conduct, not elsewhere specified	312
Disturbance of emotions, specific to childhood & adolescence	313
Hyperkinetic syndrome of childhood	314
Other mood disorders & anxiety	
Neurotic disorders	300
Cyclothymic disorder	301.13
Depressive disorder, not elsewhere specified	311
Other mental disorders	
Sexual deviations & disorders	302
Physiological malfunction arising from mental factors	306
Special symptoms or syndromes, not elsewhere specified	307
Specific non-psychotic mental disorders due to organic brain damage	310
Psychotic factors associated with diseases specified elsewhere	316
Mental disorders in pregnancy, ante partum & post partum	648.4
Any Alcohol Diagnosis	
Alcoholic psychoses	291
Alcohol dependence/nondependent abuse	303, 305.0
Any Drug Diagnosis	
Drug psychoses	292
Drug dependence/nondependent abuse	304,305.2-305.9
Other Alcohol & Drug-related Disorders & Conditions	
Pellagra	265.2
Alcoholic polyneuropathy	357.5
Polyneuropathy due to drugs	357.6
Alcoholic cardiomyopathy	425.5
Alcoholic gastritis	535.3
Chronic liver disease & cirrhosis with mention of alcohol	571.0-571.3
Pregnancy- & childbirth-related conditions	
Drug dependence in pregnancy, ante partum & post partum	648.3
Suspected damage to fetus from drugs	655.5
Noxious influences affecting fetus via placenta or breast milk	760.7
Drug withdrawal syndrome in newborn	779.5
Excessive blood level of alcohol	790.3
Drug poisoning	
Poisoning by adrenal cortical steroids	962.0
Poisoning by opiates & related narcotics	965.0
Poisoning by sedatives & hypnotics	967
Poisoning by other central nervous system depressants & anesthetics	968
Poisoning by psychotropic agents	969
Poisoning by central nervous system stimulants	970
Poisoning by dietetics	977.0
Poisoning by alcohol deterrents	977.3
Toxic effect of alcohol	980
Tobacco Use Disorder	305.1
Alzheimer's disease	290. 331.0
Mental Retardation or Developmental Delays	315, 317-319

Table A-2

Total Expenditures for Mental Health Services for Medicaid Enrolled Children Up to age 19 by Diagnosis Category

Diagnosis Category	Total Expenditures	Service Count	Total Children	Cost per Service	Cost per Child	Services per Child	Percent of Total Children	Percent of Total Expenditures	Percent of Total Services
MISSING DIAG	$39,114,984	273,155	6,939	$143	$5,637	39	27.6%	48.0%	51.5%
CHILDHOOD DISORDERS	$13,002,820	82,899	6,206	$157	$2,095	13	24.7%	16.0%	15.6%
MENTAL RETARDATION	$8,415,915	39,745	2,160	$212	$3,896	18	8.6%	10.3%	7.5%
STRESS AND ADJUSTMENT	$7,944,482	57,276	4,308	$139	$1,844	13	17.2%	9.8%	10.8%
OTHER PSYCHOSES	$3,888,580	19,531	722	$199	$5,386	27	2.9%	4.8%	3.7%
OTHER MOOD DISORDERS AND ANXIETY	$3,621,497	25,481	2,351	$142	$1,540	11	9.4%	4.4%	4.8%
OTHER AFFECTIVE DISORDERS	$3,412,192	19,314	945	$177	$3,611	20	3.8%	4.2%	3.6%
MAJOR DEPRESSIVE DISORDERS	$1,333,780	8,000	643	$167	$2,074	12	2.6%	1.6%	1.5%
ANY DRUG OR ALCOHOL	$185,958	$1,573	$311	$118	$598	5	1.2%	0.2%	0.3%
ALL OTHER DISORDERS	$493,102	$3,065	$517	$161	$954	6	2.1%	0.6%	0.6%

Table A-3

Total Expenditures for Mental Health Services for Medicaid Enrolled Children Up to age 19 by Eligibility Category

Eligibility Category	Total Children	Service Count	Percent Total Services	Total Expenditures	Percent Total Expenditures	Cost per Child	Cost per Service	Services per Child
ADULT MENTALLY DISABLED	25	1,968	0.4%	$374,146	0.5%	$14,966	$190	79
ADULT PHYSICALLY DISABLED	134	10,215	1.9%	$1,357,881	1.7%	$10,133	$133	76
CHILD DISABLED	1,030	92,189	17.4%	$12,334,437	15.2%	$11,975	$134	90
FOSTER CARE	1,451	52,194	9.8%	$18,765,298	23.0%	$12,933	$360	36
TANF RELATED	15,035	373,455	70.5%	$48,580,674	59.7%	$3,231	$130	25
MISSING	5	18	0.0%	$875	0.0%	$175	$49	4