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Improving Oversight and Monitoring of Psychotropic Medication Use among Children in Medicaid

Children and youth receiving publicly financed health care - predominantly through Medicaid - are being prescribed psychotropic medication at an increased rate, and concern for this high-risk population is growing.^{1,2} An analysis of behavioral health care utilization and expenditures among children in Medicaid revealed that in 2008, 1.8 million of those children received psychotropic medications - 29% of them without an accompanying behavioral health service.³ Psychotropic medication was the third most commonly provided behavioral health service - and the second highest expenditure service - following only outpatient treatment.⁴

Why are Psychotropic Medications Frequently Prescribed?

Many children involved with state behavioral health and child welfare agencies may have a greater need for behavioral health services than the general child Medicaid population due to lower income status, histories of trauma, and other environmental circumstances.⁵ However, the rate of psychotropic medication use in this population may exceed the true level of need.⁶ A number of barriers prevent these children and youth from receiving other types of treatment, increasing the potential for over-reliance on psychotropic medication including:

- A lack of access to effective non-pharmacological interventions and reliance on medications to quickly control difficult behaviors;
- An inadequate supply of child behavioral health specialists trained in evidence-based, trauma-informed practices;
- A lack of coordination across providers and child-serving agencies;
- Aggressive/effective pharmaceutical marketing and financial incentives that drive prescribing; and
- In the case of children in foster care, limited clinical knowledge among child welfare case workers about appropriate use of psychotropic medications.⁷

Recognizing the magnitude of this issue, in 2011, the Centers for Medicare & Medicaid Services, Substance Abuse and Mental Health Services Administration, and Administration for Children and Families issued a joint letter to state Medicaid directors highlighting the use of psychotropic medication among children and youth in foster care as a mutual safety concern.⁸ States were directed to examine the use of psychotropic medication and were offered assistance in developing oversight and monitoring programs.

How Can States Begin To Make Improvements?

To address inappropriate use of psychotropic medication among children and youth, states must assess prescribing mechanisms in their child-serving systems - namely, behavioral health, child-welfare, and Medicaid. In doing so, states can determine opportunities to strengthen existing oversight and monitoring efforts and where new protocols need to be developed.

Defining and Monitoring Oversight

As a first step in assessing state prescribing protocols, it is helpful to define the terms “oversight” and “monitoring.” Absent a nationally recognized definition, the Center for Health Care Strategies, while working with six states participating in its *Psychotropic Medication Quality Improvement Collaborative*⁹, used the following definitions for programs focused on children and youth:

- **Oversight** is the administrative processes a system has in place to ensure that prescribing is appropriate, and may be either prospective (e.g., prior authorization or second opinion programs) or retrospective (e.g., record review). Oversight is conducted by the system authorizing care and/or payment, and focuses on the prescribing practices of the individual provider or prescriber.
- **Monitoring** is the process by which a system ensures the care delivered to individual children and youth is within acceptable limits, and is necessarily retrospective. This can be accomplished through the regular review of utilization reports generated from the Medicaid claims system, or other tracking mechanisms.

State Strategies to Improve Oversight and Monitoring

The Center for Health Care Strategies’ Psychotropic Medication Quality Improvement Collaborative has identified critical elements needed to improve upon, or develop, a quality oversight and monitoring program. Those elements include:

- *Understand how psychotropic medications are paid for in your state.* Funds may sit in the Medicaid agency, behavioral health agency, or may be the responsibility of state-contracted managed care organizations. Partnerships between these entities are critical to the development of a state’s oversight and monitoring program.
- *Aggregate data across systems for a complete picture of utilization and prescribing patterns.* Data are needed to: (1) determine baseline rates of use and expense; (2) identify outlier prescribing patterns; (3) understand the types, number, and quantity of psychotropic medications prescribed; and (4) track quality and cost outcomes. The most successful way of improving prescribing patterns is to target high-priority providers or children in high-risk populations.

New Jersey is using existing data from its child welfare, Medicaid, and children’s behavioral health entities to gain a clear understanding of psychotropic medication use and psychosocial interventions. The state is furthering its efforts by enabling the child welfare data information system to include data on psychotropic medication use.

Oregon has developed a data dashboard accessible by its coordinated care organizations to track the prescribing patterns of providers among other important information.

- *Engage key stakeholders.* Including varied perspectives when developing an oversight and monitoring system - such as those from youth and families, child welfare agencies, behavioral health providers, and other stakeholders - results in fewer “blind spots” or missed opportunities.

Texas’ Health and Human Services Commission and Department of Family and Protective Services convened an advisory committee comprised of child and family advocates, foster parents, providers, youth in foster care, and human services professionals to help guide its strategy concerning psychotropic medications.

- *Improve access to evidence-based psychosocial interventions and understand the role of trauma.* Providers may rely on psychotropic medication because they do not have access to evidence-based psychosocial interventions. Ensuring access to evidence-based practices may help to address over-reliance on psychotropic medications. Recognizing the need for alternative interventions as part of a child's plan of care, Rhode Island implemented several non-pharmacological interventions including: Trauma Systems Therapy; Cognitive Behavioral Therapy; and the Positive Parenting Program.

Childhood trauma can lead to behavioral issues that are misdiagnosed - often as attention deficit hyperactivity disorder^{10,11}. An effective trauma screening process and access to trauma-informed care can reduce the likelihood that a child will be prescribed a psychotropic medication.

- *Ensure informed consent includes clinical expertise.* In general, a state's child welfare agency must consent to the use of psychotropic medication for children in foster care. It is therefore important for a clinical expert - for example, a consulting adolescent and child psychiatrist - to ensure psychotropic medications prescribed to children and youth are appropriate.

Illinois has in place a legislatively required clinical review process; clinicians at the University of Illinois at Chicago must review all psychotropic medication requests for Medicaid beneficiaries.

Looking Ahead

Children receiving services from behavioral health and child welfare agencies remain a high-risk population for inappropriate use of psychotropic medications. Those with serious behavioral health needs should have access to evidence-based psychosocial interventions to reduce their need for psychotropic medications.

An effective oversight and monitoring process can help ensure that children and youth involved with public systems receive care that is appropriate to their needs. The strategies mentioned above can help state systems deliver and pay for high-quality, cost-effective behavioral health care that results in improved outcomes for children and youth in Medicaid.

Resources

[Psychotropic Medication Quality Improvement Resources](#). Center for Health Care Strategies, July 2014.

[Foster Children: Additional Guidance Could Help States Better Plan for Oversight of Psychotropic Medications Administered by Managed-Care Organizations](#). General Accounting Office, May 2014.

[Identifying Opportunities to Improve Children's Behavioral Health Care: An Analysis of Medicaid Utilization and Expenditures](#). Center for Health Care Strategies, December 2013.

[Promoting the Safe, Appropriate, and Effective Use of Psychotropic Medication for Children in Foster Care, Information Memorandum](#). Administration for Children and Families, April 2012.

[Antipsychotic Medication Use in Medicaid Children and Adolescents: Report and Resource Guide from a 16-State Study](#). Medicaid Medical Directors Learning Network and Rutgers Center for Education and Research on Therapeutics, June 2010.

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6. K. Allen, S.A. Pires, and R. Mahadevan. *Improving Outcomes for Children in Child Welfare: A Medicaid Managed Care Toolkit*. Center for Health Care Strategies. February 2012. Available at: <http://www.chcs.org/resource/improving-outcomes-for-children-in-child-welfare-a-medicaid-managed-care-toolkit/>.
7. Personal communication. Over the past three years, the Center for Health Care Strategies, has worked with six states to improve their psychotropic medication oversight and monitoring systems. Funded by the Annie E. Casey Foundation, the six states in the *Psychotropic Medication Quality Improvement Collaborative* include: Illinois, New Jersey, New York, Oregon, Rhode Island, and Vermont. For more information visit <http://www.chcs.org/project/improving-the-use-of-psychotropic-medication-among-children-and-youth-in-foster-care-a-quality-improvement-collaborative/>.
8. Administration for Children and Families (2012). "Information Memorandum: Promoting the Safe, Appropriate, and Effective Use of Psychotropic Medication for Children in Foster Care (ACYF-CB-IM-12-03)." Available at: <http://www.acf.hhs.gov/programs/cb/resource/im1203>.
9. Personal Communication, op. cit.
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ABOUT THE TECHNICAL ASSISTANCE NETWORK FOR CHILDREN'S BEHAVIORAL HEALTH

The [Technical Assistance Network for Children's Behavioral Health](#) (TA Network), funded by the Substance Abuse and Mental Health Services Administration, Child, Adolescent and Family Branch, partners with states and communities to develop the most effective and sustainable systems of care possible for the benefit of children and youth with behavioral health needs and their families. We provide technical assistance and support across the nation to state and local agencies, including youth and family leadership and organizations.

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