



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 State of Tennessee TennCare Bureau 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, 2001. It 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 that had 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 – Household Income	Proportion in 1990 Census (Percent)	Proportion in 2001 survey (Percent)	Deviation (Percent)
Less \$10,000	20.0	11.5	-8.5
\$10,000 - \$14,499	10.5	9.3	-1.2
\$15,000 - \$19,999	10.3	7.9	-2.4
\$20,000 - \$29,999	18.2	14.5	-3.7
\$30,000 - \$39,999	14.3	13.6	-0.7
\$40,000 - \$49,999	9.8	11.1	1.3
\$50,000 - \$59,999	6.3	8.8	2.5
\$60,000 - \$99,999	8.1	15.4	7.3
\$100,000 +	2.6	7.9	5.3

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 353,736 uninsured in 2001 represent 6.22 percent of the population (5,689,283). This represents a slight decrease from 2000, with most of the decrease being for people over the age of 18.

Tennessee has made progress in providing insurance for those under 18. The uninsured rate for children is 4.01 percent, a little over one-half the rate for adults (Table 1a). The uninsured rate for children dropped from 4.12 percent in 2000 to 4.01 percent in 2001.

Table 1: Statewide Estimates of Uninsured Populations (1993-2001)

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

Table 1a: Uninsured Population by Age (2001)

	Under 18	Over 18
Total	56,141	297,595
Percent	4.01	6.94

Reasons for Failure to Obtain Medical Insurance

The major reason that people report remaining uninsured continues to be their inability to pay (Table 2). In 2001, 78 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, 11 percent indicate that they just did not get around to it. Twelve percent indicate that a major reason for being uninsured is that they do not need 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. However, the percent saying they cannot afford insurance is the highest since 1997.

Table 2: Reason for Not Having Insurance (1993-2001) (Percent)

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

Table 3: “Cannot Afford” Major Reason for No Insurance by Income (1994-2001) (Percent)

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

Evaluations of Medical Care and Insurance Coverage (1993-2001)

There has been virtually no change since 1994 in Tennesseans’ overall perception of the quality of care they and their children are receiving (Tables 4 and 5). However, ratings of health care quality for the TennCare head of household population increased in the early years of the program and have been stable since about 1996. The rating of quality of care for children on TennCare continues to be higher than for its heads of household. The differential between the ratings of quality of care for both children and adults continues to narrow between TennCare respondents and others.

Table 4: Quality of Medical Care Received by Heads of Households (1993-2001) (Percent)

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

Table 5: Quality of Medical Care Received by Children of Heads of Households (1993-2001) (Percent)

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

Satisfaction with Insurance Coverage

TennCare recipients are continuing to show high levels of satisfaction with TennCare (Table 6). In 2001, those expressing satisfaction (79 percent) continue the stable pattern since 1996, following a brief decline after the implementation of TennCare.

Table 6: Percent Indicating Satisfaction with TennCare (1993–2001) (Percent)

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

Behavior Relevant to Medical Care

Each respondent was asked a series of questions regarding his or her behavior when seeking medical care (Table 7 and 8). Again, there has been very little change over the past few years. The proportion of TennCare recipients seeking care at hospital emergency rooms remains at the low level (six percent) that has been measured since inception of the program. There has also been a decline in the share seeking initial care in a clinic. 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. The share initially seeking care at a doctor's office has increased to 78 percent for heads of household (equal to the highest level that was previously reported in 1999) and 77 percent for children (the second highest percentage reported).

Table 7: Medical Facilities Used when Medical Care Initially Sought for Head of Household (1993-2001)(Percent)

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

Table 8: Medical Facilities Used when Medical Care Initially Sought for Children (1993-2000) (Percent)

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

There has also been very little change in 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 see a physician at least every few months (Table 9). Only 38 percent saw a physician this often prior to TennCare's inception in 1994. In 2001 TennCare recipients see a physician at a much greater rate than that of the general population. Of course, it may be that the population of TennCare adults is increasingly one that has greater need for medical services. 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, and the difference from the general population is smaller than for TennCare adults.

Table 9: Frequency of Visits to Doctor for Head of Household (1993-2001) (Percent)

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

Table 10: Frequency of Visits to Doctor for Children (1993-2001) (Percent)

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

Appointments

There has been an increase in the time it takes TennCare respondents to make timely appointments to see their primary care physicians. The number reporting having to wait three weeks reached its highest level (18 percent) in 2001 while the number seeing a doctor the same or next day has reached its lowest level (Table 11). Compared to prior years, 2000 and 2001 data indicate that TennCare recipients are waiting a bit longer to see their physicians once they reach the office (Table 12), though the waiting period is about the same as it was in 1995.

Table 11: Time between Attempt to Make Appointment and First Availability of Appointment for Head of Household (1994-2001) (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
Same day	29	32	32	29	26	23	22	19
Next day	17	22	27	17	21	18	19	15
1 week	28	23	23	28	27	27	31	31
2 weeks	10	9	8	11	10	12	11	12
3 weeks	4	4	5	5	4	5	4	5
Over 3 weeks	11	11	5	11	11	15	15	18

Table 12: Appointments: TennCare Heads of Household (1994-2001)

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

TennCare Providers

The largest number of TennCare recipients continues to report being signed up with Blue Cross/Blue Shield as their TennCare provider (50 percent) (Table 13). Other than 23 percent for Access Med Plus, the respondents are scattered among the other providers.

Table 13: Company Managing TennCare Plan (1994-2001) (Percent)

	1994	1995	1996	1997	1998	1999	2000	2001
Blue Cross/Blue Shield	52	62	57	48	48	50	50	50
Health Net	7	7	7	8	2	1	0	0
John Deere (Heritage)	3	1	2	2	3	4	5	4
TCL (Memphis Managed Care)	3	2	2	4	4	4	3	5
Phoenix (Advantage Care)	3	2	4	6	13	8	0	0

	1994	1995	1996	1997	1998	1999	2000	2001
Preferred Health Partner	6	3	4	8	6	7	7	4
Prudential (Prudential)	1	1	0	1	1	1	0	0
TennSource (Health Source)	1	1	1	1	0	0	0	0
Access Med Plus	18	16	17	19	18	20	22	23
Total Health Plus (THP)	1	.5	1	1	0	0	0	0
Vanderbilt Health Plan	1	.5	1	1	0	0	1	1
Omnicare (Affordable)	2	2	2	3	3	4	2	2
Xantus Health Plan	0	0	0	0	0	0	9	8
Universal Care	0	0	0	0	0	0	0	2
Better Health Plans	0	0	0	0	0	0	0	1
Not sure	3	1	0	0	2	1	1	0

There was a general decrease in the proportion of respondents indicating that they were sent an enrollment card in 2001 (Table 14). However, somewhat more indicate that they received information on filing grievances. About three-fourths recall receiving notices from the provider to whom they have been assigned, while 64 percent report receiving a ballot to change providers. About one in three indicate that they changed providers in 2001. Clearly, the preferred method (66 percent) for receiving information about TennCare is through the mail (Table 15).

Table 14: Households Receiving TennCare Information for Providers (1994-2001) (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
An enrollment card	68	68	71	70	77	76	74	65
A grievance form	19	20	33	28	41	39	33	32
Information on filing grievances	24	23	35	31	43	44	36	46
A list of rights and responsibilities	53	58	66	63	73	70	66	63
Name of provider to whom assigned								72
Ballot to change provider								64
Changed providers								31

Table 15: Best Way to Get Information about TennCare

	2001
Mail	66
Friends	1
Doctor	7
Drug Store	1
TV	1
Paper	0
Other	3
Phone	12
Handbook	9

Conclusion

While TennCare's cost and administration continue to be a 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, although the number continues to remain near 350,000. The number of uninsured children remains at somewhat above 50,000. Uninsured rates are much lower for children than for adults.

After some initial dissatisfaction, the TennCare population is now at least as satisfied with TennCare as it had been with Medicaid in 1993. TennCare recipients continue to rate the quality of their health care below the entire state population. However, the difference has been slowly narrowing, as TennCare recipients are raising their ratings of health care quality, particularly for their children.