



The Impact of TennCare: A Survey of Recipients 2005

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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 Bureau of TennCare.

The survey was conducted by telephone between May and July, 2005. The survey was conducted with a Computer Assisted Telephone Interviewing System, utilizing a random-digit dialing based sample. Four calls were made to each residence, at staggered times, to minimize nonrespondent bias. The design chosen was a "Household Sample," and the interview was conducted with the Head of the Household. The University of Tennessee Social Science Research Institute administered the survey.

Approximately 53 percent of those contacted agreed to participate in the survey. The demographics very closely mirrored those for the state that were obtained from the most recent census estimates except for household income. 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.

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.

Tennessee Households – Household Income	Proportion in 2000 Census (Percent)	Proportion in 2005 survey (Percent)	Deviation (Percent)
Less \$10,000	12.1	11.5	0.6
\$10,000 - \$14,499	7.4	9.6	-2.2
\$15,000 - \$19,999	7.4	7.4	0.0
\$20,000 - \$29,999	14.4	13.2	1.2
\$30,000 - \$39,999	12.5	11.7	0.8
\$40,000 - \$49,999	11.1	9.6	1.5
\$50,000 - \$59,999	7.6	9.2	-1.6
\$60,000 - \$99,999	19.1	17.4	1.7
\$100,000 +	8.3	10.3	-2.0

Estimates for Insurance Status

Estimates for the number of Tennesseans who are uninsured are presented below (Table 1). The estimated 482,352 uninsured represent 8.09 percent of the 2005 population (5,965,317). This is an increase from 2004 and the highest level of uninsured in the TennCare era. The uninsured rate for children is 5.00 percent, up slightly from the 2004 rate, and the rate for adults of 9.08 percent is up significantly from 2004.

Table 1: Statewide Estimates of Uninsured Populations (1993–2005)

	1993	1994	1995	1996	1997	1998	1999
State Total	452,232	298,653	303,785	333,268	319,079	335,612	387,584
Percent	8.9	5.7	5.8	6.3	6.1	6.2	7.2

	2000	2001	2002	2003	2004	2005
State Total	372,776	353,736	348,753	371,724	387,975	482,353
Percent	6.5	6.2	6.1	6.4	6.6	8.1

Table 1a: Percentage by Age Status (2005)

	Under 18	18+
Total	72,387	409,965
Percent	5.00	9.08

Reasons for Failure to Obtain Medical Insurance

There has not been much change in the underlying reason 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 perceived inability to pay (Table 2). In 2005, 82 percent indicate that this is a major reason for not having insurance, the same figure as the previous two years. The percent saying they cannot afford insurance does not differ much among income groups, except that those in the highest two income groups were less likely to consider it a major reason (Table 3). While financial pressures continue to limit people from obtaining coverage, 9 percent indicate that they just did not get around to securing it, and 8 percent indicate that a major reason is that they do not need insurance.

Table 2: Reasons for Not Having Insurance (1993–2005) (Percent)

Reason :	Can't Afford			Didn't Get to it			Don't Need		
	Major Reason	Minor Reason	Not a Reason	Major Reason	Minor Reason	Not a Reason	Major Reason	Minor Reason	Not a Reason
1993	83	7	10	7	10	83	6	12	82
1994	79	7	14	11	22	67	10	17	74
1995	70	11	19	7	17	77	6	16	79
1996	73	7	20	12	18	69	9	14	77
1997	79	7	14	15	18	67	9	15	76
1998	73	10	17	12	17	72	13	13	74
1999	71	10	19	15	22	63	10	16	74
2000	76	8	16	6	21	73	7	12	81
2001	78	9	13	11	20	69	12	16	72
2002	74	10	17	11	16	74	8	14	78
2003	82	8	10	10	20	70	8	15	77
2004	82	7	11	8	19	73	8	16	76
2005	82	7	10	9	16	75	8	15	77

Table 3: “Cannot Afford” Major Reason for No Insurance: by Income (1994–2005) (Percent)

Major Reason	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Less \$10,000	91	90	77	83	79	75	76	82	82	86	97	90
\$10,000 - \$14,499	82	80	73	87	86	76	84	84	90	84	88	82
\$15,000 - \$19,999	80	64	87	74	80	75	84	89	77	93	92	91
\$20,000 - \$29,999	87	76	69	69	73	69	80	74	70	83	87	81
\$30,000 - \$39,999	61	59	75	65	78	64	80	82	72	84	84	78
\$40,000 - \$49,999	58	82	70	80	63	73	45	69	62	82	70	64
\$50,000+	42	38	55	46	46	39	47	46	36	67	47	67

Evaluations of Medical Care and Insurance Coverage

Since 1994, small increases have occurred in Tennesseans' overall perception of the quality of care they and their children have been receiving (Tables 4 and 5). Ratings of health care quality for the TennCare head of household population have been gradually increasing since TennCare was started in 1994. The ratings for TennCare recipients are higher in 2005 than for any year since the study began. The differences between TennCare recipients and all Tennesseans in quality of care ratings continue to narrow. The quality of care ratings for TennCare children continue to be higher than for adults.

Table 4: Quality of Medical Care Received by Heads of Households (1993–2005) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Excellent	21	26	20	22	22	23	21	22	22	25	25	26	29
Good	49	45	51	52	51	52	50	50	48	51	50	50	48
Fair	24	22	23	22	22	22	22	21	23	19	19	18	17
Poor	5	7	6	4	5	3	7	7	7	5	6	6	6
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Excellent	17	17	14	15	19	18	18	18	20	21	21	23	28
Good	41	40	48	49	47	42	47	43	41	46	45	47	40
Fair	31	27	28	28	26	31	25	27	28	24	25	23	26
Poor	11	16	10	8	8	9	10	12	11	9	9	7	6

Table 5: Quality of Medical Care Received by Children of Heads of Households (1993–2005) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Excellent	30	32	28	30	30	30	30	33	30	34	36	36	38
Good	48	47	51	50	50	51	51	48	50	51	48	48	49
Fair	18	17	17	17	15	15	15	15	16	12	13	12	9
Poor	4	4	4	3	5	4	4	4	4	4	3	4	4
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Excellent	20	22	27	21	27	27	29	25	24	28	32	31	34
Good	47	45	44	55	48	49	49	47	50	48	45	47	49
Fair	25	23	21	19	19	18	18	20	19	17	17	16	12
Poor	8	10	8	6	6	7	4	8	7	7	6	5	5

Satisfaction with Insurance Coverage

TennCare recipients are continuing to show high levels of satisfaction with TennCare (Table 6). In 2005, 93 percent express satisfaction (responding “somewhat satisfied” or “very satisfied”), the highest the measurement has been since TennCare’s inception. This exceeds by 11 percent the satisfaction reported by Medicaid recipients in 1993 and is 50 percent higher than when TennCare began in 1994.

Table 6: Percent Indicating Satisfaction with TennCare (1993–2005) (Percent)

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
82	61	75	82	81	83	81	78	79	85	83	90	93

Behavior Relevant to Medical Care

Each respondent was asked a series of questions regarding his or her behavior when seeking medical care (Table 7). Again, there has been very little change over the past few years. The proportion of TennCare heads of households seeking care at hospital emergency rooms remains low, especially relative to pre-TennCare levels. It is clear that TennCare is having some impact on choices that people make in seeking care, and the impact is in the desired direction. A similar pattern exists when TennCare recipients seek care for their children (Table 8). The share initially seeking care at a doctor’s office has leveled off at slightly less than 80 percent, but this is a full 9 percent greater than in 1993 with Medicaid. The increase in the share initially seeking care at a doctor’s office for their children is even greater, where the increase is from 66 percent to 79 percent.

Table 7: Head of Household: Medical Facilities Used When Medical Care Initially Sought (1993–2005) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Doctor's Office	80	82	80	82	81	81	81	83	81	84	85	85	83
Clinic	10	11	11	11	12	12	12	11	12	10	9	9	11
Hospital	9	7	7	6	6	6	6	5	6	5	5	5	5
Other	1	1	1	1	2	1	1	1	2	1	1	1	1
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Doctor's Office	69	70	71	73	74	74	78	76	78	77	80	77	78
Clinic	15	18	18	18	17	19	15	17	14	15	12	14	14
Hospital	14	11	10	9	7	6	6	6	7	7	7	8	7
Other	1	1	1	0	1	1	1	1	2	1	1	1	1

Table 8: Children: Medical Facilities Used When Medical Care Initially Sought (1993–2005) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Doctor's Office	78	80	81	82	81	83	81	84	81	85	85	85	86
Clinic	13	13	12	13	13	13	12	12	14	10	9	11	10
Hospital	8	6	5	5	5	4	6	3	4	4	5	3	3
Other	1	1	2	1	1	1	1	1	1	2	1	1	1
Medicaid/TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Doctor's Office	66	67	74	68	75	76	79	76	77	77	80	78	79
Clinic	20	21	18	24	17	18	15	17	16	17	12	16	13
Hospital	13	12	7	8	7	5	5	6	7	5	7	6	8
Other	1	0	1	0	1	1	1	1	1	1	1	0	0

A similar change has occurred over the past decade in the frequency of visits to physicians. TennCare recipients continue to see physicians on a more frequent basis than under Medicaid or than the average Tennessee household. Eighty-two percent of TennCare heads of households see a physician at least every few months (Table 9), as do 72 percent of TennCare children (Table 10). Only 38 percent of adults saw a physician this often prior to TennCare's inception in 1994. The increase in visits is much less pronounced for children than for TennCare adults. More frequent usage of physicians may indicate increased preventative medical care through annual visits but may also reflect 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 (1993–2005) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Weekly	2	2	2	2	2	2	2	2	3	2	3	3	2
Monthly	8	9	8	8	10	11	12	11	13	11	11	11	11
Every Few Months	32	32	33	36	39	39	41	39	41	41	42	44	46
Yearly	33	29	33	31	27	27	25	27	25	27	27	26	26
Rarely	26	28	22	23	22	21	20	21	19	19	17	16	15
Medicaid/TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Weekly	3	4	5	5	4	4	5	5	7	6	8	7	6
Monthly	15	23	15	20	24	21	25	26	24	24	29	28	30
Every Few Months	30	32	36	37	39	44	45	41	44	44	42	46	46
Yearly	28	16	20	21	14	14	13	13	12	14	10	9	11
Rarely	25	25	20	18	19	19	12	15	13	13	12	10	7

Table 10: Frequency of Visits to Doctor for Children (1993–2005) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Weekly	2	2	2	2	2	2	2	2	2	2	2	1	2
Monthly	10	11	10	12	12	11	11	11	11	11	12	10	11
Every Few Months	50	52	49	55	52	55	54	52	52	51	52	53	53
Yearly	23	23	26	21	23	22	24	24	24	23	26	26	23
Rarely	15	13	11	10	12	10	9	11	11	13	8	10	11
Medicaid/TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Weekly	3	4	4	4	3	3	4	3	3	2	4	3	2
Monthly	13	19	15	19	15	12	14	16	14	17	17	14	21
Every Few Months	49	53	48	58	54	57	56	53	56	56	53	53	49
Yearly	21	13	20	12	16	19	18	18	16	17	17	22	17
Rarely	15	11	11	7	12	9	8	10	11	9	8	9	11

Appointments

The time required to obtain an appointment is very similar to the 2004 findings. The percent of TennCare recipients obtaining a doctor appointment on the same day that the request is made increased slightly from 2004, but a slightly lower 69 percent of TennCare heads of household were able to obtain an appointment within one week. The number reporting having to wait longer than three weeks has risen slightly from 15 percent to 16 percent (Table 11). TennCare recipients are waiting about an hour on average to see their physicians once they reach the office (Table 12). This is down substantially from the values at the beginning of TennCare and is fairly consistent with times reported the last several years.

Table 11: Time between Attempt to Make Appointment and First Availability of Appointment: TennCare Heads of Household (1994–2005) (Percent)

When you last made an appointment to see a primary care physician for an illness in 2004, how soon was the first appointment available?	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Same day	29	32	32	29	26	23	22	19	22	20	20	21
Next day	17	22	27	17	21	18	19	15	18	16	17	17
1 week	28	23	23	28	27	27	31	31	29	29	33	31
2 weeks	10	9	8	11	10	12	11	12	9	11	11	10
3 weeks	4	4	5	5	4	5	4	5	5	5	3	5
Over 3 weeks	11	11	5	11	11	15	15	18	18	18	15	16

Table 12: Wait for Appointments: TennCare Heads of Household (1994–2005) (Minutes)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Number of minutes wait past scheduled appointment time?	105	62	52	52	49	52	64	61	64	50	63	57
Number of minutes to travel to physician's office?	25	42	22	21	21	22	24	23	23	22	27	32

TennCare Providers

The largest number of TennCare recipients (36 percent) continues to report being signed up with Blue Cross/Blue Shield as their TennCare MCO. Other respondents were scattered among the other providers, with TLC, PHP, TennCare Select, and John Deere managing most of the remaining TennCare recipients. (Table 13).

Table 13: Company Managing TennCare Plan (1994–2005) (Percent)

What company manages your TennCare plan?	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Blue Cross/Blue Shield	52	62	57	48	48	50	50	50	40	42	39	36
Health Net	7	7	7	8	2	1						
John Deere (Heritage)	3	1	2	2	3	4	5	4	7	7	6	9
TLC (Memphis Managed Care)	3	2	2	4	4	4	3	5	12	12	13	13
Phoenix (Advantage Care)	3	2	4	6	13	8	--					
Preferred Health Partner	6	3	4	8	6	7	7	4	8	12	10	10
Prudential (Prudential)	1	1	0	1	1	1	--					
TennSource (Health Source)	1	1	1	1	0	0	--					
Access Med Plus	18	16	17	19	18	20	22	23	5	3	1	1
Total Health Plus (THP)	1	.5	1	1	0	0	--					
Vanderbilt Health Plan	1	.5	1	1	0	0	1	1	0	1	1	1
Omnicare (Affordable)	2	2	2	3	3	4	2	2	7	6		6
Xantus Health Plan							9	8	9	10		
Universal Care								2	9	4	1	
Better Health Plans								1	3	4	2	2
TennCare Select											21	21
Premier Behavioral											1	
Tennessee Behavioral											1	
Not sure / Other	3	1	0	0	2	1	1				4	1

Some changes have occurred in the proportion of respondents indicating that they had been sent an enrollment card, a grievance form, a list of rights and responsibilities, or information on filing grievances (Table 14). The percentage of households responding that they received information declined in every item. Seventy percent recall receiving an enrollment card, down from last year's 74 percent; 24 percent recall receiving a grievance form, down from 33 percent; 26 percent received information on filing grievances, down from 40 percent; 71 percent recall having received a list of rights and responsibilities, a decrease from

75 percent; and 79 percent recall being told the name of the provider to which they have been assigned, down from 81 percent in 2004. Only 21 percent respond that they received a ballot to change providers, down considerably from last year. Thirty-two percent indicate that they changed providers in 2004, the highest percentage in three years. The preferred method for receiving information about TennCare remains through the mail, with 75 percent reporting this is the best way to obtain TennCare information (Table 15).

Table 14: Households Receiving TennCare Information for Providers (1994–2005) (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	2003	2004	2005
An enrollment card	68	68	71	70	77	76	74	65	70	65	74	70
A grievance form	19	20	33	28	41	39	33	32	34	35	33	24
Information on filing grievances	24	23	35	31	43	44	36	46	39	40	40	26
A list of rights and responsibilities	53	58	66	63	73	70	66	63	70	70	75	71
Name of provider to whom assigned								72	79	76	81	79
Ballot to change provider								64	43	29	31	21
Changed providers								31	32	18	19	32

Table 15: Best Way to Get Information about TennCare (2001–2005) (Percent)

	2001	2002	2003	2004	2005
Mail	66	67	75	73	75
Friends	1	2	0	1	0
Doctor	7	7	5	5	6
Drug Store	1	1	0	1	1
TV	1	0	1	1	1
Paper	0	0	0	0	0
Other	3	4	3	3	4
Phone	12	11	10	9	9
Handbook	9	8	6	4	4

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 routine care, and are able to see a physician without excessive travel or waiting time. TennCare has dramatically reduced the number of uninsured in Tennessee, though that number continues to increase and now is approaching 500,000, including more than 70,000 children. Still, Tennessee's uninsured rate remains relatively low, at just over 8 percent.

In 2005, recipients expressed the greatest satisfaction that they have had with TennCare. The satisfaction rate has gradually increased since the program's inception and is now more than 30 percentage points higher than in TennCare's first year. Additionally, TennCare recipients' experience with medical care mirrors much more closely that of those covered by private insurance, and the gap is closing. Information provided to recipients seems to have taken a setback in 2005, with responses indicating they have not received materials as consistently as they did 2004. Otherwise, TennCare continues to receive good feedback from its recipients, indicating the program is providing health care in a satisfactory manner and up to the expectations of those it serves.