



The Impact of TennCare: A Survey of Recipients 2006

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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, 2006. 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 52 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.

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 2006 survey (Percent)	Deviation (Percent)
Less \$10,000	12.1	10.4	1.7
\$10,000 - \$14,499	7.4	8.8	-1.4
\$15,000 - \$19,999	7.4	7.6	-0.2
\$20,000 - \$29,999	14.4	12.1	2.3
\$30,000 - \$39,999	12.5	11.6	0.9
\$40,000 - \$49,999	11.1	11.4	-0.3
\$50,000 - \$59,999	7.6	9.8	-2.2
\$60,000 - \$99,999	19.1	18.1	1.0
\$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 649,479 uninsured represent 10.7 percent of the 2006 population (6,018,238¹). This is a substantial increase from 2005 and the highest level of uninsured in the TennCare era, reflecting the effects of the October 2005 TennCare disenrollment. The uninsured rate for children is 5.7 percent, up from last year's rate of 5.0 percent, and the rate for adults of 12.4 percent is up significantly from the 2005 rate of 9.1 percent.

Table 1: Statewide Estimates of Uninsured Populations (1993–2006)

	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	2006
State Total	372,776	353,736	348,753	371,724	387,975	482,353	649,479
Percent	6.5	6.2	6.1	6.4	6.6	8.1	10.7

Table 1a: Percentage by Age Status (2006)

	Under 18	18+
Total	82,484	566,995
Percent	5.7	12.4

¹ United States Census Bureau, Population Division, Interim State Population Projections, 2005.

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 2006, 87 percent indicate that this is a major reason for not having insurance, an increase over 2005 and the highest number since TennCare's inception. Though there is some variation from one year to the next, the difference among income groups has been consistently large, with those in the highest income group considerably less likely to consider it a major reason (Table 3). Several groups show increases over 2005, including a dramatic increase in the \$40,000 to \$49,999 income group. While financial pressures continue to limit people from obtaining coverage, 12 percent indicate that they just did not get around to securing it, and 12 percent indicate that a major reason is that they do not need insurance.

Table 2: Reasons for Not Having Insurance (1993–2006) (Percent)

Reason Year	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
2006	87	4	9	12	14	74	12	14	74

Table 3: "Cannot Afford" Major Reason for No Insurance: by Income (1994–2006) (Percent)

Major Reason	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Less \$10,000	91	90	77	83	79	75	76	82	82	86	97	90	92
\$10,000 - \$14,499	82	80	73	87	86	76	84	84	90	84	88	82	96
\$15,000 - \$19,999	80	64	87	74	80	75	84	89	77	93	92	91	87
\$20,000 - \$29,999	87	76	69	69	73	69	80	74	70	83	87	81	90
\$30,000 - \$39,999	61	59	75	65	78	64	80	82	72	84	84	78	76
\$40,000 - \$49,999	58	82	70	80	63	73	45	69	62	82	70	64	84
\$50,000+	42	38	55	46	46	39	47	46	36	67	47	67	68

Evaluations of Medical Care and Insurance Coverage

The quality of care ratings for TennCare remain high, with nearly two-thirds of heads of households rating their care “good” or “excellent” and more than three-fourths rating their children’s care “good” or “excellent.” Since 1994, Tennesseans’ overall perception of the quality of care they and their children have been receiving has been increasing. There has been very little change from 2005 to 2006 among the population of all heads of households (Tables 4 and 5). Ratings of health care quality for the TennCare head of household population had been gradually increasing from TennCare’s inception in 1994 to 2005, but this trend did not continue for 2006. TennCare recipients were more likely to respond that their care was only “fair” or “poor” in 2006 than for any year since 2001. Perceptions of quality for their children made progress in the sense that the same percentage rated the care as “excellent” as for all heads of households, but they were also more likely to say that their children’s care was only “fair” or “poor” than in the previous two years.

Table 4: Quality of Medical Care Received by Heads of Households (1993–2006) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Excellent	21	26	20	22	22	23	21	22	22	25	25	26	29	28
Good	49	45	51	52	51	52	50	50	48	51	50	50	48	48
Fair	24	22	23	22	22	22	22	21	23	19	19	18	17	18
Poor	5	7	6	4	5	3	7	7	7	5	6	6	6	7
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Excellent	17	17	14	15	19	18	18	18	20	21	21	23	28	21
Good	41	40	48	49	47	42	47	43	41	46	45	47	40	43
Fair	31	27	28	28	26	31	25	27	28	24	25	23	26	27
Poor	11	16	10	8	8	9	10	12	11	9	9	7	6	10

**Table 5: Quality of Medical Care Received by Children of Heads of Households (1993–2006)
(Percent)**

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Excellent	30	32	28	30	30	30	30	33	30	34	36	36	38	39
Good	48	47	51	50	50	51	51	48	50	51	48	48	49	47
Fair	18	17	17	17	15	15	15	15	16	12	13	12	9	11
Poor	4	4	4	3	5	4	4	4	4	4	3	4	4	3
Medicaid/ TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Excellent	20	22	27	21	27	27	29	25	24	28	32	31	34	39
Good	47	45	44	55	48	49	49	47	50	48	45	47	49	38
Fair	25	23	21	19	19	18	18	20	19	17	17	16	12	17
Poor	8	10	8	6	6	7	4	8	7	7	6	5	5	6

Satisfaction with Insurance Coverage

TennCare recipients continue to show high levels of satisfaction with TennCare (Table 6), though the 87 percent expressing satisfaction (responding “somewhat satisfied” or “very satisfied”) is a dropoff from 2005’s high mark of 93 percent. This still exceeds by 5 percent the satisfaction reported by Medicaid recipients in 1993 and is considerably higher than when TennCare began in 1994.

Table 6: Percent Indicating Satisfaction with TennCare (1993–2006) (Percent)

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
82	61	75	82	81	83	81	78	79	85	83	90	93	87

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 of adults initially seeking care at a doctor's office is still under 80 percent, but remains 7 percent greater than in 1993 with Medicaid and resulted in a comparable decrease at hospitals. The change in the share initially seeking care at a doctor's office for their children is even greater, where the increase is from 66 percent in 1993 to 82 percent in 2006. The proportion seeking care at hospitals has been halved since 1993 for both heads of household and children on TennCare.

Table 7: Head of Household: Medical Facilities Used When Medical Care Initially Sought (1993–2006) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Doctor's Office	80	82	80	82	81	81	81	83	81	84	85	85	83	83
Clinic	10	11	11	11	12	12	12	11	12	10	9	9	11	11
Hospital	9	7	7	6	6	6	6	5	6	5	5	5	5	5
Other	1	1	1	1	2	1	1	1	2	1	1	1	1	1
Medicaid/TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Doctor's Office	69	70	71	73	74	74	78	76	78	77	80	77	78	76
Clinic	15	18	18	18	17	19	15	17	14	15	12	14	14	15
Hospital	14	11	10	9	7	6	6	6	7	7	7	8	7	7
Other	1	1	1	0	1	1	1	1	2	1	1	1	1	1

Table 8: Children: Medical Facilities Used When Medical Care Initially Sought (1993–2006) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Doctor's Office	78	80	81	82	81	83	81	84	81	85	85	85	86	87
Clinic	13	13	12	13	13	13	12	12	14	10	9	11	10	10
Hospital	8	6	5	5	5	4	6	3	4	4	5	3	3	3
Other	1	1	2	1	1	1	1	1	1	2	1	1	1	<1
Medicaid/TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Doctor's Office	66	67	74	68	75	76	79	76	77	77	80	78	79	82
Clinic	20	21	18	24	17	18	15	17	16	17	12	16	13	12
Hospital	13	12	7	8	7	5	5	6	7	5	7	6	8	6
Other	1	0	1	0	1	1	1	1	1	1	1	0	0	1

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 69 percent of TennCare children (Table 10). Only 48 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, but the percent rarely seeing a physician has dropped significantly.

Table 9: Frequency of Visits to Doctor for Head of Household (1993–2006) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Weekly	2	2	2	2	2	2	2	2	3	2	3	3	2	2
Monthly	8	9	8	8	10	11	12	11	13	11	11	11	11	12
Every Few Months	32	32	33	36	39	39	41	39	41	41	42	44	46	44
Yearly	33	29	33	31	27	27	25	27	25	27	27	26	26	25
Rarely	26	28	22	23	22	21	20	21	19	19	17	16	15	18
Medicaid/TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Weekly	3	4	5	5	4	4	5	5	7	6	8	7	6	7
Monthly	15	23	15	20	24	21	25	26	24	24	29	28	30	30
Every Few Months	30	32	36	37	39	44	45	41	44	44	42	46	46	45
Yearly	28	16	20	21	14	14	13	13	12	14	10	9	11	8
Rarely	25	25	20	18	19	19	12	15	13	13	12	10	7	10

Table 10: Frequency of Visits to Doctor for Children (1993–2006) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Weekly	2	2	2	2	2	2	2	2	2	2	2	1	2	1
Monthly	10	11	10	12	12	11	11	11	11	11	12	10	11	10
Every Few Months	50	52	49	55	52	55	54	52	52	51	52	53	53	52
Yearly	23	23	26	21	23	22	24	24	24	23	26	26	23	28
Rarely	15	13	11	10	12	10	9	11	11	13	8	10	11	10
Medicaid/TennCare	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Weekly	3	4	4	4	3	3	4	3	3	2	4	3	2	2
Monthly	13	19	15	19	15	12	14	16	14	17	17	14	21	16
Every Few Months	49	53	48	58	54	57	56	53	56	56	53	53	49	51
Yearly	21	13	20	12	16	19	18	18	16	17	17	22	17	23
Rarely	15	11	11	7	12	9	8	10	11	9	8	9	11	8

Appointments

The time required to obtain an appointment is an improvement from the 2005 findings. The percent of TennCare recipients obtaining a doctor appointment on the same day that the request is made or the next day increased to 49 percent in 2006, and 71 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 remains 16 percent (Table 11). TennCare recipients are waiting an hour and 20 minutes on average to see their physicians once they reach the office (Table 12). This is a large increase over previous years and is the longest average wait time in the TennCare era.

Table 11: Time between Attempt to Make Appointment and First Availability of Appointment: TennCare Heads of Household (1994–2006) (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	2006
Same day	29	32	32	29	26	23	22	19	22	20	20	21	22
Next day	17	22	27	17	21	18	19	15	18	16	17	17	27
1 week	28	23	23	28	27	27	31	31	29	29	33	31	22
2 weeks	10	9	8	11	10	12	11	12	9	11	11	10	10
3 weeks	4	4	5	5	4	5	4	5	5	5	3	5	4
Over 3 weeks	11	11	5	11	11	15	15	18	18	18	15	16	16

Table 12: Wait for Appointments: TennCare Heads of Household (1994–2006) (Minutes)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Number of minutes wait past scheduled appointment time?	105	62	52	52	49	52	64	61	64	50	63	57	80
Number of minutes to travel to physician's office?	25	42	22	21	21	22	24	23	23	22	27	32	30

TennCare Providers

The largest number of TennCare recipients (31 percent) continues to report being signed up with Blue Cross/Blue Shield as their TennCare MCO, though it is at the lowest level in the time that TennCare has existed. Other respondents were scattered among the other providers, with TLC, PHP, TennCare Select, Omnicare, and John Deere managing most of the remaining TennCare recipients (Table 13).

Table 13: Company Managing TennCare Plan (1994–2006) (Percent)

What company manages your TennCare plan?	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Blue Cross/Blue Shield	52	62	57	48	48	50	50	50	40	42	39	36	31
Health Net	7	7	7	8	2	1							
John Deere (Heritage)	3	1	2	2	3	4	5	4	7	7	6	9	6
TLC (Memphis Managed Care)	3	2	2	4	4	4	3	5	12	12	13	13	11
Phoenix (Advantage Care)	3	2	4	6	13	8	--						
Preferred Health Partner	6	3	4	8	6	7	7	4	8	12	10	10	11
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	1
Omnicare (Affordable)	2	2	2	3	3	4	2	2	7	6		6	9
Xantus Health Plan							9	8	9	10			
Universal Care								2	9	4	1		1
Better Health Plans								1	3	4	2	2	3
TennCare Select											21	21	18
Premier Behavioral											1		1
Tennessee Behavioral											1		
VHP Community Care													1
Other	3	1	0	0	2	1	1				4	1	6

In 2006 receipt of information (enrollment card, grievance form, a list of rights and responsibilities, and information on filing grievances) has improved significantly after a decline in 2005. The percentage of households responding that they received information improved in every item (Table 14). Seventy-three percent recall receiving an enrollment card, up from last year's 70 percent; 42 percent recall receiving a grievance form, up from 24 percent; 41 percent received information on filing grievances, up from 26 percent; 78 percent recall having received a list of rights and responsibilities, an increase from 71 percent; 82 percent recall being told the name of the provider to which they have been assigned, up from 79 percent in 2005; and 25 percent respond that they received a ballot to change providers, an increase from 21 percent. Seventeen percent indicate that they changed providers in 2006, just over half of the share who did this in

2005. The preferred method for receiving information about TennCare remains through the mail, with 75 percent reporting this is the best way they obtain TennCare information (Table 15).

Table 14: Households Receiving TennCare Information for Providers (1994–2006) (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	2006
An enrollment card	68	68	71	70	77	76	74	65	70	65	74	70	73
A grievance form	19	20	33	28	41	39	33	32	34	35	33	24	42
Information on filing grievances	24	23	35	31	43	44	36	46	39	40	40	26	41
A list of rights and responsibilities	53	58	66	63	73	70	66	63	70	70	75	71	78
Name of provider to whom assigned								72	79	76	81	79	82
Ballot to change provider								64	43	29	31	21	25
Changed providers								31	32	18	19	32	17

Table 15: Best Way to Get Information about TennCare (2001–2006) (Percent)

	2001	2002	2003	2004	2005	2006
Mail	66	67	75	73	75	75
Doctor	7	7	5	5	6	8
Phone	12	11	10	9	9	5
Handbook	9	8	6	4	4	3
Drug Store	1	1	0	1	1	2
Friends	1	2	0	1	0	1
TV	1	0	1	1	1	1
Paper	0	0	0	0	0	0
Other	3	4	3	3	4	5

Conclusion

The survey reveals that from the perspective of the recipients, the TennCare 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 (though waiting time is longer this year). However, Tennessee's rate of uninsured suffered a major setback in 2006, climbing to 10.7 percent from 2005's 8.1 percent, bringing the total uninsured to nearly 650,000, including more than 80,000 children. These are substantial increases over the 2005 levels and reflect the effects of the October 2005 disenrollment.

In 2006, recipients expressed overall satisfaction with TennCare, though there was some decline in this rate from 2005. Still, the satisfaction rate remains dramatically higher (26 percentage points) than the rate in the program's first year. Additionally, TennCare recipients' experience with medical care remains positive, though the gap between their experiences and those of Tennesseans with private insurance widened somewhat compared to 2005, at least for adults. Information provided to recipients advanced considerably with across-the-board improvements in 2006 after a setback in 2005. TennCare continues to receive positive feedback from its recipients, indicating the program is providing health care in a satisfactory manner and up to the expectations of those it serves.