

# Reduction in federal funding could reduce quality of specialized pediatric care

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Hospitals caring for children with serious, chronic illness are highly dependent on public payers, according to a new study. The research found that proposals to dramatically reduce federal expenditures on Medicaid and Children's Health Insurance Program (CHIP) could destabilize current specialty care referral networks serving all children, including the majority of privately-insured children in greatest need of high quality, specialized, pediatric care. Findings from the research will be presented during the Pediatric Academic Societies (PAS) 2018 Meeting in Toronto.

Although Medicaid and CHIP are directed at providing health services for low-income children, the potential impact of reduced Medicaid and CHIP spending on regionalized systems of [hospital](#) care for seriously ill children remains unexplored. The objectives of the study were to assess the role of Medicaid and CHIP in regional hospitals serving large numbers of seriously ill children; to assess the importance of these regional hospitals to privately-insured, seriously ill children; and to assess the characteristics of the hospitals with the highest patient volume and Medicaid and CHIP dependence.

Researchers conducted a retrospective analysis between the 2012 national KID inpatient database and the 2012 California confidential, unmasked Patient Discharge Database from the Office of Statewide Health Planning and Development. Public payers were defined as Medicaid and CHIP, and major pediatric hospitals as those with >500 discharges of children 50 percent public payers. One in three privately-insured children were discharged from major hospitals with >50 percent public payers.

The characteristics of hospitals in the top quintile of Medicaid bed days and had >50 percent publicly insured discharges were 63 percent urban, most often in the south (36 percent) and least often in

the northeast (12 percent), 21 percent urban teaching hospitals, and 70 percent [children's](#) hospitals.

Dr. Lisa Chamberlain, one of the authors of the study, will present the abstract, "Dependence of Privately-insured, Chronically Ill Children on Medicaid Reliant Hospitals," during the PAS 2018 Meeting on Monday, May 7 at 3:30 p.m. EDT.

Provided by Pediatric Academic Societies

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