



THE IMPACT OF TENNCARE: A SURVEY OF RECIPIENTS 2002

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Method

The Center for Business and Economic Research at the University of Tennessee contracted with the Department of Finance and Administration of the state of Tennessee to conduct a survey of Tennessee residents in order to ascertain their insurance status and use of medical facilities. Given the necessity of obtaining accurate estimates for subpopulations, a target sample size of 5,000 was agreed upon. The survey instrument was prepared in cooperation with personnel from the TennCare Bureau.

The survey was conducted by telephone between May 15 and June 30, 2002. A Computer Assisted Telephone Interviewing System, utilizing a random-digit dialing based sample, was used to conduct the survey. Four calls were made to each residence, at staggered times, to minimize nonrespondent bias. The design chosen was a "Household Sample," with the interview conducted with the Head of the Household. The University of Tennessee Social Science Research Institute administered the survey.

The response rate was high. Approximately 60 percent of those contacted agreed to participate in the survey. The demographics also very closely mirrored those for the state obtained from the 2000 census estimates. The large sample size allowed the weighting of responses by income to provide unbiased estimates for the entire population. For all statewide estimates of the uninsured, a correction factor was used to adjust for the degree to which the sample over or under represented Tennesseans grouped by income. On all other indicators, the sample closely mirrored the state.

The weights used for calculating the following estimates have changed because this report is the first to utilize 2000 (rather than 1990) census data. For instance, the 1990 census reported 20.0 percent of Tennessee households with an income of less than \$10,000. The 2000 census reports only 12.1 percent. Due to the weighting of responses by income, the estimated uninsured rates for the late 1990s, 2000, and 2001 might have been overstated and likely would have been lower using the now available 2000 census data.

Tennessee Households – Household Income	Proportion in 2000 Census (Percent)	Proportion in 2002 Survey (Percent)	Deviation (Percent)
Less \$10,000	12.1	10.2	-1.9
\$10,000 - \$14,499	7.4	9.1	1.7
\$15,000 - \$19,999	7.4	8.1	0.7
\$20,000 - \$29,999	14.4	14.5	0.1
\$30,000 - \$39,999	12.5	13.2	0.7
\$40,000 - \$49,999	11.1	11.2	0.1
\$50,000 - \$59,999	7.6	9.8	2.2
\$60,000 - \$99,999	19.1	16.3	-2.8
\$100,000 +	8.3	7.6	-0.7

This is a follow-up to previous surveys of 5,000 Tennessee households conducted annually since 1993. Throughout this report, comparisons are made to findings from the earlier surveys.

Estimates for Insurance Status

Estimates for the number of Tennesseans who are uninsured are presented below (Table 1). The estimated 348,753 uninsured represent 6.1 percent of the population. Tennessee has particularly made progress in providing insurance for those under eighteen. The uninsured rate for children is 3.90 percent, somewhat over one half the rate for adults (Table 1a).

Table 1: Statewide Estimates of Uninsured Populations, 1993-2002

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
State Total	452,232	298,653	303,785	333,268	319,079	335,612	387,584	372,776	353,736	348,753
Percent	8.9	5.7	5.8	6.3	6.1	6.2	7.2	6.5	6.2	6.07

Table 1a: Percentage by Age Status: 2002

	Under 18	18+
Total	54,552	297,779
Percent	3.90	6.94

Reasons for Failure to Obtain Medical Insurance

There has not been much change in the underlying reasons for a lack of insurance over the period since TennCare was implemented in 1994. The major reason that people report remaining uninsured continues to be their inability to pay (Table 2). In 2002, 74 percent indicate that this is the major reason for not having insurance, down from 78 percent a year earlier. The percent saying they cannot afford insurance does not differ much across lower and middle-income groups but is much smaller for the highest income Tennesseans (Table 3). Eleven percent indicate that they just did not get around to getting insurance, and 8 percent indicate that a major reason is that they do not need insurance.

Table 2: Reason for Not Having Insurance (1993-2002) (Percent)

Not a Reason	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Can't Afford	10	14	19	20	14	17	19	16	13	17
Didn't Get to it	83	67	77	69	67	72	63	73	69	74
Don't Need	82	74	79	77	76	74	74	81	72	78
Minor Reason	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Can't Afford	7	7	11	7	7	10	10	8	9	10
Didn't Get to it	10	22	17	18	18	17	22	21	20	16
Don't Need	12	17	16	14	15	13	16	12	16	14
Major Reason	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Can't Afford	83	79	70	73	79	73	71	76	78	74
Didn't Get to it	7	11	7	12	15	12	15	6	11	11
Don't Need	6	10	6	9	9	13	10	7	12	8

Table 3 -"Cannot Afford" Major Reason for No Insurance: by Income (1994-2002) (Percent)

Major Reason	1994	1995	1996	1997	1998	1999	2000	2001	2002
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Less \$10,000	91	90	77	83	79	75	76	82	82
\$10,000 - \$14,499	82	80	73	87	86	76	84	84	90
\$15,000 - \$19,999	80	64	87	74	80	75	84	89	77
\$20,000 - \$29,999	87	76	69	69	73	69	80	74	70
\$30,000 - \$39,999	61	59	75	65	78	64	80	82	72
\$40,000 - \$49,999	58	82	70	80	63	73	45	69	62
\$50,000+	42	38	55	46	46	39	47	46	36

Evaluations of Medical Care and Insurance Coverage (1993-2002)

Since 1994, there have only been small changes in all Tennesseans' overall perception of the quality of care they and their children have been receiving (Tables 4 and 5), though the percent regarding the care as excellent for both children and adults has risen somewhat since 1995. The 2002 TennCare percent for heads of households is the highest that it has been for any year since the study began. This perception mirrors a like increase among heads of households in all insurance categories. The rating of quality of care for children has changed less but has remained positive with a greater percent rating the care as excellent or good than all past years but one. Moreover the differential between the ratings of quality of care for adults continues to narrow between TennCare respondents and others.

Table 4: Quality of Medical Care Received by Heads of Households (1993-2002) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Excellent	21	26	20	22	22	23	21	22	22	25
Good	49	45	51	52	51	52	50	50	48	51
Fair	24	22	23	22	22	22	22	21	23	19
Poor	5	7	6	4	5	3	7	7	7	5
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Excellent	17	17	14	15	19	18	18	18	20	21
Good	41	40	48	49	47	42	47	43	41	46
Fair	31	27	28	28	26	31	25	27	28	24
Poor	11	16	10	8	8	9	10	12	11	9

Table 5: Quality of Medical Care Received by Children of Heads of Households (1993-2002) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Excellent	30	32	28	30	30	30	30	33	30	34
Good	48	47	51	50	50	51	51	48	50	51
Fair	18	17	17	17	15	15	15	15	16	12
Poor	4	4	4	3	5	4	4	4	4	4
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Excellent	20	22	27	21	27	27	29	25	24	28
Good	47	45	44	55	48	49	49	47	50	48
Fair	25	23	21	19	19	18	18	20	19	17
Poor	8	10	8	6	6	7	4	8	7	7

Satisfaction with Insurance Coverage

TennCare recipients are continuing to show high levels of satisfaction with TennCare (Table 6). In 2002, those expressing satisfaction (85 percent) is the highest level yet expressed by TennCare recipients and exceeds that reported by Medicaid recipients in 1993.

Table 6: Percent Indicating Satisfaction with TennCare (1993 –2002) (Percent)

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
82	61	75	82	81	83	81	78	79	85

Behavior Relevant to Medical Care

Each respondent was asked a series of questions regarding his or her behavior when seeking medical care (Tables 7 and 8). Again, there has been very little change over the past few years. The proportion of TennCare recipients initially seeking care for their children at hospital emergency rooms remains at the lowest level (five percent) that has been measured since the inception of the program. The percent is not different from all Tennessee children. Adult usage of hospitals also remains low. This is a further indication that TennCare is having some impact on choices that people make in seeking care and that the impact is in the desired direction. This pattern is slightly more pronounced when TennCare recipients seek care for their children. The share initially seeking care at care at a doctor's office has remained at 77 percent.

Table 7: Head of Household: Medical Facilities Used When Medical Care Initially Sought (1993-2002) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Doctor's Office	80	82	80	82	81	81	81	83	81	84
Clinic	10	11	11	11	12	12	12	11	12	10
Hospital	9	7	7	6	6	6	6	5	6	5
Other	1	1	1	1	2	1	1	1	2	1
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Doctor's Office	69	70	71	73	74	74	78	76	78	77
Clinic	15	18	18	18	17	19	15	17	14	15
Hospital	14	11	10	9	7	6	6	6	7	7
Other	1	1	1	0	1	1	1	1	2	1

Table 8: Children: Medical Facilities Used When Medical Care Initially Sought (1993-2002) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Doctor's Office	78	80	81	82	81	83	81	84	81	85
Clinic	13	13	12	13	13	13	12	12	14	10
Hospital	8	6	5	5	5	4	6	3	4	4
Other	1	1	2	1	1	1	1	1	1	2
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Doctor's Office	66	67	74	68	75	76	79	76	77	77
Clinic	20	21	18	24	17	18	15	17	16	17
Hospital	13	12	7	8	7	5	5	6	7	5

Other	1	0	1	0	1	1	1	1	1	1
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There has also been very little change in the past year in the frequency of visits to physicians. Adult TennCare recipients continue in their tendency to see physicians on a more frequent basis. Three of four TennCare recipients continue to see a physician at least every few months. Only 38 percent saw a physician this often prior to TennCare's inception in 1994. In 2002, TennCare recipients see a physician at a much greater rate than that of the general population (Table 9), at least in part because the uninsurable population is included in TennCare. Approximately three-fourths of TennCare children also see a physician at least every few months (Table 10), but the increase in visits is much less pronounced than for TennCare adults. Overall, these results may indicate increased preventative medical care through annual visits as well as reflect the fact that the population of TennCare adults is increasingly one that has greater need for medical services.

Table 9: Frequency of Visits to Doctor for Head of Household (1993-2002) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Weekly	2	2	2	2	2	2	2	2	3	2
Monthly	8	9	8	8	10	11	12	11	13	11
Every Few Months	32	32	33	36	39	39	41	39	41	41
Yearly	33	29	33	31	27	27	25	27	25	27
Rarely	26	28	22	23	22	21	20	21	19	19
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Weekly	3	4	5	5	4	4	5	5	7	6
Monthly	15	23	15	20	24	21	25	26	24	24
Every Few Months	20	32	36	37	39	44	45	41	44	44
Yearly	28	16	20	21	14	14	13	13	12	14
Rarely	25	25	20	18	19	19	12	15	13	13

Table 10: Frequency of Visits to Doctor for Children (1993–2002) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Weekly	2	2	2	2	2	2	2	2	2	2
Monthly	10	11	10	12	12	11	11	11	11	11
Every Few Months	50	52	49	55	52	55	54	52	52	51
Yearly	23	23	26	21	23	22	24	24	24	23
Rarely	15	13	11	10	12	10	9	11	11	13
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Weekly	3	4	4	4	3	3	4	3	3	2
Monthly	13	19	15	19	15	12	14	16	14	17
Every Few Months	49	53	48	58	54	57	56	53	56	56
Yearly	21	13	20	12	16	19	18	18	16	17
Rarely	15	11	11	7	12	9	8	10	11	9

Appointments

The time it takes TennCare respondents to make timely appointments to see their primary care physicians has leveled off. In 2002, the number reporting having to wait longer than three weeks remained at its highest level (18 percent)(Table 11). Also, the last three years have evidenced that TennCare recipients are waiting a bit more to see their physicians once they reach the office (Table 12), though the time is about the same as in 1995.

Table 11: Time Between Attempt to Make Appointment and First Availability of Appointment: TennCare Heads of Household (1994-2002) (Percent)

When you last made an appointment to see a primary care physician for an illness in 2000, how soon was the first appointment available?	1994	1995	1996	1997	1998	1999	2000	2001	2002
Same day	29	32	32	29	26	23	22	19	22
Next day	17	22	27	17	21	18	19	15	18
1 week	28	23	23	28	27	27	31	31	29
2 weeks	10	9	8	11	10	12	11	12	9
3 weeks	4	4	5	5	4	5	4	5	5
Over 3 weeks	11	11	5	11	11	15	15	18	18

Table 12: Wait for Appointments: TennCare Heads of Household (1994 - 2002)

	1994	1995	1996	1997	1998	1999	2000	2001	2002
Number of minutes wait past scheduled appointment time?	105	62	52	52	49	52	64	61	64
Number of minutes to travel to physician's office?	25	42	22	21	21	22	24	23	23

TennCare Providers

The largest number of TennCare recipients continues to report being signed up with Blue Cross/Blue Shield as their TennCare provider (40 percent) (Table 13). Other respondents were scattered among the other providers, and that includes the dispersal of most of those having been signed up on AccessMed Plus.

Table 13: Company Managing TennCare Plan (1994-2002) (Percent)

What company manages your TennCare plan?	1994	1995	1996	1997	1998	1999	2000	2001	2002
Blue Cross/Blue Shield	52	62	57	48	48	50	50	50	40
Health Net	7	7	7	8	2	1			
John Deere (Heritage)	3	1	2	2	3	4	5	4	7
TCL (Memphis Managed Ca	3	2	2	4	4	4	3	5	12
Phoenix (Advantage Care	3	2	4	6	13	8			
Preferred Health Partner	6	3	4	8	6	7	7	4	8
Prudential (Prudential	1	1	0	1	1	1			
TennSource (Health Source)	1	1	1	1	0	0			

What company manages your TennCare plan?	1994	1995	1996	1997	1998	1999	2000	2001	2002
Access Med Plus	18	16	17	19	18	20	22	23	5
Total Health Plus (THP	1	.5	1	1	0	0			
Vanderbilt Health Plan	1	.5	1	1	0	0	1	1	0
Omnicare (Affordable)	2	2	2	3	3	4	2	2	7
Xantus Health Plan							9	8	9
Universal Care								2	9
Better Health Plans								1	3
Not sure	3	1	0	0	2	1	1		

There has been some decrease in the past three years in the proportion of respondents indicating that they had been sent an enrollment card, a grievance form, or received information on filing grievances or having received a list of rights and responsibilities (Table 14). More than three fourths recall receiving notices from the provider to whom they have been assigned. Forty-three percent report receiving a ballot to change providers, which is down markedly from its 2001 percent. About one in three indicate that they changed providers in 2002. Clearly the preferred method (67 percent) for receiving information about TennCare is through the mail (Table 15).

Table 14: Households Receiving TennCare Information for Providers (1994 - 2002) (Percent)

Please indicate whether or not you or anyone in your household has received each of the following regarding TennCare	1994	1995	1996	1997	1998	1999	2000	2001	2002
An enrollment card	68	68	71	70	77	76	74	65	70
A grievance form	19	20	33	28	41	39	33	32	34
Information on filing grievances	24	23	35	31	43	44	36	46	39
A list of rights and responsibilities	53	58	66	63	73	70	66	63	70
Name of provider to whom assigned								72	79
Ballot to change provider								64	43
Changed providers								31	32

Table 15: Best Way to Get Information About TennCare

	2001	2002
Mail	66	67
Friends	1	2
Doctor	7	7
Drug Store	1	1
TV	1	0
Paper	0	0
Other	3	4
Phone	12	11
Handbook	9	8

Conclusion

While TennCare's cost and administration continue to be the source of controversy in the state, there is substantial evidence that, at least from the *perspective of the recipients*, the program is working as expected. TennCare recipients see physicians more often, visit emergency rooms less for initial care, and are able to see a physician without excessive travel or waiting time. These objectives have been achieved with growing satisfaction with the program. The TennCare group is now at least as satisfied with TennCare as it had been with Medicaid in 1993. TennCare has dramatically reduced the number of uninsured in Tennessee, with the number remaining well under 400,000. The number of children remains at somewhat above 50,000.