

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

Medicare Beneficiary Satisfaction: 1997



**JUNE GIBBS BROWN
Inspector General**

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EXECUTIVE SUMMARY

PURPOSE

To determine the experience with and satisfaction of fee-for-service beneficiaries with Medicare services.

BACKGROUND

This is the sixth survey the Office of Inspector General (OIG), Department of Health and Human Services (HHS), has conducted to determine beneficiary experience and satisfaction with Medicare services. In July 1997, we surveyed 1269 randomly selected beneficiaries for whom Medicare Part B claims were submitted in Calendar Year 1996. Participation in the survey was voluntary and yielded a response rate of 77 percent--977 beneficiaries. Prior to the 1997 survey, the most recent one had been conducted in 1995.

FINDINGS

As in 1995, beneficiaries report positive experience with the Medicare program.

- **Beneficiary Understanding**--Eighty-one percent of the beneficiaries responding to our survey said the Medicare program was understandable.
- **Getting Information**--Seventy-five percent of the beneficiaries said they could get information about Medicare when they needed it. Most beneficiaries said they would consult their physician (68 percent) or their Medicare Handbook (55 percent) to get specific information.
- **Participating Physicians**--Seventy-seven percent of the beneficiaries that replied to our survey said that they were aware of participating physicians.
- **Claims Processing**--Eighty-nine percent of the beneficiaries said they were satisfied with the way Medicare carriers processed their claims.

Beneficiary awareness of one service improved from 1995 to 1997.

- **Flu Shots**--Eighty-three percent of beneficiaries were aware that Medicare will pay for flu immunizations. In 1995, only 76 percent knew.

Beneficiary awareness of some services declined.

- **Second Surgical Opinions**--In 1997, 66 percent of beneficiaries were not aware Medicare would pay for a second opinion concerning the need for surgery. This is an

increase from 1995 when 60 percent did not know about Medicare's second surgical opinion coverage.

- **Physician Fees**--Thirty-three percent of the beneficiaries surveyed did not know Medicare limits physicians' fees for specific services. This is an increase from 1995 when 26 percent did not know about the limits.
- **Medicare Claims**--Ten percent of responding beneficiaries did not know that their doctors were supposed to file their Medicare claims for them. This is an increase from 1995, when only 7 percent did not know.

Some services needed improvement in 1995, and still do in 1997.

- **Claims Processing**--Twenty-two percent of beneficiaries experienced at least one problem with their last Medicare claim.
- **Telephone Service**--Fifty-seven percent of beneficiaries who had called their carriers experienced at least one problem when calling. Twenty-seven percent who had tried to call had to call three or more times to get through.
- **Appeal Rights**--Thirty-two percent of the beneficiaries surveyed did not know they could appeal or request a review of decisions made by Medicare carriers concerning their claims.
- **Mammograms**--Twenty-three percent of the female beneficiaries surveyed did not know that Medicare pays for mammograms.
- **Hospital Care**--Of those beneficiaries who had been a patient in a hospital for at least one night, 18 percent said it was not clear what Medicare had paid for. In addition, 29 percent said they had not received written information concerning their rights as a Medicare patient.

Beneficiary awareness of some services not reported on in 1995 was found to be lacking in 1997.

- **Pneumonia Shots**--Forty-two percent of the beneficiaries were not aware that Medicare pays for pneumonia immunizations.
- **Home Health Hot Line**--Eighty percent of all responding beneficiaries, and 73 percent of those who had received home health, did not know that States provide a "hot line" to register complaints about home health care.

RECOMMENDATION

We recommend that the Health Care Financing Administration develop a plan for improving beneficiary satisfaction and understanding in the problem areas mentioned above. Several of the problem areas cited have been identified as problems in previous OIG reports. For example, problems with carrier telephone service have been noted in each of the six reports on beneficiary satisfaction. In the past, HCFA has agreed these are problem areas, and planned corrective actions. Nevertheless, some of the same problems continue to exist. We suggest that in planning corrective actions, HCFA set numerical goals that can be tracked for program improvement. We believe this activity can be useful to HCFA in correcting the problems and fulfilling requirements of the Government Performance and Results Act.

AGENCY COMMENTS

The HCFA Administrator reviewed our draft report and concurred that HCFA should develop a plan to improve beneficiary satisfaction and understanding in the troubled areas identified by the survey. HCFA has initiated a National Medicare Education Program that will use multidimensional strategies to assist beneficiaries make informed health care decisions. Further, HCFA will provide access to program information via the Internet and an updated *Medicare Handbook*. HCFA is also evaluating additional performance measures for carrier telephone service. We continue to believe that it would be useful for HCFA to set numerical goals that can be tracked to determine if new initiatives improve program performance.

HCFA also suggested changes for our 1998 survey of Medicare beneficiaries. We appreciate HCFA's input on our survey instrument. As in the past, we plan to continue working with HCFA to refocus certain parts of the survey to provide more useful information to HCFA policy makers.

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INTRODUCTION

PURPOSE

To determine the experience with and satisfaction of fee-for-service beneficiaries with Medicare services.

BACKGROUND

Medicare is a Federal health insurance program for individuals age 65 and older, and for certain categories of disabled people. Medicare was authorized in 1965 by title XVIII of the Social Security Act. In Calendar Year 1997, Medicare served over 38 million people, known as beneficiaries, and paid benefits totaling over \$211 billion.¹

The Health Care Financing Administration (HCFA), Department of Health and Human Services (HHS), has responsibility for the Medicare program. However, other organizations share program administration. The Social Security Administration establishes eligibility, enrolls beneficiaries in the program, and collects Medicare premiums. Private health insurance companies contract with the Federal Government to service claims for Medicare payment. Insurance companies that handle hospital claims are called intermediaries. Those handling physician claims are called carriers.

METHODS

In July 1997, we surveyed 1269 randomly selected Medicare beneficiaries. We initially selected 1284 beneficiaries for whom Medicare Part B claims had been filed in Calendar Year 1996. However, we dropped 15 beneficiaries from our sample because 12 questionnaires were undeliverable and 3 beneficiaries were deceased. This reduced the sample size from 1284 to 1269. Appendix A contains our questionnaire and beneficiaries' responses to the questions.

Based upon previous experience with similar client and beneficiary surveys, the sample size of 1284 beneficiaries was calculated to produce an estimate within 3.5 percent of the true value at the 95 percent confidence level. We used standard equations for estimating sample size with a binary response variable.

Beneficiary participation in the survey was voluntary. A total of 977 beneficiaries returned completed questionnaires, for a response rate of 77 percent. Another 26 beneficiaries sent in completed questionnaires, but we received them too late to include their responses in our analysis. Given the size of our sample and response rate, results of our survey are projectable to the universe of 38 million Medicare beneficiaries.

¹Health Care Financing Administration, United States Department of Health and Human Services, HCFA Statistics, October 1997.

Percentages in the report are based on the number of beneficiaries answering each question. Appendix B presents an analysis of respondents and non-respondents.

Comparison to Previous Surveys

In 1989, 1991, 1993, 1994, and 1995, we conducted similar national surveys of Medicare beneficiaries to assess their awareness of and satisfaction with various aspects of the Medicare program. (Appendix C lists our previous reports on beneficiary satisfaction.)

The majority of questions used in the 1997 survey were used in our 1993, 1994, and 1995 surveys. Therefore, Medicare beneficiary responses in those years are comparable to our 1997 survey results.

The 1993, 1994, 1995, and 1997 surveys were also similar to the 1989 and 1991 surveys. However, some questions were worded and sequenced slightly different. Additionally, we provided more response options to questions in the 1993, 1994, 1995, and 1997 surveys than we did in the 1989 and 1991 surveys. Therefore, we cannot compare beneficiary responses in each of the six survey years for all questions. However, we did make comparisons whenever possible, and determined significant differences in responses through use of a t-test. If there was a statistical difference between the responses to the 1995 and 1997 surveys, we stated in the report that a percent increased or decreased, depending on the finding. If there was not a statistical difference, we stated in the report that the percent stayed about the same.

We conducted this inspection in accordance with the *Quality Standards for Inspections* issued by the President's Council on Integrity and Efficiency.

FINDINGS

BENEFICIARIES REPORTED POSITIVE EXPERIENCE WITH THE MEDICARE PROGRAM

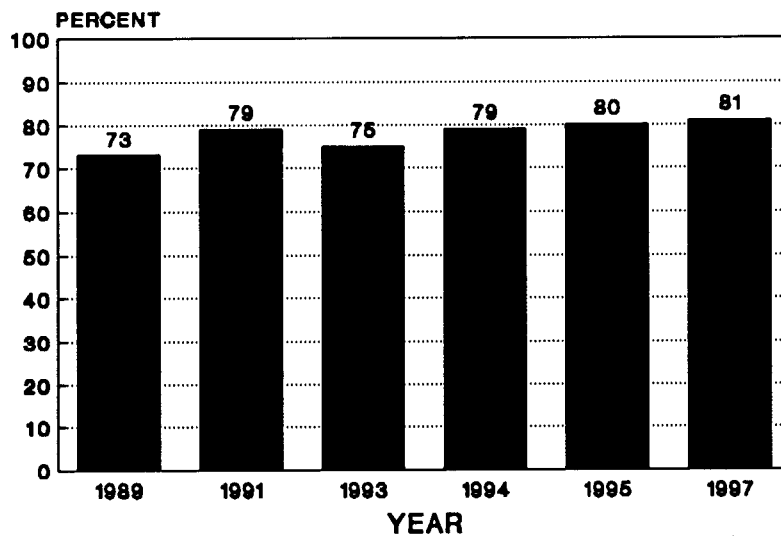
In 1997, beneficiaries were positive about several aspects of the Medicare program. In the following areas, beneficiaries responded similarly to those in our 1995 survey.

- They said they understood the program and could get information when they needed it.
- They were aware of and used participating physicians.
- Most who had called their carriers were at least generally satisfied with the service they received.
- Over three-quarters said that their Medicare claims were paid quickly enough.

Beneficiaries Generally Understand the Program

Eighty-one percent of the beneficiaries said that the Medicare program is understandable. This is about the same as in 1994 and 1995, when 79 and 80 percent respectively said the program was understandable. Figure 1 shows the level of understanding over the 6 years we have surveyed Medicare beneficiaries.

Figure 1
BENEFICIARIES UNDERSTAND
THE MEDICARE PROGRAM



Beneficiaries Can Get Needed Information

Getting General Information: Seventy-five percent of the beneficiaries said they could get general information about Medicare when they needed it. This is not significantly different from the percent of beneficiaries who believed they could do so in 1995. Table 1 shows the percent of beneficiaries who said they can get general information over the last 4 years.

Table 1
PERCENT OF BENEFICIARIES WHO CAN GET GENERAL INFORMATION

	1993	1994	1995	1997
Yes	72%	75%	78%	75%
No	7%	5%	5%	5%
Don't Know	21%	20%	17%	20%

Getting Specific Information: Seventy-one percent of the beneficiaries who have needed specific information about their Medicare coverage said they have been able to obtain it most of the time. Table 2 shows that this percentage is the same as in 1995.

Table 2
PERCENT OF BENEFICIARIES WHO CAN GET SPECIFIC INFORMATION

Can Get Information:	1989	1991	1993	1994	1995	1997
Most of the Time	58%	67%	60%	67%	71%	71%
Some of the Time	29%	23%	28%	23%	19%	19%
Seldom or Never	13%	10%	12%	10%	9%	11%

Sources of Information: Beneficiaries were asked to indicate which places they might go to obtain answers to questions about what Medicare pays for. They could identify more than one source.

Most beneficiaries said they get Medicare information from their physicians' offices and the *Medicare Handbook*. Sixty-eight percent of all beneficiaries said they would go to their physicians' offices. Fifty-five percent of the beneficiaries surveyed said they would refer to the *Medicare Handbook*. Other sources that were acknowledged as good sources by more than a quarter of those surveyed were carriers (38%) and Social Security Offices (28%).

Most Beneficiaries Knew About Participating Physicians

Medicare has "participating physicians" who agree to charge no more than the Medicare approved amount. Medicare pays 80 percent of the approved amount. A beneficiary is responsible for paying a deductible and a 20 percent coinsurance. Figure 2 shows that the number of beneficiaries who were aware of participating physicians in 1997 has remained about the same as past years' findings.

Figure 2
BENEFICIARY AWARENESS OF PARTICIPATING PHYSICIANS

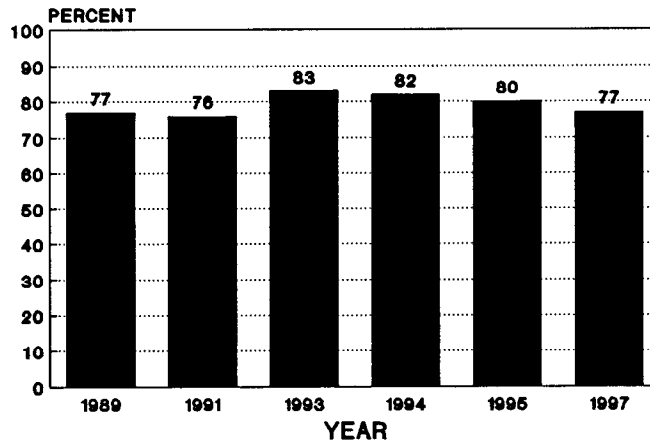
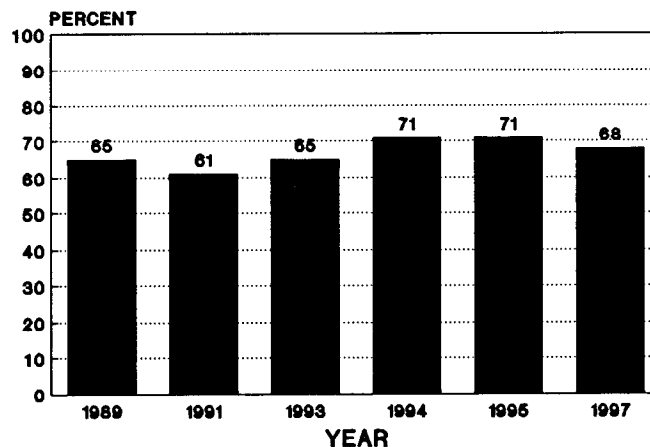


Figure 3 shows that beneficiaries' use of "participating physicians" is about the same as in 1995.

Figure 3
BENEFICIARY USE OF PARTICIPATING PHYSICIANS



Twenty-seven percent of beneficiaries we surveyed said they did not know if their physicians were "participating."

Beneficiaries are Satisfied with Claims Processing

Eighty-nine percent of the beneficiaries said they are at least "generally" satisfied with the way Medicare carriers processed their most recent claim for a doctor's visit. As Figure 4 illustrates, few beneficiaries said they were dissatisfied.

**Figure 4
SATISFACTION WITH CLAIMS PROCESSING**

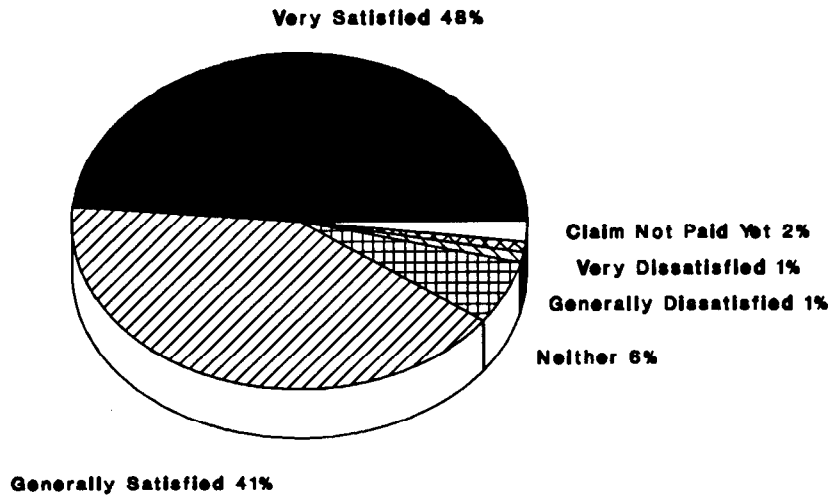
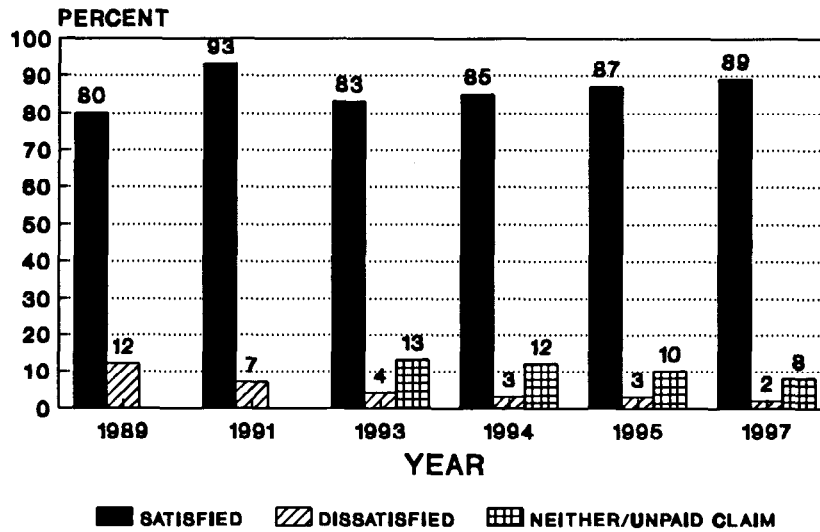


Figure 5 shows the number of beneficiaries expressing satisfaction remains high. However, interpretation of trends for the past 6 years should be done with the understanding that we changed our survey instrument in 1993. This change could slightly affect the trend. The 1993, 1994, 1995, and 1997 surveys had a response option that was not offered in 1989 and 1991. Also, in 1989, when beneficiaries could file their own claims, we asked only those beneficiaries who submitted their own claims about their satisfaction.

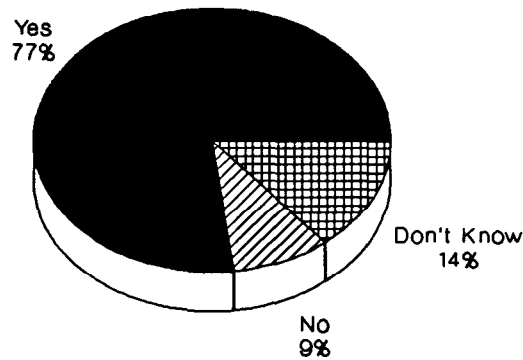
Figure 5
TRENDS IN BENEFICIARY SATISFACTION WITH CLAIMS PROCESSING



Beneficiary Claims are Paid Quickly Enough

Seventy-seven percent of the beneficiaries agree that their Medicare claims are paid quickly enough. This is approximately the same as 1995's finding. Fourteen percent of those answering the survey did not know if their claims were paid quickly enough.

Figure 6
MEDICARE PAYS CLAIMS QUICKLY ENOUGH



Most Beneficiaries are Satisfied with Carrier Telephone Service

About 14 percent of the beneficiaries we surveyed said they had tried to call their carriers. Figure 7 shows that 79 percent of those beneficiaries who had called their carriers said they were at least generally satisfied with the service they received the last time they called.

Figure 7
SATISFACTION WITH CARRIER PHONE SERVICE

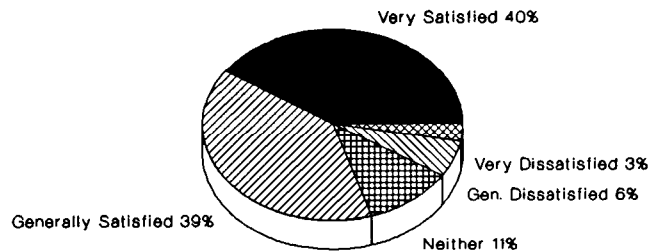
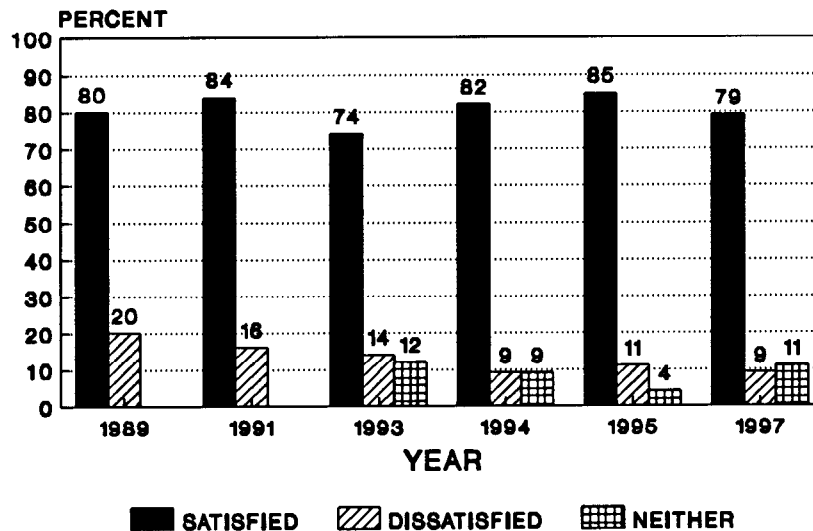


Figure 8 shows that the percent of beneficiaries who were satisfied with carrier telephone service in 1997 is about the same as in 1995, which means satisfaction is still high.

Figure 8
TRENDS IN BENEFICIARY SATISFACTION WHEN CALLING CARRIERS



AWARENESS OF FLU SHOTS IMPROVED FROM 1995 TO 1997

The only area to show improvement from 1995 was beneficiary awareness of flu shots. Eight-three percent of the respondents were aware that Medicare will pay for immunizations as compared to 76 percent in 1995. This is determined to be a statistically significant difference.

AWARENESS OF SOME SERVICES DECLINED IN 1997

Some areas that we identified as problems in 1995 were greater problems in the 1997 survey. More beneficiaries were unaware of Medicare's coverage of second surgical opinions, limits on physicians' fees, and the requirement that physicians file claims.

About Two-Thirds of Medicare Beneficiaries Were Not Aware that Medicare Provides for Second Surgical Opinions

In 1997, 66 percent of all beneficiaries surveyed were not aware that Medicare pays for a second opinion on the need for surgery. Table 3 shows that this is a significant increase from 1995, when 60 percent did not know Medicare paid for second opinions.

**Table 3
SECOND SURGICAL OPINIONS**

	1989	1991	1993	1994	1995	1997
Unaware of Second Surgical Opinions	57%	59%	61%	64%	60%	66%

About One-Third of Beneficiaries Were Not Aware that Medicare Limits Physician Fees

In our 1997 survey, we asked beneficiaries if they knew Medicare limits the fees that physicians can charge for specific services. Thirty-three percent of the beneficiaries did not know about the limits. This is a seven percent increase from the previous two survey findings, 1994 and 1995. Table 4 shows the decrease of knowledge about Medicare regulating physician rates.

**Table 4
MEDICARE LIMITS PHYSICIAN FEES**

	1994	1995	1997
Unaware That Medicare Limits Physician Fees	26%	26%	33%

About 10 Percent of Beneficiaries Were Unaware that Physicians Should File Medicare Claims

In 1997, 10 percent of the responding beneficiaries said they were unaware that their doctors were supposed to file their Medicare claims for them. This is a significant increase from 1995, when only seven percent did not know.

SOME SERVICES NEEDED IMPROVEMENT IN 1995, AND STILL DO IN 1997

Overall, beneficiary understanding of and satisfaction with Medicare program services was positive. However, some trouble spots remain. Several problem areas identified in our 1995 survey failed to improve in 1997.

- Some beneficiaries had problems with claims processing and carrier telephone services.
- Some beneficiaries were not aware of their appeal rights and almost a fourth of the female beneficiaries were not aware that Medicare paid for mammograms.

About One-Fifth of Medicare Beneficiaries Identified Problems with Claims Processing

Although 89 percent of beneficiaries are at least generally satisfied with claims processing, 22 percent identified one or more problems with their last Medicare claim. More beneficiaries cited problems in 1997 than in 1995, when 19 percent cited one or more problems; however, this is not a statistically significant difference.

Figure 9 shows claim processing problems beneficiaries experienced before their claims were paid. Numbers in the figure represent the percent of all beneficiaries surveyed.

Figure 9
BENEFICIARY PROBLEMS PRIOR TO PAYMENT OF CLAIMS

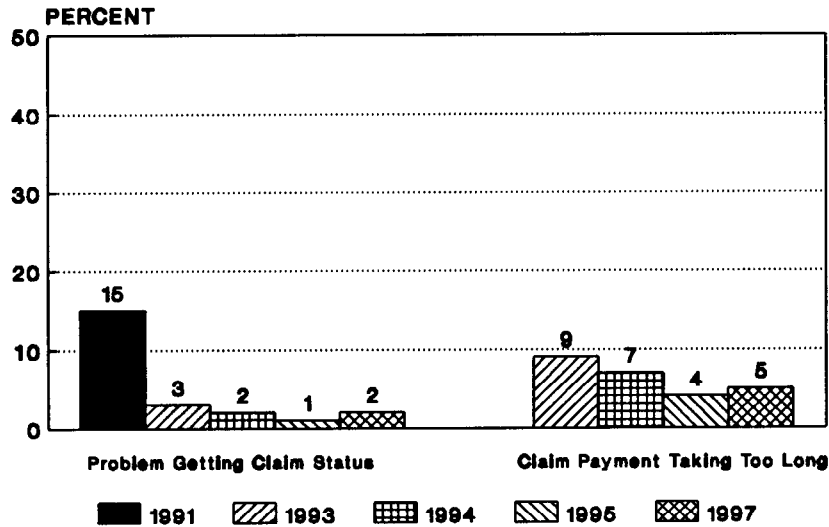
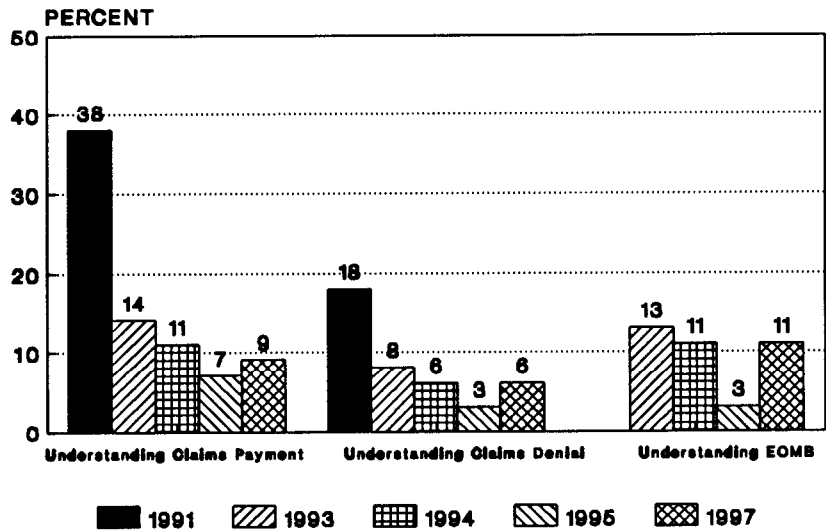


Figure 10 shows claims processing problems beneficiaries experienced after their claims had been paid. Numbers in Figure 10 represent the percent of all beneficiaries surveyed.

Figure 10
BENEFICIARY PROBLEMS AFTER PAYMENT OF CLAIMS



Over Half of Medicare Beneficiaries Who Had Called Their Carriers Experienced Difficulty Calling

While beneficiaries who called their carriers generally expressed satisfaction, over half, 58 percent, said they experienced problems. They had difficulty getting access to their carriers, using carriers' automated voice systems, and getting answers once they got through to the carriers. Table 5 shows this is the same percent of beneficiaries who experienced problems in 1995.

**Table 5
BENEFICIARIES WITH PROBLEMS CALLING CARRIERS**

Year	1993	1994	1995	1997
Beneficiaries With Problems	50%	52%	58%	58%

Getting Telephone Access with Carriers is Difficult for Beneficiaries: About 14 percent of the beneficiaries surveyed had tried to call their carriers. However, 6 percent of the beneficiaries answering our question said they had wanted to call, but did not have their carrier's phone number.

In 1997, 27 percent said they had to try three or more times to get through to their carriers. Further, 3 percent were unable to get through at all. Table 6 shows that getting access to a Medicare carrier is a continuing problem.

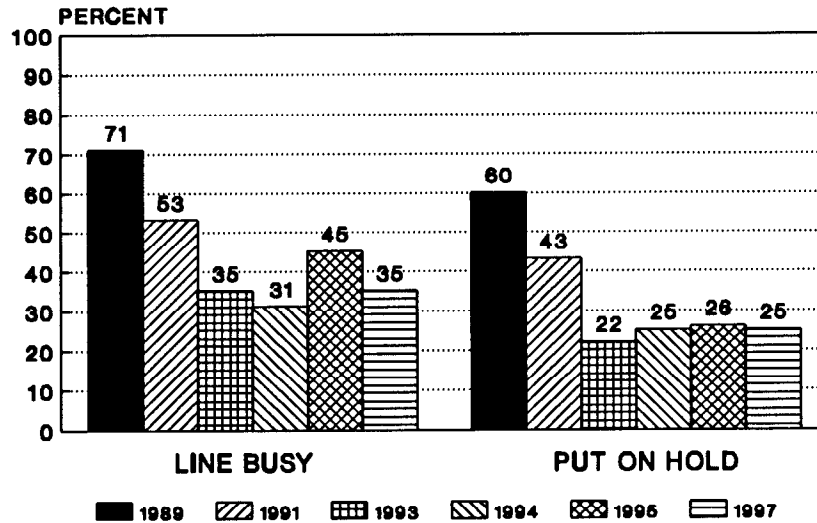
**Table 6
CALLING CARRIERS**

Number of Tries to Get Access	1993	1994	1995	1997
First Try	35%	46%	45%	50%
Second Try	25%	24%	24%	20%
Three or More Tries	32%	26%	28%	27%
Never Got Through	8%	4%	3%	3%

The beneficiaries who had called their carriers were given a list of possible reasons why they might have been dissatisfied the last time they called. They could cite as many problems as they experienced.

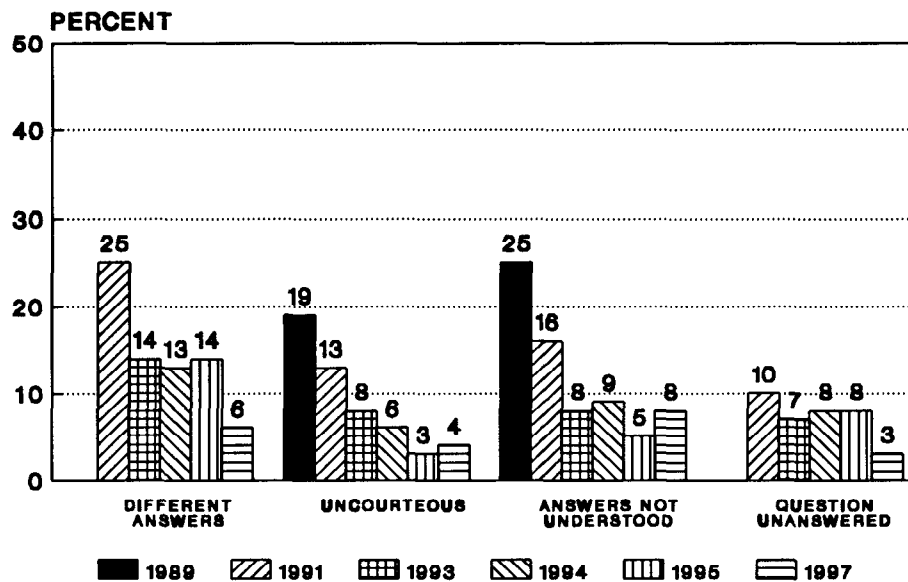
Figure 11 shows that 60 percent of beneficiaries either encountered a busy signal or thought they were put on hold too long when they called their carriers to get questions answered. Numbers shown in the chart represent the percent of beneficiaries who had called their carriers.

Figure 11
BENEFICIARY PROBLEMS GETTING THROUGH TO CARRIERS



Beneficiaries Experienced Other Problems After Getting Access to Carriers: Figure 12 shows that in 1997, some beneficiaries experienced other problems after they got a telephone connection with their carriers.

Figure 12
BENEFICIARY PROBLEMS AFTER GETTING THROUGH TO CARRIERS



Almost One-Third of Beneficiaries Were Not Aware of Their Appeal Rights

In 1997, 32 percent of the beneficiaries surveyed were unaware that they could appeal or request a review of decisions Medicare carriers made about their claims. Although this is no worse than in 1995 when 34 percent lacked such knowledge, it indicates needed improvement. Table 7 shows the percentages of beneficiaries who did not know they could appeal or request a review of their Medicare claims.

Table 7
AWARENESS OF APPEAL RIGHTS

Year	1989	1991	1993	1994	1995	1997
Beneficiaries Not Aware	24%	22%	25%	31%	34%	32%

In 1997, 4 percent of the beneficiaries said they had appealed a Medicare decision on their claims. This response was exactly the same as the response in 1995.

Almost One-Fifth of Hospitalized Beneficiaries Did Not Know What Medicare Paid

Eighteen percent of the beneficiaries surveyed who had been a patient in a hospital for at least one night said that it was not clear what Medicare had paid for. This is about the same as in 1995, when 23 percent did not understand what Medicare had paid for.

Of those beneficiaries who had been a patient for at least one night in a hospital, 29 percent said they had not received written information entitled "*An Important Message From Medicare.*" The information provides beneficiaries with knowledge about their rights to ask for a review if they believe they are being discharged from hospitals too early.

Almost One-Fourth of Women Were Unaware that Medicare Paid for Mammograms

Twenty-three percent of the female beneficiaries surveyed did not know that Medicare pays for mammograms. This is about the same as in 1995, when twenty-four percent of the female respondents did not know about Medicare's mammogram policy.

BENEFICIARY AWARENESS OF SOME SERVICES NOT INCLUDED IN OUR 1995 REPORT WAS FOUND LACKING IN 1997

Beneficiary knowledge about other aspects of the Medicare Program also need improvement. These were not mentioned in our 1995 report.

Pneumonia Shots: Forty-two percent of the beneficiaries did not know Medicare pays for pneumonia shots.

Home Health Hot Line: Eighty percent of all the beneficiaries surveyed, and 73 percent of those who had received home health services, did not know that each State has a "hot line" to register complaints about home health care.

RECOMMENDATIONS

We recommend that HCFA develop a plan for improving beneficiary satisfaction and understanding in the trouble areas mentioned in this report.

Several of the problem areas cited have been identified as problems in previous OIG reports. For example, problems with carrier telephone service have been noted in each of the six reports on beneficiary satisfaction. In the past, HCFA has agreed these are problem areas, and planned corrective actions. Nevertheless, some of the same problems continue to exist. We suggest that in planning corrective actions, HCFA set numerical goals that can be tracked for program improvement. We believe this activity can be useful to HCFA in correcting the problem areas and fulfilling requirements of the Government Performance and Results Act.

Problems identified in this survey and in previous years that still need attention are highlighted below.

- **Claims Processing:** Almost one quarter (22 percent) of the beneficiaries experienced a problem with their last Medicare claim.
- **Telephone Service:** The number of beneficiaries experiencing problems when calling remains high (57 percent). Further, over one-fourth (27 percent) of the beneficiaries had to call three or more times to reach their carriers.
- **Appeal Rights:** Almost one-third (32 percent) of the beneficiaries surveyed said they did not know they could appeal Medicare decisions about their claims.
- **Mammograms:** Almost one-fourth (23 percent) of the female beneficiaries surveyed did not know Medicare paid for mammograms.
- **Hospital Reimbursement:** Eighteen percent of the beneficiaries who had been a patient in a hospital for at least one night said it was unclear what Medicare would pay for. Also, only 30 percent said they received information that provides beneficiaries with knowledge about their rights to ask for a review if they believe they are being discharged from hospitals too early.

By 1997, the extent of some problems identified in 1995 had gotten worse.

- **Second Surgical Opinions:** In 1997, 66 percent of the beneficiaries surveyed did not know that Medicare will pay for a second opinion on the need for surgery. In 1995, only 60 percent were unaware.

- **Physician Fees:** In 1997 one-third (33 percent) of the beneficiaries surveyed did not know Medicare limits physicians' fees for specific services. This is an increase from 1995 (26 percent).
- **Filing Claims:** In 1997, a tenth of the responding beneficiaries were not aware that their physicians should file their Medicare claims for them. In 1995, only 7 percent did not know.

Finally, some new problems identified in our 1997 survey need attention.

- **Pneumonia Shots:** Forty-two percent of the beneficiaries surveyed did not know Medicare paid for pneumonia immunizations.
- **Home Health Hot Line:** Eighty percent of all beneficiaries, and 73 percent of those who had received home health services, did not know a State "hot line" to register home health complaints existed.

AGENCY COMMENTS

The HCFA Administrator reviewed our draft report and concurred that HCFA should develop a plan to improve beneficiary satisfaction and understanding in the troubled areas identified by the survey. HCFA has initiated a National Medicare Education Program that will use multidimensional strategies to assist beneficiaries make informed health care decisions. Further, HCFA will provide access to program information via the Internet and an updated *Medicare Handbook*. HCFA is also evaluating additional performance measures for carrier telephone service. We continue to believe that it would be useful for HCFA to set numerical goals that can be tracked to determine if new initiatives improve program performance.

HCFA also suggested changes for our 1998 survey of Medicare beneficiaries. We appreciate HCFA's input on our survey instrument. As in the past, we plan to continue working with HCFA to refocus certain parts of the survey to provide more useful information to HCFA policy makers.

The full text of HCFA's comments can be found in appendix D.

APPENDIX A

RESPONSES TO 1997 SURVEY OF MEDICARE BENEFICIARY SATISFACTION

- Not every respondent answered every question.
- For Questions 12, 13, 21, 25, and 26, respondents could check more than one choice.

Question	Responses
----------	-----------

PART 1: MEDICARE COVERAGE

1. In general, do you think...

a. The Medicare program is understandable?

Yes 759

No 179

Not Answering: 39

b. You can get information about Medicare when you need it?

Yes 711

No 50

Don't Know 194

Not Answering: 22

c. Medicare pays your claims quickly enough?

Yes 735

No 88

Don't Know 130

Not Answering: 24

Question**Responses**

2. **Thinking about the last time you were a patient in a hospital for at least one night, was it clear to you what Medicare paid for?**

(Check one answer.)

I have not been in the hospital for at least one night since I have had Medicare.	303
Yes, it was clear what Medicare paid for.	402
No, it was <u>not</u> clear what Medicare paid for.	115
I do not remember if it was clear what Medicare paid for.	125
Medicare has not yet paid the hospital.	12
Not Answering:	20

3. **Think about the last time you were a patient in a hospital for at least one night.**

Were you given written information entitled "An Important Message From Medicare," that said you have a right to request a review if you think the hospital is forcing you to leave before you are well enough?

(Check one answer.)

I have not been in the hospital for at least one night since I have had Medicare coverage.	298
Yes, I was given written information about my right to request a review.	195
No, I was not given written information about my right to request a review.	186
I don't remember.	271
Not Answering:	27

Question

Responses

-
4. **Think about the last time you received services in your home from a home health agency.**

Was it clear to you what Medicare paid for?

(Check one answer.)

I have not received services in my home from a home health agency since I have been on Medicare.	670
Yes, it was clear what Medicare paid for.	191
No, it was <u>not</u> clear what Medicare paid for.	38
I do not remember if it was clear what Medicare paid for.	40
Medicare has not yet paid for the home health services.	11
Not Answering: 27	

-
5. **Before today, were you aware that your State has a "hot line" to register complaints about home health care?**

Yes	186
No	764
Not Answering: 27	

-
6. **If your doctor recommends that you have surgery Medicare will help you pay to get the opinion of another doctor.**

Were you aware before today that Medicare would help pay for a second doctor's opinion before having surgery?

Yes	325
No	635
Not Answering: 17	

Question

Responses

7. **Before today, did you know that Medicare pays for flu shots (immunizations)?**

Yes	809
No	160
Not Answering:	8

8. **Before today, did you know that Medicare pays for mammograms (breast x-rays to detect cancer)?**

	<u>All</u>	<u>Females</u>
Yes	674	433
No	270	126
Total Not Answering:	33	
Females Not Answering:	8	

9. **Before today, did you know that Medicare pays for pneumonia shots?**

Yes	557
No	403
Not Answering:	17

10. **Medicare has "participating doctors" who agree to charge no more than Medicare's approved amount. Medicare pays 80% of the approved amount. You are only responsible for paying the deductible and 20% coinsurance of the Medicare approved amount. Before today, had you ever heard about Medicare "participating doctors?"**

Yes	743
No	216
Not Answering:	18

11. **Are any of your doctors "participating doctors?"**

Yes	655
No	46
Don't Know	259
Not Answering:	17

Question**Responses**

12. In the past, if you had a concern about the quality of your medical care, whom did you call?

(Check all that apply.)

(N = 928 - Number Responding to Question)

I did not have a concern about the quality of my medical care.	540
I did not know who to call.	167
The insurance company that pays my Medicare claims	87
Social Security Office	76
The Medicare Peer Review Organization(PRO)	9
The Health Care Financing Administration (HCFA) - Federal Government	9
State Department of Health	11
State Board of Medical Licensure	7
My state's insurance commission	6
My local Medical Society	16
The hospital or health care organization that provided the care.	116
The doctor that provided the care	205
Other	24
Not Answering:	49

Question**Responses**

PART 2: GETTING INFORMATION ABOUT MEDICARE

13. Where would you go to get information about what Medicare pays for?

The following are some of the places people might go to get answers if they have questions about what Medicare pays for. Please check all the places you would go to find out what Medicare pays for.

(N = 952 - Number Responding to Question)

My doctor's office	644
A friend or relative	95
AARP or other membership organization	133
Insurance company that processes my Medicare claims	364
Insurance company that issues my supplemental (Medigap) policy	221
Social Security Office	268
A local Senior Citizen's group	73
The Health Care Financing Administration (HCFA) - Federal Government	22
An insurance salesperson	18
The <u>Medicare Handbook</u>	523
The Medicare Peer Review Organization (PRO)	25
My State's Information, Counseling, and Assistance (ICA) office	30
Other	27
Not Answering:	25

14. Think of when you needed specific information about what Medicare pays for, how often were you able to get the information you needed?

Most of the time	367
Some of the time	98
Seldom or never	55
I have never needed information	414
Not Answering:	43

Question

Responses

PART 3: MEDICARE CLAIMS

15. Did you know before today that Medicare limits how much doctors can charge you for specific services?

Yes	641
No	316
Not Answering:	20

16. Did you know before today that your doctors are supposed to file your Medicare claims for you?

Yes	869
No	98
Not Answering:	10

17. How satisfied are you with the way Medicare processed your most recent claim for a doctor's visit?

(Check one.)

Very Satisfied	454
Generally Satisfied	390
Neither Satisfied nor Dissatisfied	58
Generally Dissatisfied	11
Very Dissatisfied	10
Medicare has not yet paid the claim	19
Not Answering:	35

18. Sometimes people disagree with the decisions 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?

Yes	650
No	299
Not Answering:	28

Question**Responses****19. Have you ever appealed a decision made by Medicare on one of your claims?**

Yes	34
No	915
Not Answering:	28

20. Do you think your appeal was handled fairly?

Yes	25
No	7
I have never appealed a decision made by Medicare on one of my claims.	710
Not Answering:	235

21. Did you have any of the following problems the last time you had a Medicare claim for a doctor's visit?**(Check as many as apply.)****(N = 900 - Number Responding to Question)**

I had difficulty getting information from Medicare on the status of my claim.	18
I did not understand what part of my claim Medicare paid and why.	83
I did not understand why Medicare denied the claim.	57
Medicare took too long to pay my claim.	47
I did not understand the notice Medicare sent after processing my claim. (The notice is called "Explanation of Your Medicare Part B Benefits" or "Medicare Summary Notice.")	100
Other	2
I did not have a problem with my last Medicare claim.	699
Not Answering:	77

Question**Responses**

PART 4: CALLING MEDICARE

- 22. Have you ever tried to call the insurance company that processes your Medicare claims?**

(Check one.)

Yes	126
No, I have not needed to call. (Skip to Question 33.)	752
No, I wanted to call, but do not have the telephone number. (Skip to Question 33.)	54

Not Answering: 45

- 23. Thinking about the last time you tried to call, how many tries did it take you to reach the insurance company that processes your Medicare claims?**

(N = 126 - Number Who Had Called)

First Try	59
Second Try	23
Three or More Tries	32
Never Got Through	3
Not Answering Who Have Called:	9

- 24. How satisfied were you with the service you received the last time you called the insurance company that processes your Medicare claims?**

(N = 126 - Number Who Had Called)

Very Satisfied	47
Generally Satisfied	46
Neither Satisfied nor Dissatisfied	13
Generally Dissatisfied	7
Very Dissatisfied	4
Not Answering:	9

Question**Responses**

25. Listed below are possible problems someone might have when calling the insurance company that processes your Medicare claims.

From the list below, identify problems you had the last time you called the Medicare insurance company.

(Check as many as apply.)

(N = 126 - Number Who Had Called)

The line was busy.	42
I had problems with the automated voice system.	25
The person answering the call was not courteous.	5
I was put on "HOLD" too long.	30
I was not able to get my question answered.	4
I could not understand the answer they gave me.	10
I got different answers from different people.	7
Other	5
I did not have a problem with the service I received.	51
Not Answering:	6

Question**Responses**

PART 6: OTHER INSURANCE

26. What types of medical insurance do you or your spouse have in addition to Medicare?**(Check all that apply.)****(N = 907 - Number Responding to Question)**

I do not have additional insurance coverage	128
Medicaid (or other State or county medical assistance program)	86
Health insurance through you or your spouse's <u>current</u> employer	59
Health insurance through you or your spouse's <u>former</u> employer	313
Private Medicare supplement (Medigap)	244
Other	146
Not Answering:	70

27. How satisfied are you with your private Medicare supplemental (Medigap) insurance?**(Check one.)**

I do not have supplemental (Medigap) insurance.	282
Very Satisfied	305
Generally Satisfied	189
Neither Satisfied nor Dissatisfied	38
Generally Dissatisfied	20
Very Dissatisfied	10
Not Answering:	133

APPENDIX B

ANALYSIS OF RESPONDENTS VS. NON-RESPONDENTS

A consideration in surveys of this type is that the results may be biased if non-respondents are significantly different from respondents. To determine whether significant differences exist in this survey, we analyzed age, gender, and time of response for the 997 respondents and the 272 non-respondents. Age is a continuous variable which was tested using the t-test for a difference between means. Gender and time of response are categorical variables which were tested using the Chi-square with the appropriate degrees of freedom. The analyses suggests that our survey results were not biased with regard to these factors.

ANALYSIS BY AGE

The average age for respondents was 73, compared to age 72 for non-respondents. A comparison of means with the t-test revealed that the difference in average ages for the two groups was not statistically significant.

	Sample N = 1269	Respondents N = 977	Non-Respondents N = 292
Average Age		73	72

t = -0.7963
DF = 1267

ANALYSIS BY GENDER

An analysis by gender showed that the distribution of male and female respondents was not comparable to the distribution of non-respondents. The Chi-square test statistic was significant for the gender variable because it was greater than 3.84 at the 95 percent confidence level. This indicates a potential for bias in the results.

	Sample N = 1269	Respondents N = 977	Non-Respondents N = 292
Male	513 (40%)	410 (42%)	103 (35%)
Female	756 (60%)	567 (58%)	189 (65%)

Chi-square = 4.179
DF = 1

To determine the effect of the relationship between response rate and gender, we undertook an analysis of the non-respondents. Assuming that non-respondents would have responded the same by gender as the respondents, we calculated a hypothetical global response to Questions 1a, 1b, and 1c on the questionnaire. Those three questions, posed to all respondents, relate to program understandability, availability of information, and claims processing promptness. Calculations found that the responses were within the confidence intervals for the original estimates. Therefore, no statistical evidence of gender bias was shown.

ANALYSIS BY TIME OF RESPONSE

As an additional guard against obtaining biased results, some surveys similar to this one are reviewed for differences which may exist between early and late responses. The rationale is that late respondents and non-respondents may share certain tendencies. For example, when compared to early respondents, late respondents could hold more negative (or, at least, less enthusiastic) opinions.

To analyze for potential bias related to time of response, we compared the responses of the first 728 respondents (75 percent) to the last 249 respondents. We performed a test using the Chi-square test on each group's responses to Questions 1a, 1b, and 1c. Based on the test, there was no statistically significant difference between the early and late responses.

APPENDIX C

RELATED OIG MEDICARE BENEFICIARY SURVEYS

1. *A Survey of Medicare Beneficiary Satisfaction* (OAI-04-89-89040), November 1989
2. *Medicare Beneficiary Satisfaction: 1991* (OEI-04-90-89030), October 1991
3. *Medicare Beneficiary Satisfaction: 1993* (OEI-04-92-00480), August 1993
4. *Medicare Beneficiary Satisfaction: 1994* (OEI-04-93-00140), June 1995
5. *Medicare Beneficiary Satisfaction: 1995* (OEI-04-93-00150), December 1996
6. *Medicare Beneficiaries' Plans for Financing Nursing Home* (OAI-04-90-89031), November 1991
7. *Medicare Beneficiaries' Plans for Financing Nursing Homes* (Management Advisory Report), (OEI-04-92-00482), April 1994
8. *Use of Nursing Home and Medigap Guides*, (OEI-04-92-00481), May 1994
9. *Beneficiary Awareness of HCFA Publications*, (OEI-04-93-00141), June 1995
10. *Beneficiary Awareness of HCFA Publications: 1995*, (OEI-04-93-00152), April 1997
11. *Beneficiary Satisfaction with the 1996 Medicare Handbook*, (OEI-04-96-00280), February 1997
12. *Medicare Beneficiary Interest in HMOs*, (OEI-04-93-00142), October 1995
13. *Beneficiary Interest in Medicare HMOs in 1995*, (OEI-04-93-00151), February 1997
14. *Medicare Beneficiary Satisfaction with and Understanding of Home Health Services*, (OEI-04-93-00143), November 1995
15. *Beneficiary Satisfaction with and Understanding of Home Health Services in 1995*, (OEI-04-93-00153), April 1997
16. *Beneficiary Satisfaction with Supplemental Insurance*, (OEI-04-93-00154), January 1997

APPENDIX D

HCFA COMMENTS



The Administrator
Washington, D.C. 20201

IG	<input checked="" type="checkbox"/>
EAIG	<input type="checkbox"/>
SAIG	<input type="checkbox"/>
FDIG	<input checked="" type="checkbox"/>
DIG-AS	<input type="checkbox"/>
DIG-EC	<input type="checkbox"/>
DIG-EI	<input checked="" type="checkbox"/>
DIG-OI	<input type="checkbox"/>
DIG-MP	<input type="checkbox"/>
AIG-LC	<input type="checkbox"/>
OGCIG	<input checked="" type="checkbox"/>
ExecSec	<input checked="" type="checkbox"/>
Date Sent	4-29

DATE: APR 27 1998

TO: June Gibbs Brown
Inspector General

FROM: Nancy-Ann Min DeParle *NMID*
Administrator

SUBJECT: Office of Inspector General (OIG) Draft Report: "Medicare Beneficiary Satisfaction: 1997," (OEI-04-97-00030)

In July 1997, OIG surveyed 1,269 randomly selected Medicare beneficiaries to assess their awareness of and satisfaction with various aspects of the Medicare program. Based on that survey, OIG recommends that the Health Care Financing Administration (HCFA) develop a plan for improving beneficiary satisfaction and understanding in specific trouble areas. We concur with the OIG recommendation and our detailed comments are as follows:

OIG Recommendation:

We recommend that HCFA develop a plan for improving beneficiary satisfaction and understanding in the trouble areas mentioned in this report.

HCFA Response:

We concur. HCFA is embarking on a National Medicare Education Program to ensure that consumers receive accurate, easily understandable information about their benefits, rights, and health plan options to assist them in becoming more active participants in their health care decisions.

The National Medicare Education Program will employ multidimensional strategies for educating beneficiaries in making informed decisions concerning:

- program benefits and choice of health plan
- health care choices
- program protections and rights (i.e., appeals), and beneficiary responsibilities
- health behaviors and health promotion

As part of this program, HCFA will provide access to program information via the Internet and in printed materials, such as the Medicare Handbook. This is a phased approach that we began in February 1998 and will continue through 1999 and beyond.

APR 29 1998
 11:14 AM
 HEALTH CARE FINANCING ADMINISTRATION

Addressing Specific Trouble Areas for Improvement

Telephone Service: The number of beneficiaries experiencing problems when calling remains high (57 percent). Further, over one-fourth (27 percent) of the beneficiaries had to call three or more times to reach their carriers.

HCFA Response:

We agree that further improvements need to be made in order to improve the current level of telephone service to our beneficiaries. While HCFA is currently pilot testing several approaches to improving telephone service in the long term, we must continue to also concentrate on improving the current level of service by Medicare carriers in the short term. HCFA is currently analyzing additional performance metrics for carrier telephone service that would be included in the fiscal year (FY) 1999 carrier budget and performance requirements. Examples of new potential metrics include: establishing a threshold for phone calls being answered in the first 30 seconds; handling a high percentage of calls during the initial call, thereby minimizing transferrals and referrals to other entities; and measuring the quality of customer service continuously, ensuring that all telephone agents are closely monitored for quality call handling and order processing for accuracy, knowledge, responsiveness, clarity, tone, etc. In the upcoming months HCFA will be discussing and costing out these proposed metrics with regional offices and Medicare contractor staffs in order to reach final agreement for performance measures in FY 1999. While clearly these additional resources would significantly improve customer service, HCFA must move forward within its current budget. This means there may be incremental improvements in the contractor telephone service to beneficiaries given the current funding levels.

We believe that the development of these additional performance metrics will result in improvements in telephone service to our Medicare beneficiaries.

Appeal Rights: Almost one-third of beneficiaries surveyed did not know they could appeal Medicare decisions about their claims.

HCFA Response:

Appeal rights will be addressed in the Medicare Handbook and on our Internet site. Pending availability of funds, we plan to do a major outreach effort to inform beneficiaries of their rights and protections.

Mammograms: Almost one-fourth (23 percent) of the female beneficiaries surveyed did not know Medicare paid for mammograms.

HCFA Response:

Over the past few years, HCFA has conducted national campaigns to educate beneficiaries about the mammography benefit and will continue to carry out campaigns. We are working in partnership with the Public Health Service and several national organizations.

The National Mammography 2000 Campaign is linked to the Healthy People 2000 goal of increasing the rate of screening mammograms in Medicare eligible women to 60 percent. The campaign includes a national distribution of posters, postcards, bookmarks, and stickers to support community-based efforts to promote increased use of screening mammograms in the Medicare population.

The Multi-City Mammography Project is a part of the national campaign and targets African-American and Hispanic Medicare beneficiaries in six major metropolitan areas.

We also are conducting a campaign on new Medicare prevention benefits. The campaign provides information about annual mammograms, which is a new Balanced Budget Act of 1997 provision.

HCFA's consumer Internet site has a Wellness Page that provides information on mammography coverage and other information on mammograms.

Second Surgical Opinions: In 1997, 66 percent of the beneficiaries surveyed did not know that Medicare will pay for a second opinion on the need for surgery. In 1995, only 60 percent were unaware.

HCFA Response:

This problem area will be addressed through the consumer Internet site we recently established.

Physician Fees: In 1997, one-third (33 percent) of the beneficiaries surveyed did not know Medicare limits physicians' fees for specific services.

HCFA Response:

We will address limiting charges in the Medicare Handbook and on our Internet site.

Filing Claims: One-tenth of surveyed beneficiaries were not aware that their physicians should file their Medicare claims for them.

HCFA Response:

We will address the filing of claims by physicians in the Medicare Handbook and on our Internet site.

Pneumonia Shots: Forty-two percent of the beneficiaries did not know Medicare pays for pneumonia shots.

HCFA Response:

HCFA conducts an annual flu campaign between October and February. We believe the campaign has contributed to the increase in awareness that Medicare pays for flu shots. This year we are working with our national partners, CDC and the National Coalition for Adult Immunization, to promote both flu and pneumonia shots. During the campaigns, we distribute posters, postcards, stickers, and bookmarks.

We also are conducting a campaign on Medicare prevention benefits. The campaign provides information about pneumonia shots. In addition, the Wellness Page on the consumer Internet site provides information on the Flu/Pneumonia 2000 campaign, coverage of the pneumonia shot, and questions and answers about pneumococcal pneumonia.

Technical Comments

1. As a general response, the survey "Medicare Beneficiary Satisfaction" is not really a beneficiary satisfaction survey. Rather, for the most part, it focusses on awareness issues. Even so, the report paints a generally positive picture of the beneficiary satisfaction with fee-for-service and points out some of the areas HCFA needs to look at for improvement.
2. The survey instrument would better assist our abilities to serve beneficiaries if it were expanded from its "awareness of a right focus" to include a focus on the ability of the beneficiary to assert the right and the results of such an assertion. For example, (Question 3) from among those surveyed who were aware of their right to appeal a hospital discharge decision, how many exercised the right? What was the outcome? Of those who didn't know, would they have exercised the right had they known? Parallel arguments can be raised in other areas, such as home health care and appeals. Such an expansion appears to be consistent with the "Purpose" of the survey as set out on page 1 and would better support a discussion of satisfaction.
3. The numbers and percentages in the text need to be cross-checked with the figures in the survey instrument appendix. For example, pages ii and 15 of the report state that 29 percent of the beneficiaries who had been a patient for at least one night in

a hospital stated that they had not received written information entitled, "An Important Message from Medicare." The survey instrument cites 20 percent at A-2, with the 29 percent figure representing those who did not remember.

4. The options for Question 21 could be expanded to include other areas, such as understanding appeal rights as provided on the "Explanation of Your Medicare Part B Benefits" or "Medicare Summary Notice."
5. OIG should work with HCFA's Center for Beneficiary Services to develop a survey instrument that would provide us with a better measure of satisfaction and a more useful tool for serving our beneficiaries.
6. It is not clear which differences in findings from prior surveys were statistically significant, and which were not. It may be useful to group the findings as either statistically significant or trends to follow.
7. The question on claims processing "problems" (item 25) would be more helpful if it was differentiated between problems with finding out the status of a claim and problems understanding the explanation of benefit payment.
8. It would be useful to see an analysis of responses by race, socioeconomic level, and age for certain questions, e.g., knowledge of whether Medicare pays for mammograms (item 8).

We believe that the coordination efforts mentioned above should go a long way towards improving beneficiary satisfaction and understanding of the Medicare program.

OIG COMMENT: In reference to HCFA's comment number 3 above, we rechecked our figures to ensure their accuracy. The percentages were correct, but different because we calculated percentages for the report and appendix A from different bases. In the report we show the percent of the 652 beneficiaries who answered the question and had been in the hospital. In appendix A, the percent was based on the 950 beneficiaries who answered the question. The 950 beneficiaries included the 652 who had been in the hospital. The 950 beneficiaries also included the 298 who had not been in the hospital. Therefore, the percent shown in appendix A was lower (20 percent) than shown in the report (29 percent).

To eliminate confusion, we deleted the percentages from appendix A and show only the raw number of responses to each question.