

# The Impact of TennCare: A Survey of Recipients 2008

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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 April and June, 2008. 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 47 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, the last year of Medicaid before Tennessee adopted TennCare. Throughout this report, comparisons are made to findings from the earlier surveys.

Tennessee Households – Household Income	Proportion in 2000 Census (Percent)	Proportion in 2008 survey (Percent)	Deviation (Percent)
Less \$10,000	12.1	8.1	4.0
\$10,000 - \$14,499	7.4	8.5	-1.1
\$15,000 - \$19,999	7.4	6.6	0.8
\$20,000 - \$29,999	14.4	11.7	2.7
\$30,000 - \$39,999	12.5	12.0	0.5
\$40,000 - \$49,999	11.1	9.9	1.2
\$50,000 - \$59,999	7.6	9.2	-1.6
\$60,000 - \$99,999	19.1	19.3	-0.2
\$100,000 +	8.3	14.6	-6.3

#### **Estimates for Insurance Status**

Estimates for the number of Tennesseans who are uninsured are presented below (Table 1). The estimated 566,633 uninsured represent 9.3 percent of the 2008 population (6,124,341<sup>1</sup>). This is somewhat lower than the 2007 estimate. Continued growth in the CoverTN programs may be one factor for the decrease with an adult enrollment near 13,000 and over 20,000 children enrolled under CoverKids. The uninsured rate for adults is 10.6 percent which is down from the 2007 rate of 11.7 percent (Table 1a). The rate for children is 4.9 percent, a slight increase from last year's rate of 4.8 percent; however, the difference is not statistically significant.

Table 1: Statewide Estimates of Uninsured Populations (1993–2008)

	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
	2007	2008					
State Total	608,234	566,633					
Percent	10.0	9.3					

**Table 1a: Uninsured Tennesseans by Age (2000–2008)** 

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Under 18 Total	56,691	56,141	54,552	46,999	67,772	72,387	82,484	70,096	72,258
Under 18 Percent	4.1	4.0	3.9	3.3	4.9	5.0	5.7	4.8	4.9
18+ Total	316,053	297,595	297,779	324,725	320,203	409,965	566,955	538,138	494,375
18+ Percent	7.4	6.9	6.9	7.4	7.2	9.1	12.1	11.7	10.6

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<sup>&</sup>lt;sup>1</sup> United States Census Bureau, Population Division, Interim State Population Projections, 2005.

#### **Reasons for Failure to Obtain Medical Insurance**

The underlying reason for a lack of insurance has changed little over the period since TennCare was implemented in 1994, though the percentages have shifted somewhat. The major reason that people report remaining uninsured continues to be their perceived inability to pay (Table 2). In 2008, 93 percent indicate that this is a major reason for not having insurance, an increase over 2007 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). The lowest three groups show little change from 2007 to 2008, but households with incomes of \$20,000 and above place increased importance on cost as a reason for not being insured, excluding the \$30,000 bracket, which showed a decrease but is still much higher than in 2006. Even the highest income group increasingly sees cost as a major factor. While financial pressures continue to limit people from obtaining coverage, 7 percent indicate that they just did not get around to securing it, and 5 percent indicate that a major reason is that they do not need insurance.

Table 2: Reasons for Not Having Insurance (1994–2008) (Percent)

Reason		Can't Afford	ì	D	idn't Get to	It		Don't Need	
Year	Major Reason	Minor Reason	Not a Reason	Major Reason	Minor Reason	Not a Reason	Major Reason	Minor Reason	Not a Reason
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
2007	89	6	4	9	11	79	5	13	82
2008	93	4	4	7	11	82	5	8	87

Table 3: "Cannot Afford" Major Reason for No Insurance: by Income (1995–2008) (Percent)

Major Reason	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Less \$10,000	90	77	83	79	75	76	82	82	86	97	90	92	93	97
\$10,000 - \$14,499	80	73	87	86	76	84	84	90	84	88	82	96	95	97
\$15,000 - \$19,999	64	87	74	80	75	84	89	77	93	92	91	87	93	88
\$20,000 - \$29,999	76	69	69	73	69	80	74	70	83	87	81	90	89	96
\$30,000 - \$39,999	59	75	65	78	64	80	82	72	84	84	78	76	90	88
\$40,000 - \$49,999	82	70	80	63	73	45	69	62	82	70	64	84	88	93
\$50,000+	38	55	46	46	39	47	46	36	67	47	67	68	76	81

#### **Evaluations of Medical Care and Insurance Coverage**

The quality of care ratings for TennCare remain high, with about 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." Tennesseans' overall perception of the quality of care they and their children have been receiving has been relatively stable in recent years but is up considerably since 1994. There was very little change from 2007 to 2008 among the population of all heads of households (Tables 4 and 5). Ratings of health care quality for the TennCare head of household population gradually increased from TennCare's inception in 1994 to 2005, and ratings are slightly better again in 2008 after a setback in 2006. Perceptions of quality for their children made progress in 2008, with fewer rating the quality of care as "fair" or "poor" and more rating the quality as "excellent," leading to an overall increase in favorable ratings.

Table 4: Quality of Medical Care Received by Heads of Households (1994–2008) (Percent)

All Heads of															
Households	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Excellent	26	20	22	22	23	21	22	22	25	25	26	29	28	28	28
Good	45	51	52	51	52	50	50	48	51	50	50	48	48	47	46
Fair	22	23	22	22	22	22	21	23	19	19	18	17	18	18	18
Poor	7	6	4	5	3	7	7	7	5	6	6	6	7	7	8
Medicaid/															
TennCare	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Excellent	17	14	15	19	18	18	18	20	21	21	23	28	21	23	24
Good	40	48	49	47	42	47	43	41	46	45	47	40	43	44	43
Fair	27	28	28	26	31	25	27	28	24	25	23	26	27	27	25
Poor	16	10	8	8	9	10	12	11	9	9	7	6	10	6	8

Table 5: Quality of Medical Care Received by Children of Heads of Households (1994–2008) (Percent)

All Heads of Households	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Excellent	32	28	30	30	30	30	33	30	34	36	36	38	39	35	34
Good	47	51	50	50	51	51	48	50	51	48	48	49	47	48	51
Fair	17	17	17	15	15	15	15	16	12	13	12	9	11	12	11
Poor	4	4	3	5	4	4	4	4	4	3	4	4	3	4	4
Medicaid/															
TennCare	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Excellent	22	27	21	27	27	29	25	24	28	32	31	34	39	30	32
Good	45	44	55	48	49	49	47	50	48	45	47	49	38	49	49
Fair	23	21	19	19	18	18	20	19	17	17	16	12	17	19	14
Poor	10	8	6	6	7	4	8	7	7	6	5	5	6	2	6

### **Satisfaction with Insurance Coverage**

TennCare recipients continue to show high levels of satisfaction with TennCare (Table 6), with 89 percent expressing satisfaction (responding "somewhat satisfied" or "very satisfied"). This is below the 2005 high of 93 percent satisfaction, but is considerably higher than when TennCare began in 1994.

**Table 6: Percent Indicating Satisfaction with TennCare (1994–2008) (Percent)** 

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
61	75	82	81	83	81	78	79	85	83	90	93	87	90	89

#### **Behavior Relevant to Medical Care**

Each respondent was asked a series of questions regarding his or her behavior when seeking medical care (Table 7). The proportion of TennCare heads of households seeking care at hospital emergency rooms in 2008 is slightly higher than 2007, but still represents a dramatic reduction in emergency room usage relative to the inception of TennCare in 1994 (2008 matches the second lowest rate in the survey's history). It is clear that TennCare continues to have 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. Since 2007, the percentage using hospital emergency rooms has been at its lowest since the beginning of TennCare (Table 8). The share of adults initially seeking care at a doctor's office is still somewhat lower than the general population, but it is 10 percentage points (70 to 80) higher than it was in 1994. More adults initially seeking care at a doctor's office results in a comparable decrease in initial visits to a hospital. The change in the share initially seeking care at a doctor's office for their children is even greater, where the increase is from 67 percent in 1994 to 83 percent in 2008. The proportion seeking care at hospitals has been reduced by almost one-half since 1994 for heads of household and three-fourths for children on TennCare.

Table 7: Head of Household: Medical Facilities Used When Medical Care Initially Sought (1994–2008) (Percent)

All Heads of Households	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Doctor's Office	82	80	82	81	81	81	83	81	84	85	85	83	83	83	83
Clinic	11	11	11	12	12	12	11	12	10	9	9	11	11	11	11
Hospital	7	7	6	6	6	6	5	6	5	5	5	5	5	4	4
Other	1	1	1	2	1	1	1	2	1	1	1	1	1	2	2
Medicaid/															
TennCare	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Doctor's Office	70	71	73	74	74	78	76	78	77	80	77	78	76	79	80
Clinic	18	18	18	17	19	15	17	14	15	12	14	14	15	15	13
Hospital	11	10	9	7	6	6	6	7	7	7	8	7	7	4	6
Other	1	1	0	1	1	1	1	2	1	1	1	1	1	2	<1

Table 8: Children: Medical Facilities Used When Medical Care Initially Sought (1994–2008) (Percent)

All Heads of Households	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Doctor's Office	80	81	82	81	83	81	84	81	85	85	85	86	87	88	88
Clinic	13	12	13	13	13	12	12	14	10	9	11	10	10	9	10
Hospital	6	5	5	5	4	6	3	4	4	5	3	3	3	2	2
Other	1	2	1	1	1	1	1	1	2	1	1	1	<1	1	<1
Medicaid/															
TennCare	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Doctor's Office	67	74	68	75	76	79	76	77	77	80	78	79	82	83	83
Clinic	21	18	24	17	18	15	17	16	17	12	16	13	12	14	14
Hospital	12	7	8	7	5	5	6	7	5	7	6	8	6	3	3
Other	0	1	0	1	1	1	1	1	1	1	0	0	1	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. 87 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). Both remain approximately the same as in 2007. 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. 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 one that has greater need for medical services.

Table 9: Frequency of Visits to Doctor for Head of Household (1994–2008) (Percent)

All Heads of															
Households	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Weekly	2	2	2	2	2	2	2	3	2	3	3	2	2	2	3
Monthly	9	8	8	10	11	12	11	13	11	11	11	11	12	13	12
Every Few	32	33	36	39	39	41	39	41	41	42	44	46	44	46	46
Months															
Yearly	29	33	31	27	27	25	27	25	27	27	26	26	25	23	22
Rarely	28	22	23	22	21	20	21	19	19	17	16	15	18	16	17
Medicaid/															
TennCare	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Weekly	4	5	5	4	4	5	5	7	6	8	7	6	7	8	7
Monthly	23	15	20	24	21	25	26	24	24	29	28	30	30	33	33
Every Few	32	36	37	39	44	45	41	44	44	42	46	46	45	45	47
Months															
Yearly	16	20	21	14	14	13	13	12	14	10	9	11	8	6	8
Rarely	25	20	18	19	19	12	15	13	13	12	10	7	10	8	4

Table 10: Frequency of Visits to Doctor for Children (1994–2008) (Percent)

All Heads of															
Households	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Weekly	2	2	2	2	2	2	2	2	2	2	1	2	1	2	2
Monthly	11	10	12	12	11	11	11	11	11	12	10	11	10	11	9
Every Few	52	49	55	52	55	54	52	52	51	52	53	53	52	50	50
Months															
Yearly	23	26	21	23	22	24	24	24	23	26	26	23	28	27	29
Rarely	13	11	10	12	10	9	11	11	13	8	10	11	10	10	10
Medicaid/															
TennCare	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Weekly	4	4	4	3	3	4	3	3	2	4	3	2	2	4	1
Monthly	19	15	19	15	12	14	16	14	17	17	14	21	16	14	16
Every Few	53	48	58	54	57	56	53	56	56	53	53	49	51	54	55
Months															
Yearly	13	20	12	16	19	18	18	16	17	17	22	17	23	16	21
Rarely	11	11	7	12	9	8	10	11	9	8	9	11	8	11	7

#### **Appointments**

The time required to obtain an appointment is slightly higher in 2008, with fewer reporting a wait of a week or less and more reporting two weeks or more. The percent of TennCare recipients obtaining a doctor appointment on the same day that the request is made or the next day fell to 38 percent in 2008, but 65 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 is 22 percent (Table 11). TennCare recipients are waiting 50 minutes on average to see their physicians once they reach the office (Table 12). This is a decrease from the 2007 time of 57 minutes, and is consistent with previous wait times in the TennCare era, excluding the high in 2006.

Table 11: Time between Attempt to Make Appointment and First Availability of Appointment: TennCare Heads of Household (1995–2008) (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?	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Same day	32	32	29	26	23	22	19	22	20	20	21	22	22	21
Next day	22	27	17	21	18	19	15	18	16	17	17	27	20	17
1 week	23	23	28	27	27	31	31	29	29	33	31	22	30	27
2 weeks	9	8	11	10	12	11	12	9	11	11	10	10	8	10
3 weeks	4	5	5	4	5	4	5	5	5	3	5	4	4	4
Over 3 weeks	11	5	11	11	15	15	18	18	18	15	16	16	15	22

Table 12: Wait for Appointments: TennCare Heads of Household (1995–2008) (Minutes)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of minutes wait														
past scheduled														
appointment time?	62	52	52	49	52	64	61	64	50	63	57	80	57	50
Number of minutes to														
travel to physician's														
office?	42	22	21	21	22	24	23	23	22	27	32	30	21	25

#### **TennCare Providers**

The largest number of TennCare recipients (37 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, Omnicare, and John Deere managing many of the remaining TennCare recipients, and an unusually large number reporting "other" as their MCO\* (Table 13).

Table 13: Company Managing TennCare Plan (1995–2008) (Percent)\*

What company manages														
your TennCare plan?	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Blue Cross / Blue Shield	62	57	48	48	50	50	50	40	42	39	36	31	35	37
Health Net	7	7	8	2	1									
John Deere (Heritage)	1	2	2	3	4	5	4	7	7	6	9	6	7	4
TLC (Memphis Managed Care)	2	2	4	4	4	3	5	12	12	13	13	11	7	9
Phoenix (Advantage Care)	2	4	6	13	8									
Preferred Health Partner	3	4	8	6	7	7	4	8	12	10	10	11	8	6
Prudential (Prudential)	1	0	1	1	1									
TennSource (Health Source)	1	1	1	0	0									
Access Med Plus	16	17	19	18	20	22	23	5	3	1	1		2	3
Total Health Plus (THP)	<1	1	1	0	0									
Vanderbilt Health Plan	<1	1	1	0	0	1	1	0	1	1	1	1	<1	
Omnicare (Affordable)	2	2	3	3	4	2	2	7	6		6	9	7	5
Xantus Health Plan						9	8	9	10				<1	
Universal Care							2	9	4	1		1	1	1
Better Health Plans							1	3	4	2	2	3	1	1
TennCare Select										21	21	18	6	7
Premier Behavioral										1		1		<1
Tennessee Behavioral										1			<1	
VHP Community Care												1		<1
Windsor Health Plan of TN, Inc.													<1	<1
Other	1	0	0	2	1	1				4	1	6	22	27

<sup>\*</sup> On April 1, 2007 two new managed care organizations began operations in Middle Tennessee: AmeriGroup Corporation (AmeriGroup) and UnitedHealth Plan of River Valley, Inc. (AmeriChoice) which were not represented in the 2007-08 surveys. This may explain the unusually high number of respondents selecting "other" as their MCO in their response to this question. It may also explain the large increase in provider changes and the number of respondents receiving ballots to change providers and grievance forms, due to TennCare's increased correspondence with Middle Tennessee enrollees (see Table 14). To further clarify, the "other" category represents respondents that knew their MCO, but it was not listed in the survey.

In 2008, receipt of information (enrollment card, grievance form, a list of rights and responsibilities, and information on filing grievances) either remained the same or decreased. The percentage of households responding that they received information decreased for five of the six items (Table 14). Seventy-eight percent recall receiving an enrollment card, matching last year's 78 percent; 40 percent recall receiving a grievance form, down from 40 percent; 41 percent received information on filing grievances, down from 46 percent; and 28 percent responded that they received a ballot to change providers, a decrease from 40 percent. Respondents reported receiving a list of rights and responsibilities and the name of their assigned provider in proportions slightly less than 2007. Twenty-seven percent indicated that they changed providers in 2008, an increase from 25 percent in 2007. The preferred method for receiving information about TennCare remains through the mail, with 73 percent reporting this is the best way they obtain TennCare information (Table 15).

Table 14: Households Receiving TennCare Information for Providers (1995–2008) (Percent)

Please indicate whether or not you or anyone in your household has received each of the following regarding TennCare	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
An enrollment card	68	71	70	77	76	74	65	70	65	74	70	73	78	78
A grievance form	20	33	28	41	39	33	32	34	35	33	24	42	44	40
Information on filing grievances	23	35	31	43	44	36	46	39	40	40	26	41	46	41
A list of rights and responsibilities	58	66	63	73	70	66	63	70	70	75	71	78	77	73
Name of provider to whom							72	79	76	81	79	82	81	79
assigned														
Ballot to change provider							64	43	29	31	21	25	40	28
Changed providers							31	32	18	19	32	17	25	27

Table 15: Best Way to Get Information about TennCare (2002–2008) (Percent)

	2002	2003	2004	2005	2006	2007	2008
Mail	67	75	73	75	75	72	73
Doctor	7	5	5	6	8	8	5
Phone	11	10	9	9	5	8	11
Handbook	8	6	4	4	3	6	6
Drug Store	1	0	1	1	2	1	1
Friends	2	0	1	0	1	1	<1
TV	0	1	1	1	1	0	1
Paper	0	0	0	0	0	0	<1
Other	4	3	3	4	5	4	3

#### Conclusion

The survey reveals that from the perspective of the recipients, the TennCare program continues to work 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. Tennessee's rate of uninsured remains high in 2008 at 9.3 percent, though this is a decline from 10.0 percent in 2007. The rate remains substantially higher than years past; just three years prior the rate was 8.1 percent. The total uninsured population is approximately 567,000, including just over 72,000 children.

In 2008, recipients expressed overall satisfaction with TennCare, with a slight decrease over the proportion expressing satisfaction in 2007. The satisfaction rate remains dramatically higher (28 percentage points) than the rate in the program's first year. Additionally, TennCare recipients' experience with medical care remains positive, with the gap between their experiences and those of all Tennesseans narrowing somewhat compared to 2007. Information provided to recipients maintained the all-time high levels set in 2007. 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.