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# NEW JERSEY MEDICARE BENEFICIARY SATISFACTION

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**OFFICE OF INSPECTOR GENERAL**  
**OFFICE OF EVALUATION AND INSPECTIONS**

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OCTOBER 1990

## OFFICE OF INSPECTOR GENERAL

The mission of the Office of Inspector General (OIG) is to promote the efficiency, effectiveness and integrity of programs in the United States Department of Health and Human Services (HHS). It does this by developing methods to detect and prevent fraud, waste and abuse. Created by statute in 1976, the Inspector General keeps both the Secretary and the Congress fully and currently informed about programs or management problems and recommends corrective action. The OIG performs its mission by conducting audits, investigations and inspections with approximately 1,400 staff strategically located around the country.

## OFFICE OF EVALUATION AND INSPECTIONS

This report was produced by the Office of Evaluation and Inspections (OEI), one of the three major offices within OIG. The other two are the Office of Audit Services and the Office of Investigations. The OEI conducts inspections which are typically short-term studies designed to determine program effectiveness, efficiency and vulnerability to fraud or abuse.

The report is entitled, "New Jersey Medicare Beneficiary Satisfaction." This inspection, requested by the Health Care Financing Administration, sought to determine beneficiary satisfaction with the Medicare program in New Jersey.

This study was conducted under the direction of Thomas F. Tully, Regional Inspector General of Region II, Office of Evaluation and Inspections. Participating in this project were the following people:

### **Region II**

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# **NEW JERSEY MEDICARE BENEFICIARY SATISFACTION**

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**Richard P. Kusserow  
INSPECTOR GENERAL**

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## EXECUTIVE SUMMARY

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### PURPOSE

To determine beneficiary satisfaction with the Medicare program in New Jersey.

### BACKGROUND

This inspection was conducted at the request of the Health Care Financing Administration (HCFA). Following the change of carriers in New Jersey at the beginning of 1989, HCFA received complaints from the New Jersey Congressional delegation and from the physician/supplier community. In response, HCFA asked the Office of Inspector General (OIG) to survey the level of satisfaction with Medicare services among New Jersey beneficiaries.

This survey follows two similar surveys conducted by OIG in 1989. The first survey was of Medicare beneficiaries nationwide; the second was limited to Georgia, which also had a recent change in Medicare carrier.

### METHODOLOGY

A questionnaire was mailed to 641 randomly selected New Jersey beneficiaries who had filed claims with Pennsylvania Blue Shield in 1989. The response rate was 73.8 percent. New Jersey responses were compared to Georgia and national results where appropriate.

### FINDINGS

Overall, New Jersey beneficiaries are satisfied with services. Specifically, they are satisfied with the claims processing and report that information is available when they need it. Further, they like and use the 800-toll-free telephone number, but some problems were noted. In virtually all areas, the findings for New Jersey beneficiaries are comparable to those in earlier OIG reports for nationwide and Georgia beneficiaries.

### AGENCY COMMENTS

HCFA commented on the draft report. Overall, HCFA is pleased that the survey results reflect positively on the efforts of Pennsylvania Blue Shield. The report was modified based on HCFA's suggested clarifications. The full text of HCFA's comments are attached.

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## INTRODUCTION

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### **PURPOSE**

To determine beneficiary satisfaction with the Medicare program in New Jersey.

### **BACKGROUND**

Medicare, a Federal health insurance program for people 65 or older and certain disabled people, serves over 33 million people, and in Fiscal Year 1987 paid benefits in excess of \$79 billion.

The Medicare program has two parts. Hospital insurance (Part A) helps pay for inpatient hospital care, some inpatient care in a skilled nursing facility, home health care and hospice care. Medical insurance (Part B) helps pay for medically necessary doctors' services, outpatient hospital services, home health care and a number of other medical services and supplies not covered by the hospital insurance part of Medicare. A person entitled to Medicare automatically receives coverage under Part A. Part B, however, is optional and beneficiaries pay a monthly premium. Both parts of Medicare have deductible and coinsurance requirements.

The Health Care Financing Administration (HCFA) is responsible for the Medicare program. The Social Security Administration (SSA) shares responsibility by establishing eligibility, enrolling beneficiaries and collecting premiums for Part B coverage. For claims administration, the Federal government contracts with private insurance organizations. The companies which handle Part A claims are called intermediaries; those handling Part B claims are called carriers.

In 1989, the Office of Inspector General (OIG) conducted a national survey of Medicare beneficiaries to assess their experience and satisfaction with the Medicare program. Also in 1989, HCFA changed carriers in Georgia and requested the OIG to survey beneficiary satisfaction with services provided by the new Medicare carrier. Both studies found that Medicare beneficiaries were generally satisfied with services.

As of January 1, 1989, carriers also changed in New Jersey, with Pennsylvania Blue Shield replacing the Prudential Company. The new carrier, however, has received criticism from members of the New Jersey Congressional delegation and the physician/supplier community. In response, HCFA requested that the OIG determine the level of satisfaction of New Jersey beneficiaries.

## **METHODOLOGY**

A questionnaire was mailed in March 1990 to 641 randomly selected New Jersey Medicare beneficiaries who had filed claims with Pennsylvania Blue Shield in 1989. The sample size was the same for the National and Georgia studies.

The sample was reduced to 619 because 21 respondents were deceased and 1 was erroneously selected. In all, 457 questionnaires were completed, representing a 73.8 percent response rate.

The survey questioned beneficiaries about three general areas: claims processing, availability of information, and telephone service. Twenty-three survey questions were taken from the national OIG inspection, "Survey of Medicare Beneficiary Satisfaction." The New Jersey responses to these questions were compared to both the Georgia and national study results. In addition, two new questions were taken from previous OIG annual Social Security client satisfaction studies and responses to them were compared with those of Social Security clients.

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## FINDINGS

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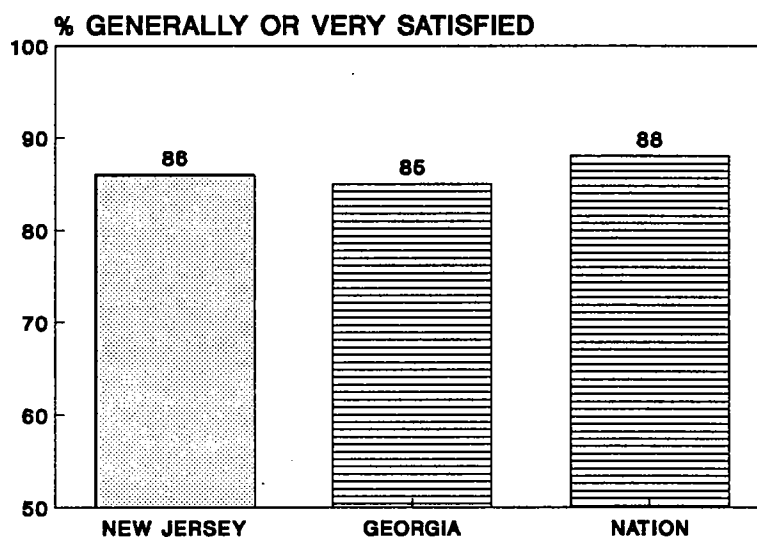
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### **New Jersey Beneficiaries Express Overall Satisfaction with Services.**

#### *Beneficiaries are satisfied with claims processing.*

Eighty-six percent of New Jersey beneficiaries surveyed report that they are very or generally satisfied with the way Medicare has processed their claims. This is comparable to the 85 percent Georgia response and the 88 percent nationwide rate obtained when those Medicare beneficiaries were asked the same question.

### SATISFACTION WITH CLAIMS PROCESSING



Three-quarters of New Jersey beneficiaries report their claims are processed quickly enough; this is virtually identical to the responses given by beneficiaries nationally and by those from Georgia. New Jersey beneficiaries are less likely to seek help in completing their claims than beneficiaries nationally. Fifty-eight percent of New Jersey beneficiaries report they “never” need help completing the claims form. The comparable figure was 41 percent for beneficiaries nationally.

The sources of help in filling out Medicare claim forms for New Jersey beneficiaries are similar, but not identical, to those for beneficiaries nationally. While both groups would go to their doctors first, it appears that New Jersey beneficiaries would be more likely to rely on the carrier and friends and less likely to rely on Social Security field offices than beneficiaries across the nation.



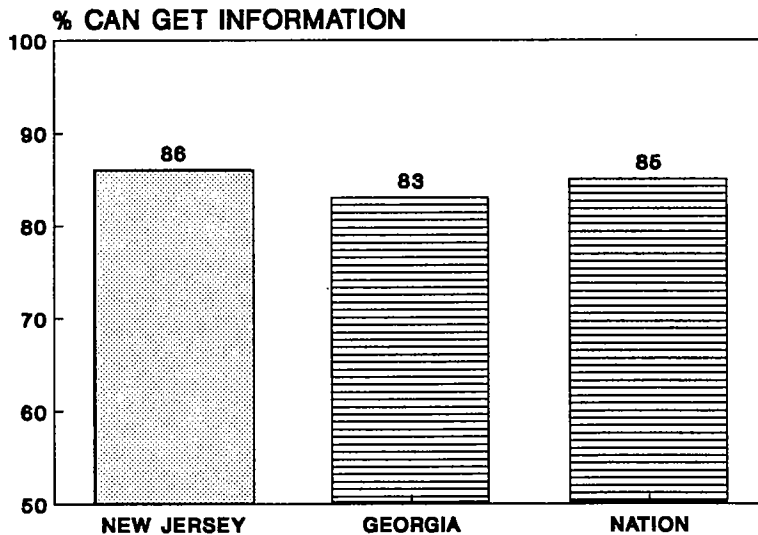
SOURCES OF HELP WITH CLAIMS		
	NJ	National
Doctor	71%	69%
Carrier	61%	53%
Friend	46%	33%
Social Security	42%	51%
Senior Center	30%	29%

The most common problems reported by New Jersey beneficiaries are (1) understanding the amount paid on their claims (49%), and (2) determining how much should be paid by other insurance (36%). These were also the most common problems reported by nationwide beneficiaries.

***Beneficiaries report information is readily available.***

Eighty-six percent of New Jersey beneficiaries report they can get information when they need it. In a similar question, Georgia and national beneficiaries report 83 and 85 percent rates respectively. The majority of beneficiaries who sought information report that they were able to get it when needed. Sixty percent of those who needed information say most of the time they can get information; 29 percent say some of the time.

**AVAILABILITY OF MEDICARE INFORMATION**



New Jersey beneficiaries, however, do not go to the same places for information as beneficiaries do nationally. They are more likely to go to the carrier and to refer to the Medicare Handbook, and are less likely to go to Social Security offices than beneficiaries across the nation.

SOURCES OF INFORMATION		
	NJ	National
Carrier	80%	51%
Handbook	78%	63%
Social Security	69%	77%

Of the three-quarters of New Jersey beneficiaries who recall receiving pamphlets on Medicare, 91 percent rate them as “generally helpful.” This is virtually identical to the national rating. New Jersey beneficiaries also rate the quality of the pamphlets highly. Eighty-eight percent say they are easy to understand, 82 percent report they provide sufficient information, and 94 percent believe the print is large enough.

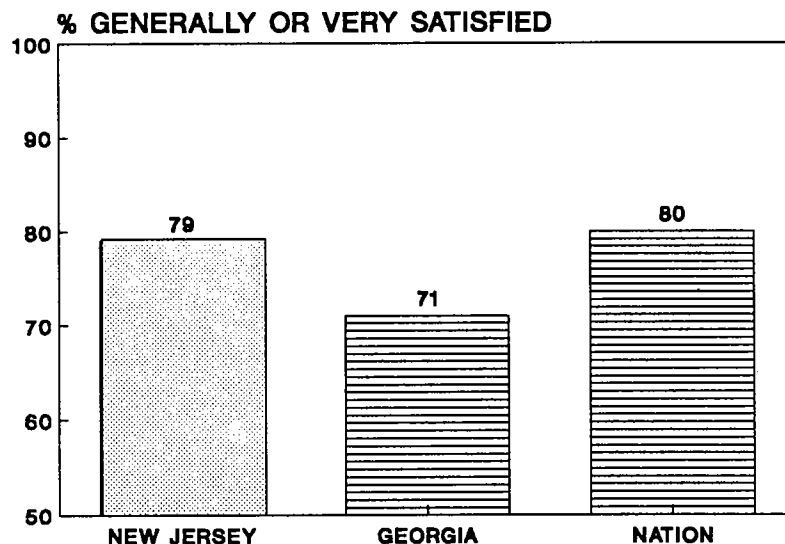
***Beneficiaries know of and use the toll-free number.***

Seventy percent of New Jersey beneficiaries are aware of the toll-free number for their carrier as listed in the Medicare Handbook. Half of the beneficiaries nationally knew of the number. New Jersey beneficiaries are also more likely to use this number. While 47 percent use it in New Jersey, less than a third of the nationwide and Georgia beneficiaries use the toll-free number.

Further, of the New Jersey beneficiaries who use the toll-free number, 79 percent are generally or very satisfied with the service they receive. Seventy-one percent of Georgia’s and 80 percent of national beneficiaries are generally or very satisfied with telephone service.

However, New Jersey beneficiaries report some problems with the toll-free number. These problems are similar to those expressed by national and Georgia beneficiaries. Specifically, three-quarters of New Jersey beneficiaries who indicated they called the hotline, report that the line was busy the last time they called. The figures for nationwide and Georgia beneficiaries are 71 and 70 percent respectively. About 60 percent of the New Jersey beneficiaries who called the hotline, report being put on hold too long, which is identical to the findings in the other two surveys.

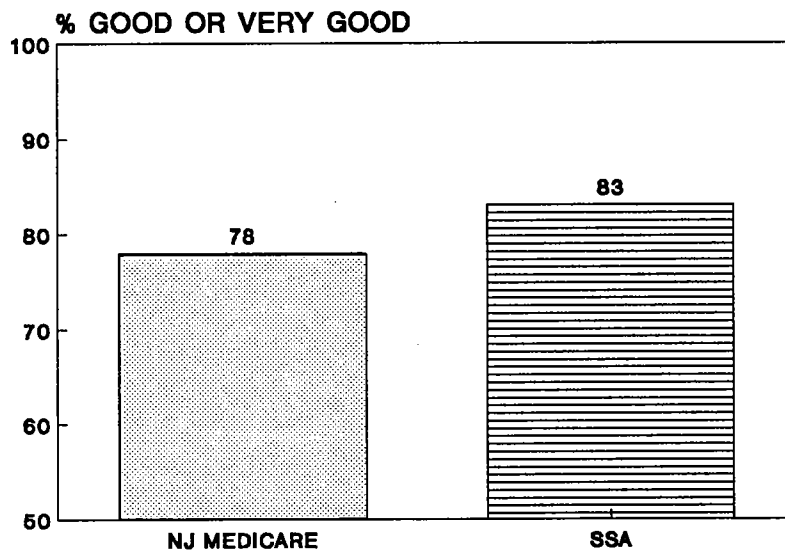
## SATISFACTION WITH 800 #



*Most beneficiaries rate Medicare services good or very good.*

Seventy-eight percent of New Jersey Medicare beneficiaries rate overall Medicare services good or very good. While there is no comparable data for nationwide and Georgia beneficiaries, this rating is similar to the 83 percent average rating given by Social Security clients over the past six years.

## SATISFACTION WITH SERVICES



When asked to compare Medicare services to other services from Federal, State and local government agencies, 95 percent of New Jersey Medicare beneficiaries say the services they receive are as good as, or better than, those received from other government agencies. This compares to 94 percent of nationwide Social Security clients.

## **AGENCY COMMENTS**

HCFA commented on the draft report. Overall, HCFA is pleased that the survey results reflect positively on the efforts of Pennsylvania Blue Shield (PBS) to encourage beneficiary contact and promote beneficiary education. HCFA also found the survey's identification of provider relations as the likely predominant source of Congressional concerns about PBS to be extremely helpful.

The report was modified based on HCFA's suggested clarifications. The full text of HCFA's comments are attached.

## APPENDIX A

question	percentage			
	NJ#	NJ	GA	NTL
<b>1. In general do you think:</b>				
a. The Medicare program is understandable				
YES	369	83	75	73
NO	73	17	25	28
b. You can get information about Medicare when you need it				
YES	376	86	83	85
NO	60	14	17	15
c. Medicare payment policies are understandable				
YES	334	76	X	69
NO	106	24	X	32
d. Medicare pays your claims quickly enough				
YES	330	76	73	74
NO	107	24	27	26
<b>2. Do you or your spouse have other medical insurance that covers your medical expenses in addition to what Medicare covers?</b>				
MEDICAID	34	8	X	6
PRIVATE INSURANCE TO SUPPLEMENT MEDICARE	355	80	X	75
CHAMPUS	8	2	X	.3
OTHER	10	2	X	18
<b>3. Do you recall getting any pamphlets or handbooks in the mail from the Federal Government or notices enclosed with your Social Security check that describe the Medicare program?</b>				
NO	124	29	X	25
YES	303	71	X	75
<b>4. Thinking about those pamphlets, handbooks and notices with your check were most of them:</b>				
GENERALLY HELPFUL	256	91	X	90
GENERALLY NOT HELPFUL	25	9	X	10

NJ = New Jersey      GA = Georgia      NTL = National      X = Was not asked

SSA = Social Security Administration

NOTE: Questions 5, 8, 11 and 13 required a narrative response and are not included.

question	percentage			
	NJ#	NJ	GA	NTL
<b>6. Thinking about the pamphlets, handbooks and notices you have received would you say that:</b>				
a. The wording is easy to understand				
YES	249	88	X	72
NO	34	12	X	28
b. The amount of information covered is sufficient				
YES	224	82	X	74
NO	49	18	X	26
c. The lettering is large enough to read				
YES	266	94	X	89
NO	18	6	X	11
<b>7. Next, we would like to ask about times when you have needed to get specific information about your own Medicare coverage. How often were you able to get the information you needed?</b>				
MOST OF THE TIME	159	38	34	37
SOME OF THE TIME	78	18	15	18
SELDOM OR NEVER	30	7	5	9
I HAVE NEVER NEEDED TO GET INFORMATION	157	37	46	36
<b>9. The following are some places people might go to get answers if they have questions about their Medicare coverage. Would you be likely to go to any of the following:</b>				
a. The insurance company that processes your Medicare claim				
YES	307	80	X	51
NO	77	20	X	49
b. The Medicare Handbook				
YES	265	78	X	63
NO	75	22	X	37
c. The Social Security office				
YES	243	69	X	77
NO	110	31	X	23

question	percentage				
		NJ#	NJ	GA	NTL
d. A friend or relative					
	YES	103	34	X	20
	NO	202	66	X	80
e. An insurance salesperson					
	YES	19	6	X	7
	NO	274	94	X	93
f. A senior citizens' group					
	YES	117	37	X	26
	NO	197	63	X	74
<b>10. Do all of your doctors submit your Medicare claims for you so that you do not have to submit the claims yourself?</b>					
	ALL OF THE TIME	102	23	X	41
	MOST OF THE TIME	101	23	X	30
	SOMETIMES	155	35	X	22
	SELDOM OR NEVER	84	19	X	6
<b>12. Overall, how satisfied are you with the way Medicare has processed the claims you have submitted?</b>					
	VERY SATISFIED	93	29	34	26
	GENERALLY SATISFIED	187	57	51	62
	GENERALLY DISSATISFIED	27	8	11	8
	VERY DISSATISFIED	20	6	4	4
<b>14. Do you get help filling out your Medicare claim forms?</b>					
	ALL OF THE TIME	57	18	X	27
	SOME OF THE TIME	78	24	X	31
	NEVER	189	58	X	41
<b>15. Listed below are some places people might go to get help filling out Medicare claim forms. If you needed help in filling out your Medicare forms would you be likely to get help from any of the following?</b>					
a. A friend or relative					
	YES	110	46	X	33
	NO	129	54	X	67

question	percentage				
		NJ#	NJ	GA	NTL
b. Your doctor's office					
	YES	190	71	X	69
	NO	77	29	X	31
c. A Social Security office					
	YES	100	42	X	51
	NO	136	58	X	49
d. A senior citizens' center					
	YES	67	30	X	29
	NO	153	70	X	71
e. The insurance company that processes your Medicare claims					
	YES	155	61	X	53
	NO	101	39	X	47

**16. The following are possible reasons why someone might be dissatisfied with Medicare claims. Have any of the following been a problem for you?**

a. Filling out Medicare claims					
	YES	52	18	18	26
	NO	243	82	82	74
b. Getting information on the status of your claim					
	YES	92	33	22	36
	NO	191	67	78	65
c. Determining how much should be paid by other insurance you have					
	YES	99	36	X	38
	NO	178	64	X	62
d. Understanding what Medicare paid on your claims and why					
	YES	141	49	41	51
	NO	147	51	59	49
<b>17. There is a toll-free number in your Medicare Handbook that you can use to telephone the insurance company to get information about your Medicare claims. Did you know about this toll-free number before today?</b>					
	NO	134	30	X	47
	YES	309	70	X	53



question	percentage				
	NJ#	NJ	GA	NTL	
<b>18. Have you ever used this toll-free number to get information about Medicare claims?</b>					
	NO	237	53	70	72
	YES	209	47	30	28
<b>19. Thinking about the last time you used this toll-free number, how satisfied were you with the service you received?</b>					
	VERY SATISFIED	73	37	28	27
	GENERALLY SATISFIED	82	42	43	53
	GENERALLY DISSATISFIED	31	16	13	14
	VERY DISSATISFIED	11	5	16	6
<b>20. Listed below are possible reasons that someone would be dissatisfied with this toll-free service. Did you have any of the following problems the last time you called the toll-free number?</b>					
a. Line was busy					
	YES	137	74	70	71
	NO	47	26	30	29
b. Put on "Hold" too long					
	YES	103	58	56	60
	NO	75	42	44	40
c. Answers given were not understandable					
	YES	37	23	34	25
	NO	125	77	66	76
d. Answers given were not correct					
	YES	20	13	16	12
	NO	132	87	84	88
e. Person answering call was not very courteous					
	YES	38	24	23	19
	NO	122	76	77	81

question	percentage			
	NJ#	NJ	GA	NTL
<b>21. Sometimes people disagree with the decision made on their Medicare claims. When this happens, you may appeal or request a review of those decisions. Did you know before today that you could appeal or request a review?</b>				
	NO 87	20	23	25
	YES 340	80	78	76
<b>22. In the past year have you appealed a decision made by Medicare/PA Blue Shield on a claim you submitted?</b>				
	NO 288	88	92	X
	YES 38	12	8	X
<b>23. Overall, how would you rate the service that Medicare/PA Blue Shield has given you?</b>				
	<b>NJ#</b>	<b>NJ</b>	<b>SSA</b>	
	VERY GOOD 165	37	48	
	GOOD 186	41	35	
	FAIR 74	16	10	
	POOR 12	3	3	
	VERY POOR 12	3	4	
<b>24. How would you rate Medicare/PA Blue Shield's service compared to the service you get from other Federal, State, and local government agencies?</b>				
Medicare/PA Blue Shield is much better than others	63	33	24	
Medicare/PA Blue Shield is somewhat better than others	62	26	24	
Medicare/PA Blue Shield is about as good as others	129	35	48	
Medicare/PA Blue Shield is somewhat worse than others	4	4	1	
Medicare/PA Blue Shield is much worse than others	10	2	3	

question	percentage			
	NJ#	NJ	GA	NTL
<b>25. Is there anything else you want to tell us about Medicare, or PA Blue Shield?</b>				
Positive Comments	66	29	29	X
Negative Comments	79	35	38	X
Mixed Comments	80	36	34	X

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## APPENDIX B

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### *Analysis of Respondents Versus Non-Respondents*

Our original sample of 641 beneficiaries was reduced to 619 by eliminating 21 deceased beneficiaries and 1 beneficiary covered under the Railroad Board Retirement System. Of the 619 questionnaires, 457 were returned to our office. This represents a response rate of 73.8 percent. An important consideration in surveys of this type is the bias that may be present in the results if the non-respondents are different than the respondents. To test for the presence of any bias, we compared responders with non-responders, for certain variables, and attempted to determine how any differences might affect the results. The variables that we decided to compare were age, sex, race, medicare status, total charges, and total reimbursed amounts. The categorical variables were tested using a Chi-square with the appropriate degrees of freedom. The continuous variables (age, charges, and reimbursements) were tested using a two-tailed t-test.

The results of the analysis for the three categorical variables are presented in Table 1. The Chi-square values given in the table provide a test of the difference in the distribution of the respondents versus the non-respondents for each variable. The table also shows the response rates by the different values of the variables. The analysis shows that there are significant differences in response rates between aged persons and the disabled, and between whites and nonwhites. The difference in response rates by Medicare status (aged, disabled, or ESRD) is a result of the low response rate for disabled beneficiaries (41.7%) compared to that for aged beneficiaries (75.9%). The difference in response rate by race is due to the low response rate for non-white beneficiaries (58.5%), versus that for white beneficiaries (75.7%).

In order to determine if these differences may have biased our results, we tested the effects on several of the survey's key questions. The questions selected for analysis were:

- Q-1.a. *Is Medicare understandable?*
- Q-1.b. *Can you get information when you need it?*
- Q-1.c. *Are Medicare payment policies understandable?*
- Q-1.d. *Are claims paid quickly enough?*

One method to determine the effects the non-respondents might have is to assume that their responses would have been similar to respondents of the same medicare status or race. Under this assumption, the changes in the proportion of beneficiaries that answered "yes" to the questions are presented in Table 2 for medicare status.

**TABLE 1**  
**New Jersey Medicare Beneficiary Survey**  
**Responders VS Non-Responders**

<b>MEDICARE STATUS</b>						
	<b>Responders</b>		<b>Non Responders</b>		<b>Total</b>	<b>Percent Responding</b>
<b>Aged</b>	440	96.3%	140	86.4%	580	75.9%
<b>Disabled</b>	15	3.3%	21	13.0%	36	41.7%
<b>ESRD</b>	2	0.4%	1	0.6%	3	66.7%
	457		162		619	73.8%
CHI-SQ = 20.531*						
D.F. = 1						
<b>SEX</b>						
	<b>Responders</b>		<b>Non Responders</b>		<b>Total</b>	<b>Percent Responding</b>
<b>Male</b>	178	38.9%	62	38.3%	240	74.2%
<b>Female</b>	279	61.1%	100	61.7%	379	73.6%
	457		162		619	73.8%
CHI-SQ = 0.023						
D.F. = 1						
<b>RACE</b>						
	<b>Responders</b>		<b>Non Responders</b>		<b>Total</b>	<b>Percent Responding</b>
<b>White</b>	412	90.2%	132	81.5%	544	75.7%
<b>Non-White</b>	38	8.3%	27	16.7%	65	58.5%
<b>Unknown</b>	7	1.5%	3	1.9%	10	70.05%
	457		162		619	73.8%
CHI-SQ=8.980 <sup>+</sup>						
D.F.=1						
*Significant AT P < 0.001; ESRD Status excluded from calculation. <sup>+</sup> Significant AT P < 0.001; Unknown Status excluded from calculation.						

**TABLE 2**  
**Medicare Status**

Question	Percent Answering Yes	Adjusted Percent Answering Yes
Q-1.a.	80.9%	80.3%
Q-1.b.	82.2%	81.8%
Q-1.c.	73.0%	72.4%
Q-1.d.	72.1%	71.8%

Given the fact that these changes are so small, we feel that the medicare status difference between respondents and non-respondents has essentially no effect on the outcome of this survey. The same analysis of changes in the proportion of beneficiaries that answered "yes" to the questions is presented in Table 3 for race.

**TABLE 3**  
**Race**

Question	Percent Answering Yes	Adjusted Percent Answering Yes
Q-1.a.	80.9%	80.6%
Q-1.b.	82.7%	82.6%
Q-1.c.	73.3%	73.1%
Q-1.d.	72.7%	72.8%

Again, because the changes are this small, we feel that the race difference between responding and non-responding beneficiaries has no overall effect on our results.

Turning to the continuous variables, we found that the average age of those beneficiaries responding to the survey was 74.1 years, while that of beneficiaries not responding was 73.9 years. This difference is not significant. We also compared total charges and total Medicare reimbursed amounts for calendar year 1989. The average total charges was \$439 for respondents and \$477 for non-respondents, while the average reimbursed amount was \$357 for respondents and \$388 for non-respondents. Neither of these differences proved to be statistically significant.

Given the results from these analyses, we believe that the results presented accurately represent the opinions of the sample of clients that were sent questionnaires. It is possible that those beneficiaries who chose not to respond may, in some fashion, differ from those responding to the survey. However, we do not have the information necessary to determine if, and to what extent, differences exist. In any event, the non-respondents represent a minority of the beneficiaries contributing to this analysis. Therefore, we feel that these results give a reliable picture of the opinions of the universe of New Jersey beneficiaries that are covered by Pennsylvania Blue Shield.



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**Memorandum**

Date AUG 10 1990

From Deputy Director  
Bureau of Program Operations

Subject Comments on the OIG Draft Report: New Jersey Medicare  
Beneficiary Satisfaction (OEI-02-90-02040)--INFORMATION

To Chief  
Health Care Branch, OIG

Thank you for fulfilling our request for an evaluation of beneficiary satisfaction with the Medicare program in New Jersey (NJ) following the transition to a new carrier. We submit the following comments on the subject draft report for your consideration. Comments from our Philadelphia Regional Office have been included in our response. Many of these concerns were discussed at our June 25th meeting with OIG. We appreciate the opportunity to comment on this draft report.

General Observations and Comments

- o We are pleased that the survey results reflect positively on the efforts of Pennsylvania Blue Shield (PBS) to encourage beneficiary contact and promote beneficiary education.
- o We find the survey's identification of provider relations as the likely predominant source of Congressional concerns about PBS to be extremely helpful.
- o We suggest that OIG indicate in the narrative which questions were responded to by only a portion of all beneficiaries surveyed.
- o We believe that Appendix I would be more easily interpreted if the number of respondents to each question could be provided.
- o We suggest that OIG consider correlating the findings reported in the narrative with the corresponding questions listed in Appendix I using footnotes.



## Specific Comments

### Page One

- o Stating that "HCFA changed carriers" in Georgia and New Jersey may give the impression to uninformed readers that HCFA initiated the changes. In reality, the changes were initiated by the Prudential Insurance Company, which informed HCFA in April 1988 that it would no longer serve as a carrier.

### Page Three

- o It is noted in the first paragraph that 58% of NJ beneficiaries "never" need help completing claim forms. So, at most, 42% of NJ beneficiaries need help completing claim forms at least some of the time. The table below that paragraph lists sources beneficiaries use to complete claim forms. Some of the numbers in the table are greater than 42%, which is confusing. As we understand it, these numbers were derived from the responses to Question 15 in Appendix I and actually measure the relative confidence that beneficiaries have in the various potential sources of information, rather than the number of beneficiaries who actually use each of the sources.

### Page Five

- o There is a discrepancy between the quantitative information presented in the second full paragraph and that in the graph at the bottom of the page. The values for Georgia and for the nation are transposed.
- o Of the 47% of NJ beneficiaries who have used the toll-free inquiry number in the past, a full 79% reported, in response to Question 19, that they were generally or very satisfied "the last time" they called the number. At the same time, the responses to Questions 20a and 20b indicate that a high percentage of NJ beneficiaries experienced a busy signal or were left on hold for what they felt was "too long" the last time they called.

It is contradictory that a high percentage of beneficiaries could be both satisfied and dissatisfied with their last call to the toll-free number. It seems reasonable to believe that NJ beneficiaries indicated their general level of satisfaction with the toll-free number in response to Question 19. Responding to Question 20, NJ beneficiaries may have interpreted it to be asking whether they had ever experienced any of the specified problems. We suggest that OIG ignore the phrase, "the last time", in its interpretation and omit it from future surveys.

Based on our June 25, 1990 meeting with OIG, we understand that, in actuality, only a small portion of the survey respondents answered Question 20. We further understand that OIG will emphasize this point in its final report.

#### Appendix I


- o It would be helpful if OIG noted here that Questions 5, 8, 11 and 13 are not included because they required a narrative response.
- o Survey Question 11 asked each NJ beneficiary to estimate the number of claims he/she submitted in 1989. It would be interesting to know whether high-volume users of PBS's services are, generally speaking, more or less satisfied with PBS than low-volume users are. It would seem that high-volume users might account for most of the total encounters between the carrier and beneficiaries in NJ. Does OIG have any data in this regard?

#### Appendix II

- o OIG analyzed how certain variables are related to the probability that a given beneficiary would or would not respond to the survey. Once the critical variables were identified, OIG corrected for the under-reporting by some groups by assuming that non-respondents in these groups would respond in the way that respondents did.

While we agree with this adjustment, we note that it still doesn't address the issue of possible survey bias arising from different attitudes of respondents and non-respondents. It may be that non-respondents have fewer complaints, regardless of race, Medicare status, etc., than respondents do.

We are pleased with the positive overall findings of OIG's review. Again, thank you for the opportunity to review the draft report. Questions about this response should be directed to Dorothy Kielkopf on 646-6121.

  
Carol J. Walton

