



THE IMPACT OF TENNCARE: A SURVEY OF RECIPIENTS

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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 August 2 and September 30, 1999. 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," 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 most recent census estimates. However, the proportion of the households with incomes under \$10,000 was underrepresented in the sample because the lowest income residents of Tennessee are the least likely to have telephones. The large sample size allowed the weighting of responses of low income Tennesseans 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.

Tennessee Households	Adj Census for 1992 Census	Proportion in 1990 Census (Percent)	Proportion in 1999 survey (Percent)	Deviation
Household Income				
Less \$10,000	378,964	20.0	12.46	-7.54
\$10,000 - \$14,499	198,506	10.5	8.55	-1.95
\$15,000 - \$19,999	194,379	10.3	9.13	-1.17
\$20,000 - \$29,999	343,781	18.2	14.98	-3.22
\$30,000 - \$39,999	271,029	14.3	14.08	-0.22
\$40,000 - \$49,999	184,811	9.8	10.78	0.98
\$50,000 - \$59,999	119,275	6.3	9.65	3.35
\$60,000 - \$99,999	153,828	8.1	14.06	5.96
\$100,000 +	49,398	2.6	6.30	3.70

This is a follow-up to six 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 387,584 uninsured represent 7.22 percent of the 1999 population (5,368,198). This represents slightly over a one percent increase over 1998. This continues a small trend upward since 1997. Tennessee has made progress in providing insurance for those under eighteen. The uninsured rate for children is 4.21 percent, about half that of the rate of 8.22 percent for adults (Table 1a).

Table 1: Statewide Estimates of Uninsured Populations, 1993-1999

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

Table 1a: Uninsured by Age Status: 1999

	Under 18	18-65
Percent	4.21	8.22
No. Uninsured	56,332	331,252

Reasons for Failure to Obtain Medical Insurance

The major reason that people report remaining uninsured continues to be the inability to pay (Table 2). In 1999, 71 percent indicate that this is the major reason for not having insurance. The percent saying they cannot afford insurance does not differ much by income group, except for those with incomes above \$50,000 (Table 3). The highest income group is significantly less likely to say that insurance cannot be afforded. While financial pressures continue to limit the uninsured from obtaining coverage, 15 percent indicate that they just did not get around to it. Ten percent indicate that a major reason for being uninsured is that they do not need insurance. The proportion motivated by non-financial factors has trended upward since 1993. The increase in the size of this group shows that a segment of the uninsured population, relative to the beginning of the TennCare program, remains so as a result of their own decision making processes.

**Table 2: Reason for Not Having Insurance (1993-1999)
(Percent)**

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

**Table 3 -“Cannot Afford” Major Reason for No Insurance: by Income (1994-1999)
(Percent)**

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

Evaluations of Medical Care and Insurance Coverage (1993 - 1999)

There has been virtually no change in Tennesseans’ overall perception of the quality of care they and their children are receiving relative to 1998. (Tables 4 & 5). There was no change in the ratings provided by all heads of households or in the perceived quality of care for children. However, current ratings of health care quality for the TennCare population are higher than under Medicaid.

Table 4: Quality of Medical Care Received by Heads of Households

(1993 - 1999) (Percent)

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

Table 5: Quality of Medical Care Received by Children of Heads of Households (1993 - 1999) (Percent)

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

Satisfaction with Insurance Coverage

TennCare recipients are continuing to manifest increased satisfaction with TennCare relative to its inception. In 1999 those expressing satisfaction (81 percent) remained at the high level it had maintained in the prior three years, virtually the same as for Medicaid in 1993, and up from only 61 percent in 1994, the first year of TennCare. This is consistent with other indicators that the TennCare population has adjusted to the move to managed care and the provider community has improved the care provided under TennCare.

**Table 6: Percent Indicating Satisfaction with TennCare (1993 –1999)
(Percent)**

1993 Medicaid	1994	1995	1996	1997	1998	1999
82	61	75	82	81	83	81

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 year. The proportion of TennCare recipients seeking care at hospital emergency rooms has leveled off at 6 percent, down by over one-half since the inception of the program. This is a further indication that TennCare is having some impact on choices that people make in seeking care, and the impact is in the desired direction. This pattern is slightly more pronounced when TennCare recipients seek care for their children (Table 8). The share initially seeking care at hospitals has fallen from 13 to 5 percent.

**Table 7: Head of Household: Medical Facilities Used When Medical Care Initially Sought
(1993 - 1999) (Percent)**

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

Table 8: Children: Medical Facilities Used When Medical Care Initially Sought (1993 - 1999) (Percent)

All Heads of Households	1993	1994	1995	1996	1997	1998	1999
Doctor's Office	78	80	81	82	81	83	81
Clinic	13	13	12	13	13	13	12
Hospital	8	6	5	5	5	4	6
Other	1	1	2	1	1	1	1
Medicaid/TennCare	1993	1994	1995	1996	1997	1998	1999
Doctor's Office	66	67	74	68	75	76	79
Clinic	20	21	18	24	17	18	15
Hospital	13	12	7	8	7	5	5
Other	1	0	1	0	1	1	1

There has also been some change over the past year in the frequency of visits to physicians. TennCare recipients continue in their tendency to see physicians on a more frequent basis. Three of four TennCare recipients now see a physician at least every few months. Prior to TennCare's inception in 1994, only 38 percent saw a physician this often. In 1999 TennCare recipients are seeing a physician at a much greater rate than that of the general population (Table 9). Approximately three-fourths of TennCare children also see a physician at least every few months (Table 10). The increase in visits is much less pronounced than for TennCare adults.

Table 9: Frequency of Visits to Doctor for Head of Household (1993 - 1999) (Percent)

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

Table 10: Frequency of Visits to Doctor for Children (1993 - 1999)

(Percent)

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

Appointments

There has been limited change in the ability of TennCare respondents to make timely appointments to see their primary care physicians. The number reporting having to wait three weeks has increased slightly to 15 percent (Table 11) and the number obtaining same day visits has fallen to 23 percent.

Table 11: Time Between Attempt to Make Appointment and First Availability of Appointment: Head of Household (1994 - 1999) (Percent)

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

The data summarized in Table 12 indicate that the wait at the time of appointment has leveled off at the 1996 number (52 minutes). The time it takes to travel to physicians' offices has likewise leveled off, in this case at 22 minutes. Clearly those receiving their care through the TennCare

program have succeeded in finding physicians reasonably close to home and now spend under an hour waiting to see their doctor.

Table 12: Wait for Appointments: TennCare Heads of Household (1994 - 1999)

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

TennCare Providers

Half of those responding were signed up with Blue Cross/Blue Shield as their TennCare provider. Other than 20 percent for Access Med Plus, the respondents were scattered among the other providers (Table 13).

**Table 13: Company Managing TennCare Plan (1994 - 1999)
(Percent)**

What company manages your TennCare plan?	1994	1995	1996	1997	1998	1999
Blue Cross/Blue Shield	52	62	57	48	48	50
Health Net	7	7	7	8	2	1
John Deere (Heritage)	3	1	2	2	3	4
TCL (Memphis Managed Care)	3	2	2	4	4	4
Phoenix (Advantage Care)	3	2	4	6	13	8
Preferred Health Partner	6	3	4	8	6	7
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
Total Health Plus (THP)	1	.5	1	1	0	0
Vanderbilt Health Plan	1	.5	1	1	0	0
Omnicare (Affordable)	2	2	2	3	3	4
Not sure	3	1	0	0	2	1

Since 1994 there has been a steady increase in the proportion of respondents indicating that they had received an enrollment card, grievance form, and list of rights and responsibilities (Table 14). The jump was significant between 1997 and 1998. The proportion indicating that they

received a grievance form declined slightly to 39 percent in 1999. A substantial proportion remember getting an enrollment card and a list of rights and responsibilities, a majority do not recall receiving a grievance form or information on filing grievances.

**Table 14: Households Receiving TennCare Information for Providers (1994 - 1999)
(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
An enrollment card	68	68	71	70	77	76
A grievance form.	19	20	33	28	41	39
Information on filing grievances	24	23	35	31	43	44
A list of rights and responsibilities	53	58	66	63	73	70

Conclusion

Five years into the TennCare program 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.

After some initial dissatisfaction, the TennCare group is now at least as satisfied with TennCare as it had been with Medicaid in 1993. The pattern in 1999 clearly represents a “leveling off.” There is now stability in the delivery of health care benefits to most TennCare recipients. At least from the point of view of those participating in the program, TennCare is providing health care in a satisfactory manner.