

Welcome to the American Academy of Pediatrics (AAP) Medicaid and SCHIP Update January 31, 2003

PLEASE NOTE: ALL REPLIES SHOULD BE SENT TO schip@aap.org

Previous updates are available on the AAP Web site at <http://www.aap.org/advocacy/schiprep.htm> .

Special Report

New Study: Comprehensive Health Care for Children Remains Affordable

A new actuarial study commissioned by the American Academy of Pediatrics shows how inexpensive it is to provide children with comprehensive medical care. The 2002 Pediatric Medical Cost Model, conducted by Reden & Anders, Ltd., estimates the actuarial cost of providing the AAP's recommended children's health benefit package.

Using a national health care database, the study estimates per member per month (PMPM) costs of covering the AAP's recommended benefit package - on a state-by-state basis for both Medicaid and commercial insurance. The PMPMs are the net medical costs paid by the insurer. They do not include the administrative costs that would be added to arrive at a premium. A highly-functional feature on this site allows one to select different values for such variables as patient age, gender, benefit package services, and/or copayment information to customize the estimates for a given situation.

Across the country, states face the prospect of cutting programs to balance state budgets, and employers face decisions about the health benefits they offer employees. This study helps to put the cost of providing health care to children in perspective, by showing that care for children remains inexpensive. For example, as of January 2002, the average national PMPM for commercial insurance was \$92, and for Medicaid/SCHIP it was \$107.99. The PMPM of a similar benefit package for an adult in commercial insurance was \$210.

The Pediatric Cost Model and state averages are provided on the 2002 Pediatric Medical Cost Model Web site, available online at:

<http://www.aap.org/research/pedmedcostmodel.htm>

If you have questions about the data in this study, please contact costmodel@aap.org or call the Academy's Department of Practice and Research at 800/433-9016 ext 7267.

SUBSCRIPTION INFORMATION

To unsubscribe to the update, send a message to listserv@listserv.aap.org with the following command:

DEL schip listname
an example: DEL schip joesmith@email.com

If you wish to change the address at which you receive the updates, you must send an DEL command for the old address and then send a ADD command to subscribe with your new address. When using a DEL command, you must include an identifying name:

ADD schip joesmith@email.com Joe Smith

To subscribe to the update, also use the above ADD commands.

ABBREVIATIONS and ACRONYMS

AAP - American Academy of Pediatrics
PMPM - per member per month
SCHIP - State Children's Health Insurance Program

Send comments or questions on this email update to SCHIP@aap.org or contact Dan Walter at the American Academy of Pediatrics at (800) 433-9016 ext 4086.

End of Document
