A multi-level analysis of state Medicaid and financial burden of raising children with special health care needs

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**Abstract:** We examined the association between state Medicaid and State Children's Health Insurance Program (SCHIP) income eligibility and the financial burden reported by low-income families raising children with special health care needs (CSHCN). Data on low-income CSHCN and their families were from the National Survey of Children With Special Health Care Needs (N = 17039), with a representative sample from each state. State Medicaid and SCHIP income-eligibility thresholds were from publicly available sources. The 3 outcomes included whether families had any out-of-pocket health care expenditures during the previous 12 months for their CSHCN, amount of expenditure, and expenditures as a percentage of family income. We used multilevel logistic regression to model the association between Medicaid and SCHIP characteristics and families' financial burden, controlling state median income and child- and family-level characteristics. Overall, 61% of low-income families reported expenditures of >$0. Among these families, 30% had expenses between $250 and $500, and 34% had expenses of more than $500. Twenty-seven percent of the families reporting any expenses had expenditures that exceeded 3% of their total household income. The percentage of low-income families with out-of-pocket expenses that exceeded 3% of their income varied considerably according to state and ranged from 5.6% to 25.8%. Families living in states with higher Medicaid and SCHIP income-eligibility guidelines were less likely to have high absolute burden and high relative burden. Beyond child and family characteristics, there is considerable state-level variability in low-income families' out-of-pocket expenditures for their CSHCN. A portion of this variability is associated with states' Medicaid and SCHIP income-eligibility thresholds. Families living in states with more generous programs report less absolute and relative financial burden than families living in states with less generous benefits.