



Highlights and Chartpack

The Kaiser Family Foundation

National Survey of Physicians

Part IV: Doctors, Payors, and Low-Income Patients

May 2002

Methodology

The Henry J. Kaiser Family Foundation *National Survey of Physicians*, conducted by mail from March 26 through October 11, 2001, is based on a nationally representative random sample of 2,608 physicians whose major professional activity is direct patient care. The sample frame was developed from two sources, the American Medical Association's Physician Masterfile and a related file developed by the Association of American Medical Colleges that included additional information on the race and ethnicity of physicians. These two files are linked by a common identifier and were merged for the purposes of selecting this sample. African American, Latino, and Asian physicians were oversampled to increase the number of responses from these physicians. Results were then weighted by race and other factors to reflect the actual distribution of physicians in the nation. Foundation staff designed and analyzed the survey, and fieldwork was conducted by the Research Triangle Institute. The margin of sampling error is +/-3 percent, for results based on subsets of respondents the margin of error is higher. Note that in addition to sampling error there are other possible sources of measurement error, though every effort was undertaken to minimize these other known sources.

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Doctors, Payors, and Low-Income Patients

Given differences in provider payment rates from different payors, such as Medicaid, Medicare, and private insurers, and the difficulty that many people without health insurance have in paying for health care on their own, it is important to assess providers' experiences with these different payors and with providing treatment for uninsured and low-income patients. While the majority of physicians say they currently accept Medicaid patients and are not limiting the number of new patients they accept, many of these same doctors have few Medicaid patients – and those doctors are more likely than doctors who are accepting Medicaid patients to live in suburban areas, to be specialists, to have higher incomes, and to have fewer minority patients. Looking at the reasons why doctors say they are currently limiting Medicaid patients provides insight into what the future could hold, with low payment rates emerging as a key factor.

Less than half of doctors say they provide charity care, and the majority of doctors who provide charity care report that they provide the same amount of this care as they did five years ago. Asked whether they discount the costs of care for their uninsured patients, the majority of doctors say they charge their uninsured patients the same amount as what they are paid by insurers.

In terms of helping their low-income patients pay for prescription drugs, the majority of doctors say they tend to prescribe less expensive drugs for these patients and that they have talked with them about drug subsidy programs sponsored by pharmaceutical companies. Far fewer report talking with their low-income patients about state-sponsored drug subsidy programs.

I. Doctors and the Medicaid Program

More than eight in ten physicians say they currently see patients who have health insurance coverage through Medicaid (84%), managed care plans (86%), or Medicare (87%). (Chart 1)

Few doctors report that they are increasingly limiting the number of Medicaid patients they accept. However, doctors are more likely to report that they are limiting the number of Medicaid patients in their practice than that they are limiting the number of managed care or Medicare patients. (Chart 1)

- The majority of doctors (62%) say they have Medicaid patients and are not limiting the number of new Medicaid patients they accept. However, 22% of doctors say they are limiting the number of new Medicaid patients they accept, and 16% of doctors do not have any Medicaid patients.
- Currently, doctors are more likely to say they are limiting the number of new Medicaid patients in their practice (22%) than that they are limiting the number of new managed care (17%) or Medicare (10%) patients. Seventy-seven percent of physicians have Medicare patients and are not limiting the number of those patients who they accept, compared to 69% who have managed care patients and are not limiting those patients, and 62% of physicians with Medicaid patients who are not limiting the number of new Medicaid patients they accept.

Sixty-two percent of physicians say they are not limiting the number of new Medicaid patients they accept – but many of these physicians have few Medicaid patients and are less likely to be available to provide services to Medicaid beneficiaries. (Chart 2)

- Twenty-one percent of physicians who accept Medicaid patients and are not limiting the number of these new patients that they accept have less than 5% of their practice made up of Medicaid patients. Therefore, while they say that they accept Medicaid patients, their practice is largely not Medicaid. These doctors are more likely than other doctors accepting Medicaid patients to live in suburban areas (41% vs. 22%), to be specialists (54% vs. 37%), to have incomes above \$200,000 (49% vs. 35%), and less likely to serve patients from minority groups. These practice characteristics suggest that these doctors may be less available to serve Medicaid patients, even if they say that they are willing to treat these patients.

The main reason physicians say they are limiting the number of Medicaid patients they treat is low payment rates. (Charts 3 and 4)

- Among doctors who have Medicaid patients but are limiting the number of new Medicaid patients they accept (22% of all physicians), doctors are most likely to cite “low payment rates” (63%) as a major reason for this. Other factors cited as major reasons for limiting new Medicaid patients included administrative problems (47%), payment delays (44%), difficulties making referrals to specialists (33%), missed appointments or other noncompliance by Medicaid patients (28%), and difficulties in providing treatment to Medicaid patients (19%). Fewer doctors said the major reason was “no Medicaid patients presenting themselves for care” (6%).
- Looking at doctors who have no Medicaid patients (16% of all physicians), again we see that the most frequently mentioned major reason for limiting the number of Medicaid patients is low payment rates (54%). Other major reasons reported included administrative problems (45%), payment delays (40%), difficulties making referrals to specialists (23%), no Medicaid patients are coming in for care (21%), difficulties in providing treatment to Medicaid patients (18%), and missed appointments and other noncompliance (16%).

The vast majority of doctors report that payment rates for Medicaid are lower than rates from other sources. Doctors are more mixed on how Medicaid compares to other sources on administrative burden. (Charts 5 and 6)

- The majority of doctors say that their average per-service payment for Medicaid is less than for Medicare (70% say “less”) or from private insurers (81% say “less”). Doctors are far less likely to say that Medicaid payments are about the same as Medicare (13%) or private insurers (9%) or that Medicaid payments are more than those from Medicare (5%) or private insurers (3%).
- In terms of administrative time and resources, doctors are about equally likely to say that Medicaid requires about the same amount of time and resources as Medicare (40%) as they are to say that it requires more administrative effort (37%), and they are a little more likely to say that Medicaid requires “more” time and resources (42%) than that it requires the same amount of time and resources (35%) as compared to private insurers.

Primary care physicians are currently more likely than specialists to limit the number of Medicaid patients they accept.

- Primary care doctors are more likely than specialists to say they have no current Medicaid patients (19% vs. 12%) or that they are limiting the number of new Medicaid patients they accept (27% vs. 21%).

This is consistent with findings for Medicare and managed care – primary care doctors are more likely than specialists to say they are limiting the number of Medicare and managed care patients they accept.

- Primary care practitioners are more likely than specialists to say they have no Medicare patients (24% vs. 4%) and more likely to say they are limiting the number of new Medicare patients they accept (15% vs. 8%).
- Similarly, primary care doctors are more likely than specialists to say they are limiting the number of new managed care patients they accept (21% vs. 14%) and to say they have no current managed care patients (16% and 8%).

In terms of Medicaid practice arrangements, Medicaid managed care contracts may be playing an increasingly important role.

- Doctors are more likely to report that the majority of their Medicaid patients are under fee-for-service (31%) or managed care (29%) payment arrangements than primary care management (10%).
- The majority of doctors (52%) say they have at least one Medicaid managed care contract, though 30% say they have none. Asked to compare their current number of Medicaid managed care contracts to five years ago, doctors are most likely to report that they have the same number of contracts as they did then (44%), though 24% say they now have more Medicaid managed care contracts, and 11% say they now have less.

II. Uninsured Patients

Less than half of doctors say they provide charity care for their low-income patients. Among those who provide this care, the majority say they provide about the same amount of charity care as they did five years ago. (Chart 7)

- Forty-six percent of doctors say they provide charity care and 49% say they do not provide charity care. Five percent did not answer this question.
- Among those doctors who say they currently provide charity care, 52% say they provide about the same amount of charity care as they did five years ago, 29% say they provide more charity care than they did five years ago, and 18% say they now provide less.

The majority of doctors say they charge their uninsured patients the same amount as what they are paid by insurers. (Chart 8)

- Fifty-seven percent of doctors say they charge their uninsured patients the amount that they are paid by insurers, 9% say they charge their uninsured patients more than what they get from insurers, 24% say they charge uninsured patients less than what they are paid by insurers, and 5% said they did not have any uninsured patients.

III. Helping Low-Income Patients Get Prescription Drugs

The majority of doctors say they tend to prescribe less expensive drugs for their low-income patients and that they have talked to low-income patients about drug subsidy programs sponsored by a pharmaceutical companies. (Chart 9)

- Almost two-thirds of doctors (64%) say they tend to prescribe less expensive drugs for their low-income patients, while a third say they prescribe the same drugs for those patients as they would for other patients.

- Just over 6 in 10 doctors (61%) report that they have talked with a low-income patient about obtaining prescription drugs through a pharmaceutical company drug subsidy program.
- Primary care practitioners are slightly more likely than specialists to report that they prescribe less expensive drugs for their low-income patients (70% vs. 61%) and that they have talked to their low-income patients about obtaining prescription drugs through pharmaceutical company drug subsidy programs (70% vs. 57%).
- Physicians working in settings associated with a single managed care plan are more likely than other physicians to say they prescribe less expensive drugs for their low-income patients (73% vs. 63%), but somewhat less likely to say they have talked to a low-income patient about a subsidy program sponsored by a pharmaceutical company (53% vs. 63%).

In contrast, the majority of doctors (57%) have never talked with a low-income patient about a state-sponsored drug subsidy program.
(Chart 9)

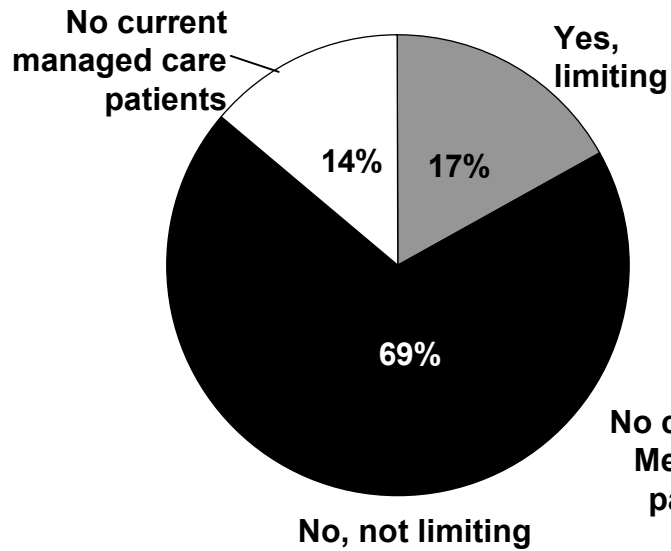
- Four in 10 doctors have discussed this option with their low-income patients.
- Not surprisingly, doctors with a higher proportion of Medicaid and uninsured patients are more likely to have talked with a low-income patient about a state-sponsored drug subsidy program. Doctors with over 20% of their patients in Medicaid are slightly more likely than doctors with 5% or less of their patients in Medicaid to have talked with them about this option (45% vs. 38%). Similarly, doctors who say that over 10% of their patients are uninsured are more likely than those who have 5% or less of their patients who are uninsured to say they have discussed this option with a low-income patient (46% vs. 39%).
- Primary care doctors are also more likely than specialists to say they have talked with a low-income patient about a state-sponsored drug subsidy program (45% vs. 34%).

Chart 1

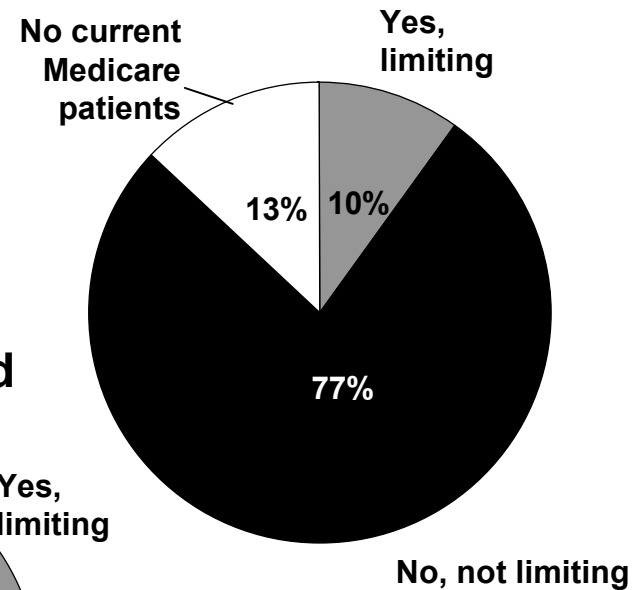
Doctors on Limiting Patients Accepted in Their Practices

Are you currently limiting the number of patients you accept...

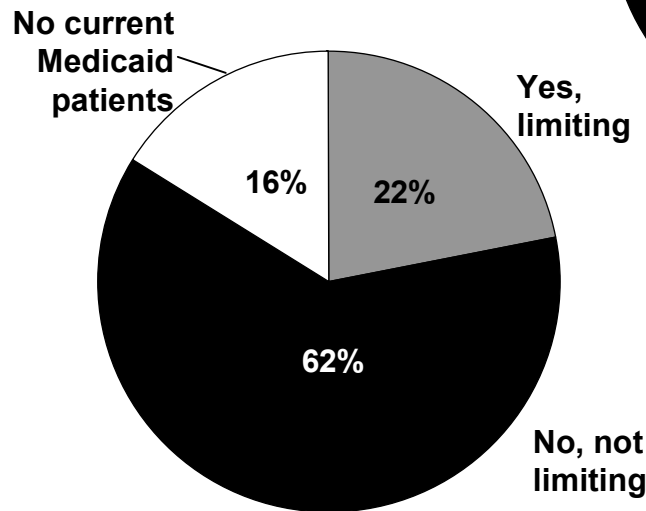
Through Managed Care Plans (e.g. HMOs)



Through Medicare



Through Medicaid

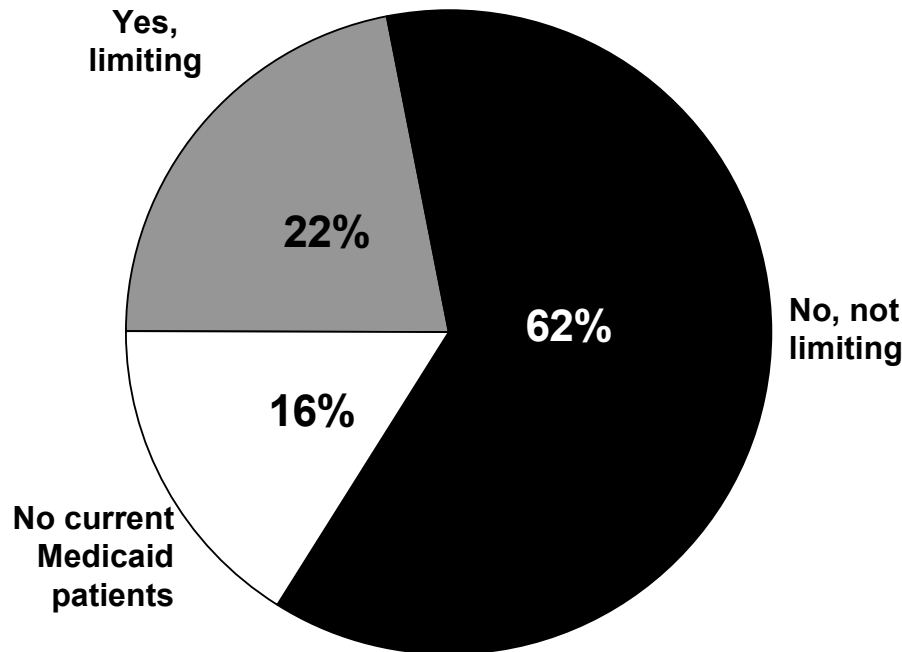


Source: Kaiser Family Foundation, *National Survey of Physicians*, March 2002 (conducted March-October 2001)

Chart 2

Many Who Say They Accept All Medicaid Patients (62%) Actually Provide Care for Few Medicaid Patients

Are you currently limiting the number of patients you accept through Medicaid...



(Among the 62% of physicians who are not limiting new Medicaid patients)

Percentage of patients in Medicaid

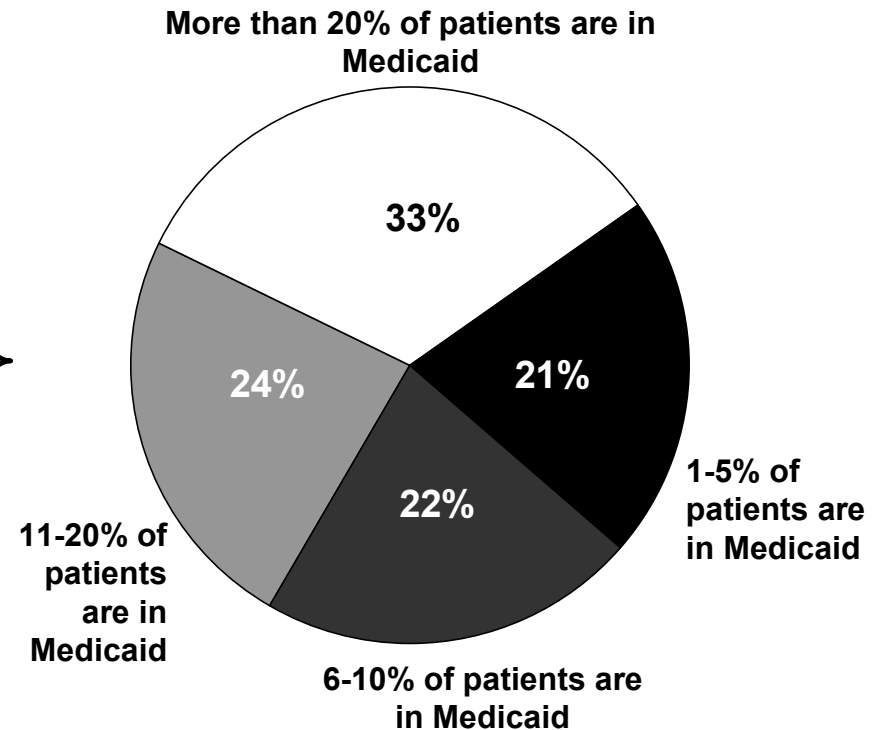
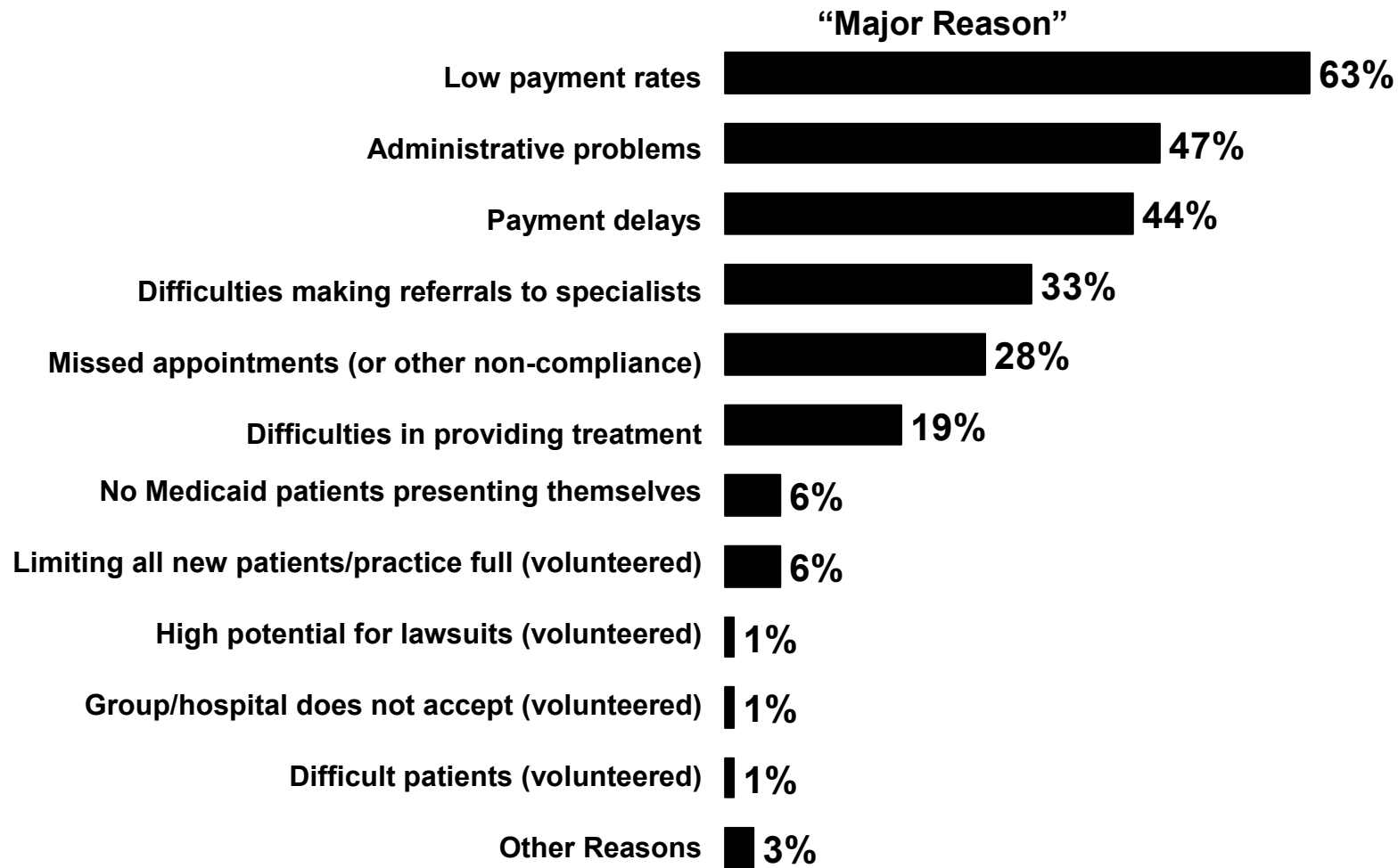


Chart 3

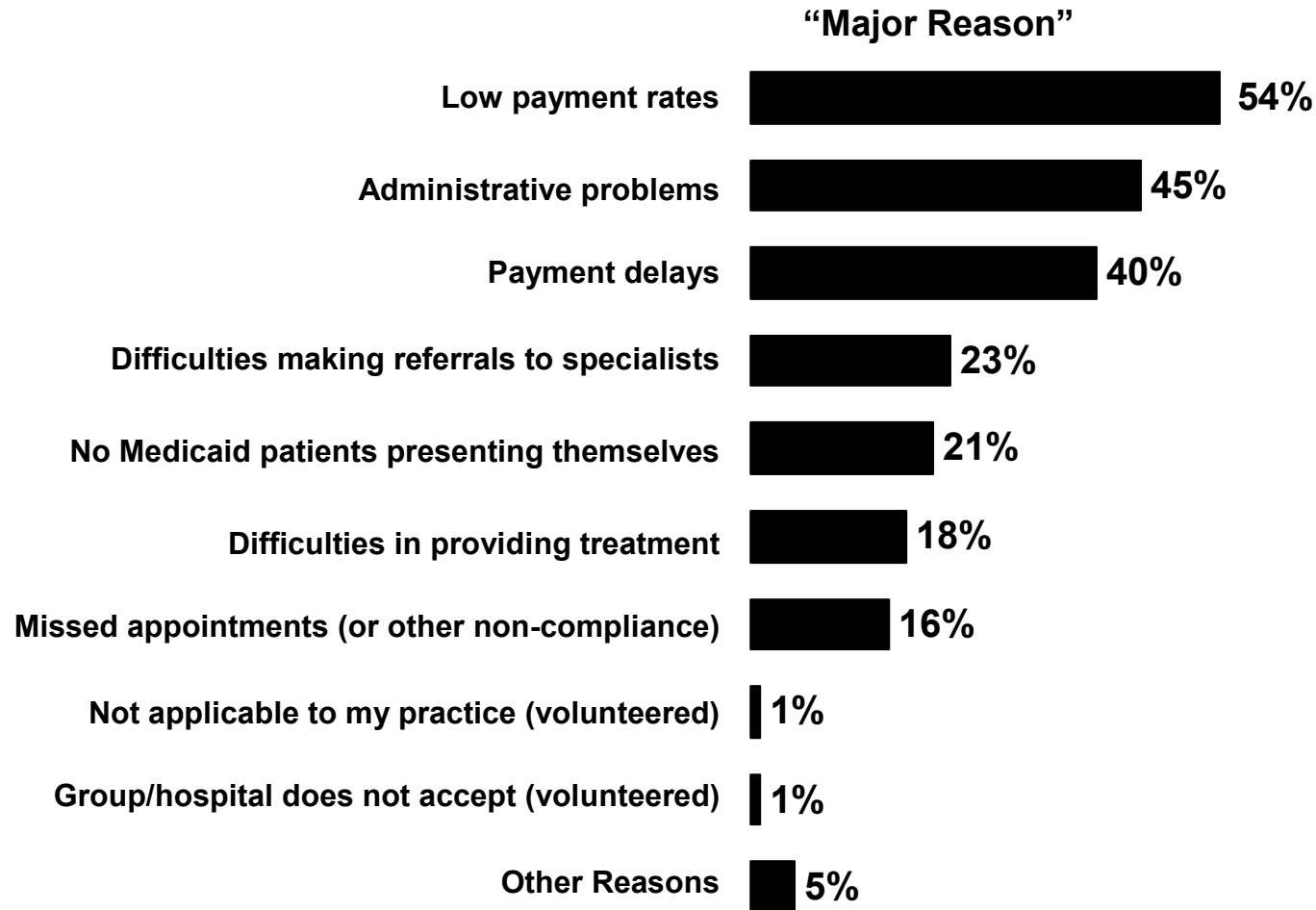
Major Reasons for Limiting Medicaid Patients (Among the 22% of physicians who are limiting the number of new Medicaid patients they accept)



Source: Kaiser Family Foundation, *National Survey of Physicians*, March 2002 (conducted March-October 2001)

Chart 4

Major Reasons for Limiting Medicaid Patients (Among the 16% of physicians who have No Medicaid patients)

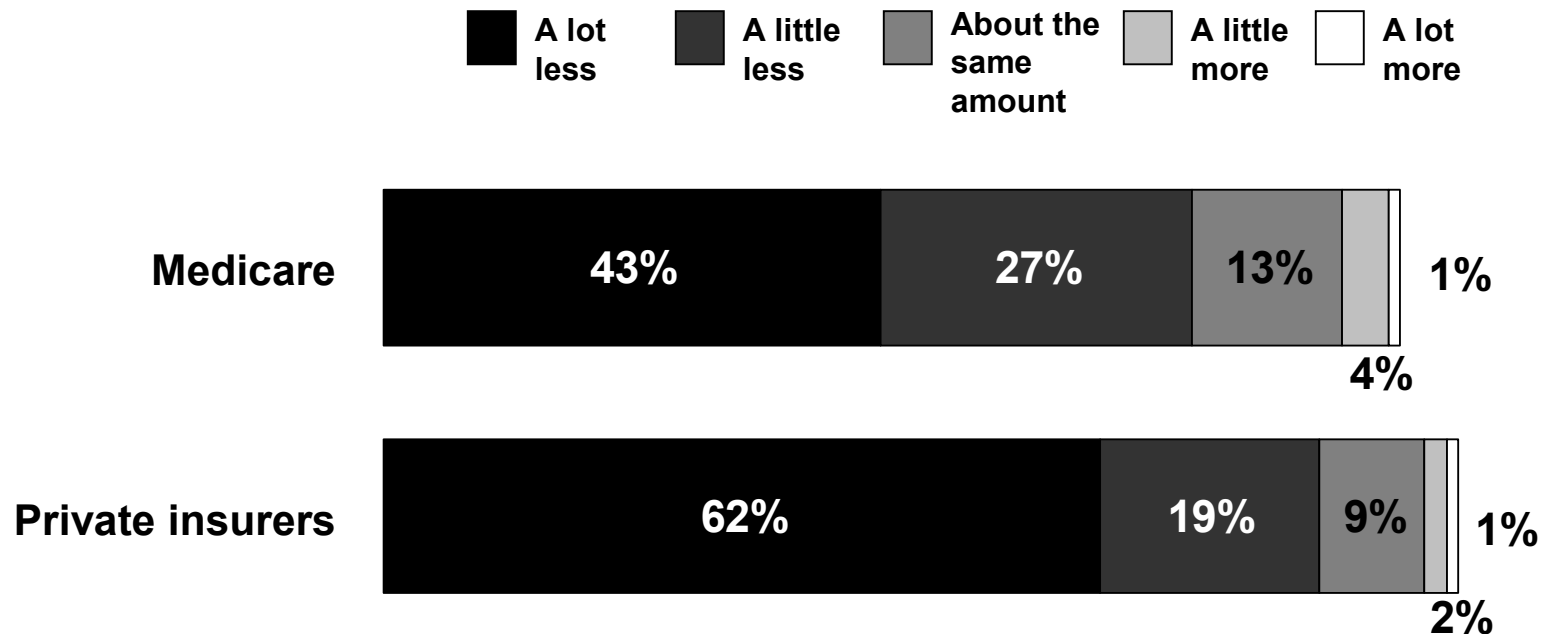


Source: Kaiser Family Foundation, *National Survey of Physicians*, March 2002 (conducted March-October 2001)

Chart 5

Per-Service Payment for Medicaid Compared to Medicare and Private Insurers (Among doctors with Medicaid patients)

Would you say on average your per-service payment for Medicaid is ... than per-service payments from ...



Note: "No answer" not shown

Source: Kaiser Family Foundation, *National Survey of Physicians*, March 2002 (conducted March-October 2001)

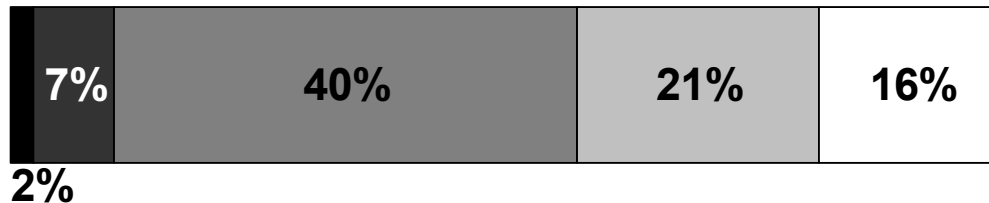
Chart 6

Administrative Time and Resources Required for Medicaid (Among doctors with Medicaid patients)

Compared to each of the following, does Medicaid require ... administrative time and resources in order to contract with or receive payments?

■ A lot less ■ A little less ■ About the same amount ■ A little more □ A lot more

Compared to Medicare,
Medicaid requires...time
and resources



Compared to private insurers,
Medicaid requires...time
and resources



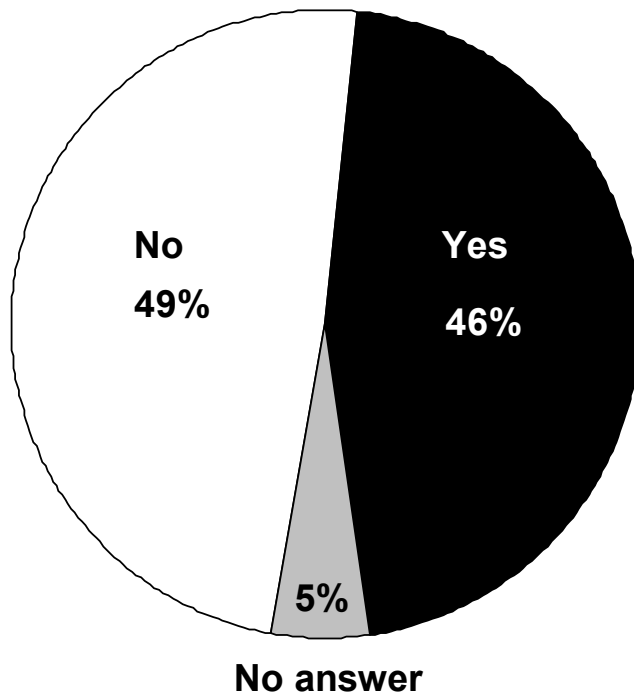
Note: "No answer" not shown

Source: Kaiser Family Foundation, *National Survey of Physicians*, March 2002 (conducted March-October 2001)

Chart 7

Doctors on Providing Charity Care

Do you provide any care where you do not charge anything and then write it off as an expense (i.e. charity care)?



Asked of the 46% of physicians who responded "yes" — Do you provide more, less, or about the same amount of charity care as you did 5 years ago?

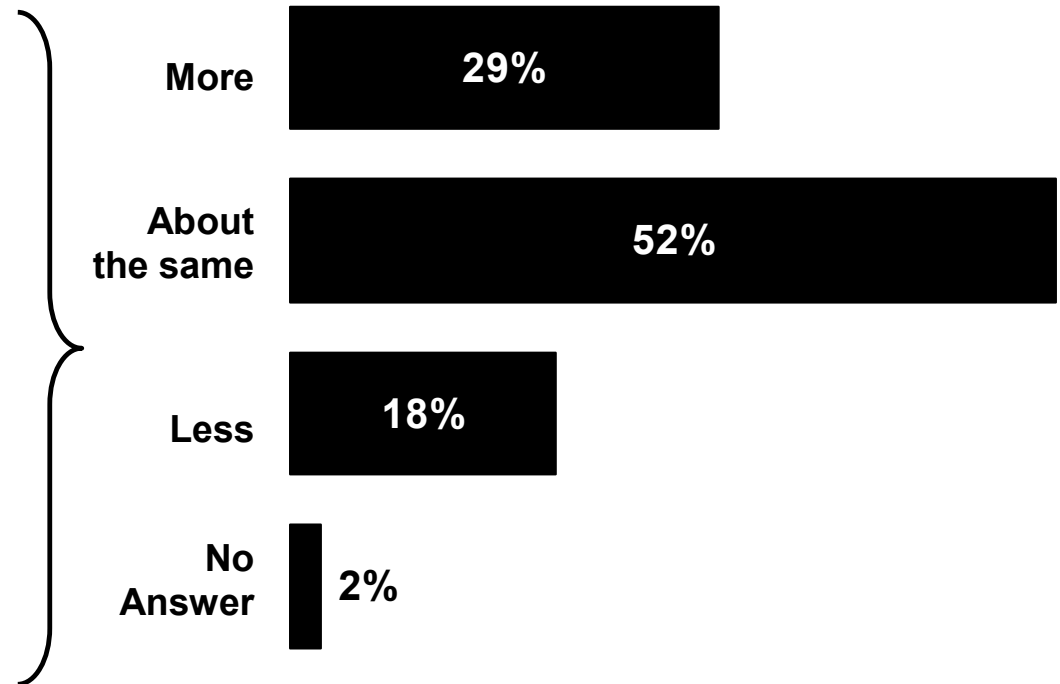


Chart 8

Doctors on Discounting Costs of Care for Uninsured Patients

Do you charge your uninsured patients more, less, or about the same for care compared to what you are paid by insurers for the same service...

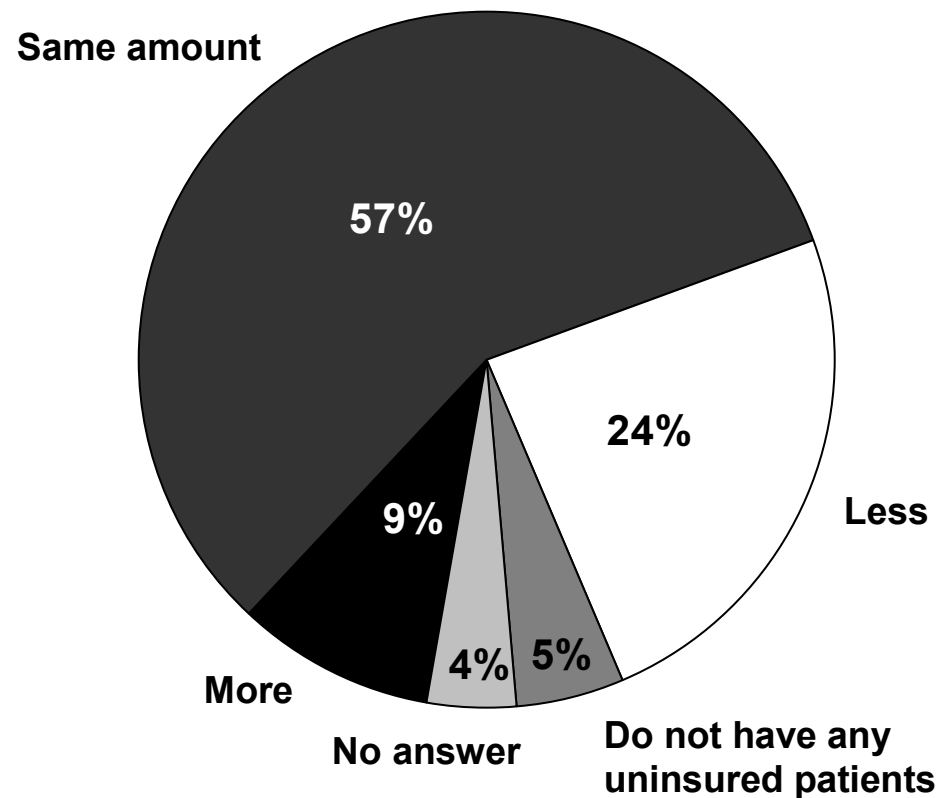
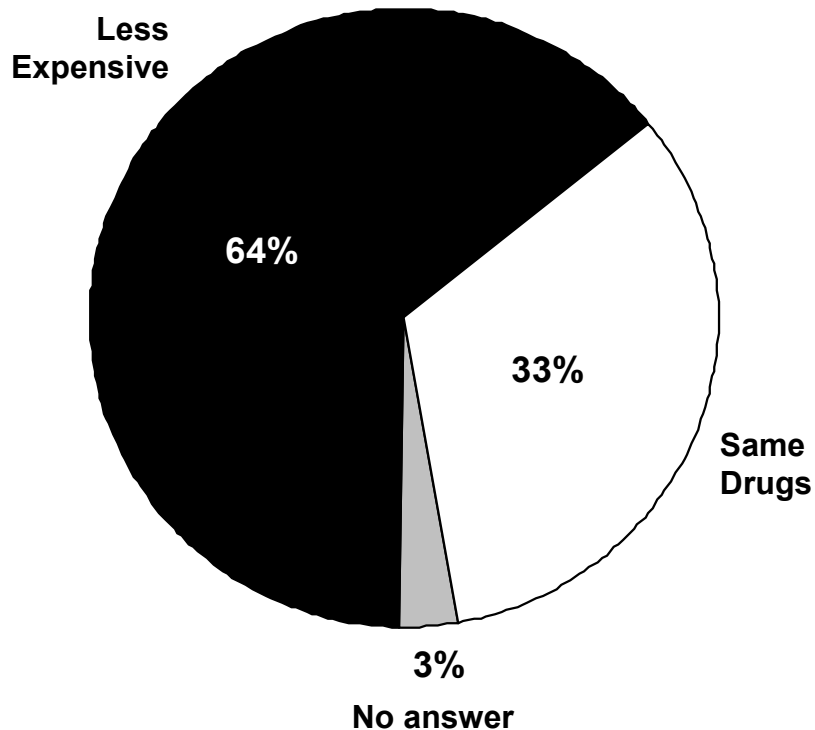


Chart 9

Helping Low-Income Patients Get Prescription Drugs

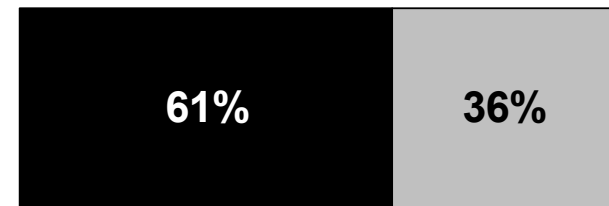
In general, when a patient does not have insurance that covers drugs, do you tend to prescribe the same drugs or less expensive drugs as you would for a patient who has drug coverage?



Have you ever talked with a low-income patient about obtaining prescription drugs through....

■ Yes □ No

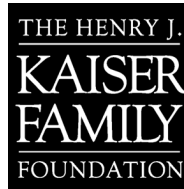
A drug subsidy program sponsored by a pharmaceutical company



A state-sponsored drug subsidy program



Note: "No answer" not shown



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