

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**MEDICARE BENEFICIARY SATISFACTION:
1994**



JUNE GIBBS BROWN
Inspector General

JUNE 1995
OEI-04-93-00140

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EXECUTIVE SUMMARY

PURPOSE

To determine Medicare beneficiary experience and satisfaction with Medicare services.

BACKGROUND

This is the fourth 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 1994, we mailed a questionnaire to 1279 randomly selected beneficiaries for whom Medicare Part B claims were submitted in Calendar Year 1993. Participation in the survey was voluntary and yielded a response rate of 78 percent--1002 beneficiaries.

FINDINGS

Overall, beneficiaries reported positive experience with several key aspects of the Medicare program.

- Seventy-nine percent of the beneficiaries responding to our survey said the Medicare program was understandable.
- Seventy-five percent of the beneficiaries said they could get information about Medicare when they needed it. Most beneficiaries said they would consult the Medicare Handbook and their physicians to get specific information.
- Eighty-two percent of the beneficiaries said they were aware of the participating physician provision of Medicare. Seventy-one percent reported using participating physicians.
- Eighty-five percent of the beneficiaries said they were satisfied with the way Medicare carriers processed their claims.
- Eighty-two percent of the beneficiaries who had called their carriers were satisfied with the service they received the last time they called.

Compared to prior years, we see positive changes in several areas of the Medicare program.

- In 1991, 67 percent of beneficiaries said they experienced at least one problem with their last Medicare claim. In the last three years, the percent of beneficiaries who experienced a problem decreased by 50 percent.

- Beneficiaries who had appealed decisions about their Medicare claims were more positive about their experiences in 1994 than in 1993. In 1994, 76 percent understood the final decision, compared to 67 percent in 1993. Likewise, in 1994, 62 percent thought their appeals were handled fairly, compared to 59 percent in 1993.
- In 1994, more beneficiaries were seeking Medicare information from an appropriate source. In 1994, 42 percent of the beneficiaries surveyed said they would contact their carrier for Medicare information, compared to 32 percent in 1993. Conversely, fewer beneficiaries said they would contact Social Security for Medicare information--35 percent in 1994 compared to 45 percent in 1993.

Our survey also indicated some trouble spots.

- **Telephone Service**--Twenty-six percent of the beneficiaries who had tried to call their carriers had to call three or more times to get through. Four percent never reached the carrier. Seventy-three percent of the beneficiaries who encountered an automated voice system when calling the carrier experienced problems with the system.
- **Home Health and Hospital Charges**--Thirty-two percent of the beneficiaries who had received home health services did not understand what home health services Medicare paid for. Twenty-three percent of the beneficiaries who had been hospitalized did not understand what hospital charges Medicare had paid for.
- **Physician Fees**--Twenty-six percent of the beneficiaries surveyed did not know Medicare limits physicians' fees for specific services.
- **Appeal Rights**--Thirty-one percent of the beneficiaries surveyed did not know they could appeal or request a review of decisions Medicare carriers made about their claims.
- **Second Surgical Opinions**--Sixty-four percent of the beneficiaries surveyed did not know Medicare pays for a second opinion on the need for surgery.

RECOMMENDATION

We recommend that the Health Care Financing Administration develop a plan for improving beneficiary satisfaction and understanding in the trouble areas mentioned above.

AGENCY COMMENTS

The HCFA Administrator commented on our report, and concurred with our recommendation. He reported that HCFA will soon be conducting a number of demonstrations designed to improve carrier telephone service. Further, HCFA has planned an initiative to increase beneficiary awareness of Medicare coverage for second surgical opinions and is revising the Explanation of Medicare Benefits.

TABLE OF CONTENTS

| | PAGE |
|--|------|
| EXECUTIVE SUMMARY | |
| INTRODUCTION | 1 |
| FINDINGS | 3 |
| Beneficiaries Understand the Medicare Program | 3 |
| General Understanding | 3 |
| Understanding Specific Services | 3 |
| Beneficiaries Get Information When Needed | 4 |
| Getting General Information | 4 |
| Getting Specific Information | 4 |
| Sources of Information | 5 |
| Beneficiaries Are Satisfied With Claims Processing | 5 |
| Claims Processing Problems | 7 |
| Appeal Rights | 8 |
| Beneficiaries Satisfied With Carriers' Telephone Services | 9 |
| Problems With Telephone Services | 10 |
| Problems With Automated Voice System | 12 |
| Beneficiaries Unaware of Payments for Second Surgical Opinions | 13 |
| Beneficiaries Aware of "Participating Physician" Program | 13 |
| RECOMMENDATION | 15 |
| AGENCY COMMENTS | 17 |
| ENDNOTES | 18 |
| APPENDICES | |
| Responses to 1994 Survey of Medicare Beneficiary Satisfaction | A-1 |
| Analysis of Respondents vs. Non-Respondents | B-1 |
| HCFA Comments | C-1 |

INTRODUCTION

PURPOSE

To determine Medicare beneficiary experience and satisfaction 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 Fiscal Year 1993, Medicare served approximately 36 million people, known as beneficiaries, and paid benefits totalling approximately \$143 billion.¹

The Medicare program has two parts. Part A (hospital insurance) helps pay for inpatient hospital care, some inpatient care in a skilled nursing facility, skilled home health care, and hospice care. A person entitled to Medicare automatically receives Part A coverage. Part B (medical insurance) covers physician services, outpatient hospital services, and other medical services and supplies. Part B is optional. Beneficiaries desiring Part B coverage pay a monthly premium. Both Part A and Part B have deductible and coinsurance requirements. Beneficiaries must pay deductibles and coinsurance either out of pocket or through supplemental insurance coverage.

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 premiums for Part B coverage. Private health insurance companies contract with the Federal Government to service claims for Medicare payment. Insurance companies that handle Part A claims are called intermediaries. Those handling Part B claims are called carriers.

METHODS

In July 1994, we mailed a survey instrument to 1299 randomly selected Medicare beneficiaries. We selected beneficiaries for whom Medicare Part B claims had been filed in Calendar Year 1993. Appendix A contains the questionnaire and beneficiaries' responses to the questions.

Based upon previous experience with similar client and beneficiary surveys, the sample size 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.

We dropped 20 beneficiaries from our sample because 15 questionnaires were undeliverable and 5 beneficiaries were deceased. This reduced the sample size from 1299 to 1279.

Beneficiary participation in the survey was voluntary. A total of 1002 beneficiaries returned completed questionnaires, for a response rate of 78 percent. Given the size of our sample and response rate, results of our survey are projectable to the universe of 35 million Medicare beneficiaries. 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 1989,² 1991,³ and 1993,⁴ we conducted national surveys of Medicare beneficiaries to assess their awareness of and satisfaction with various aspects of the Medicare program.

The majority of questions used in the 1994 survey were used in our 1993 survey. Therefore, Medicare beneficiary responses in 1993 and 1994 are comparable. The 1993 and 1994 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 and 1994 surveys than we did in the 1989 and 1991 surveys. Therefore, we cannot compare beneficiary responses in each of the four survey years for all questions. However, we did make comparisons whenever possible, and determined "significant" differences in responses through use of a t-test.

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

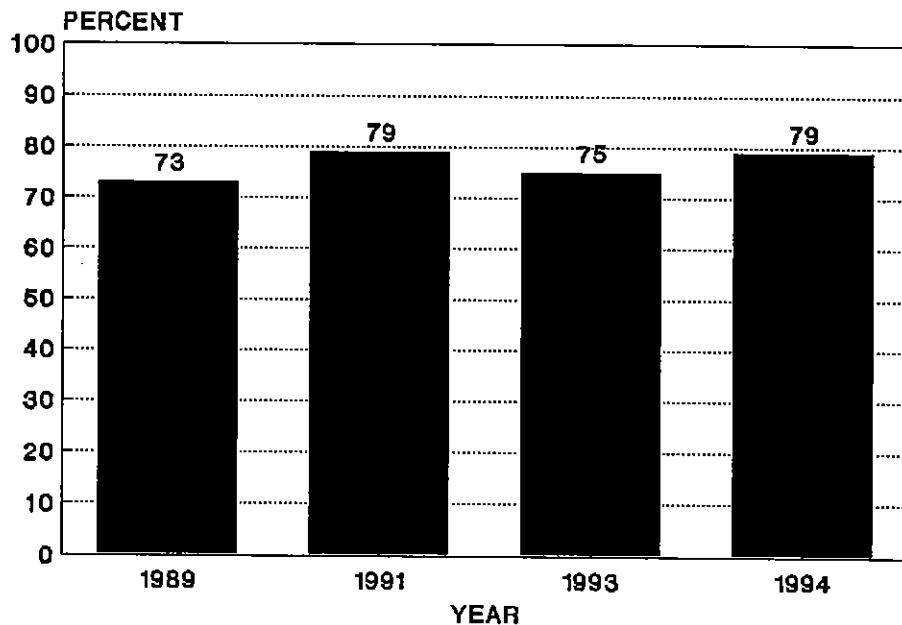
FINDINGS

MOST BENEFICIARIES UNDERSTAND THE MEDICARE PROGRAM

General Understanding

Over three-fourths (79 percent) of the beneficiaries said that the Medicare program is understandable. This is a significant increase over 1993 when 75 percent said the program was understandable. Figure 1 shows the levels of understanding over the four survey years.

FIGURE 1
BENEFICIARIES UNDERSTAND
THE MEDICARE PROGRAM



Understanding Specific Services

Most beneficiaries understand specific payments for services such as home health payments, physician fees, and hospital payments.

Home Health Payments: Of the beneficiaries who had received home health services, 53 percent said they understood what services Medicare had paid for. This is a decrease from 1993, when 68 percent said they understood what home health services Medicare funds had paid for. Fifteen percent in 1994 and 19 percent in 1993 said

they either did not remember if Medicare home health payments were clear, or the claims had not yet been paid.

Physician Fees: We asked the beneficiaries if they knew Medicare limits fees that physicians can charge for specific services. About three-fourths (74 percent) of the beneficiaries knew about the limits. This percent is significantly higher than the 64 percent who knew in 1993.

Hospital Payments: Sixty-two percent of the beneficiaries who had been hospitalized since covered by Medicare said they understood what hospital services Medicare had paid for. Twenty-three percent said it had not been clear to them. The remaining 15 percent either did not remember or Medicare had not yet paid their claims. Such beneficiary responses were about the same as we found in our 1993 survey.

BENEFICIARIES GET INFORMATION WHEN NEEDED

Getting General Information

Seventy-five percent of the beneficiaries said they thought they could get general information about Medicare when they needed it. This is about the same percent of beneficiaries who believed they could do so in 1993. Table 1 illustrates that the percent of beneficiaries who said they can get general information in 1993 and 1994 is less than the percent who believed so in 1989 and 1991. However, the 1993 and 1994 surveys had a "Don't Know" response option that was not offered in 1989 and 1991.

TABLE 1
BENEFICIARIES CAN GET GENERAL INFORMATION

| | 1989 | 1991 | 1993 | 1994 |
|------------|------|------|------|------|
| Yes | 85% | 90% | 72% | 75% |
| No | 15% | 10% | 7% | 5% |
| Don't Know | | | 21% | 20% |

Getting Specific Information

Sixty-seven 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 the percent of beneficiaries who could get specific Medicare information varied from year to year.

TABLE 2
BENEFICIARIES CAN GET SPECIFIC INFORMATION

| CAN GET INFORMATION: | 1989 | 1991 | 1993 | 1994 |
|----------------------|------|------|------|------|
| Most of the Time | 58% | 67% | 60% | 67% |
| Some of the Time | 29% | 23% | 28% | 23% |
| Seldom or Never | 13% | 10% | 12% | 10% |

Sources of Information

From a list of possible places people might go to get answers if they have questions about what Medicare pays for, beneficiaries were asked to indicate which places they would go. They could check more than one likely source.

Most beneficiaries get Medicare information from the *Medicare Handbook* and their doctors' offices. Fifty-three percent of all beneficiaries said they would refer to the *Medicare Handbook*. Fifty percent said they would go to their doctor's office. These responses are about the same as we obtained from beneficiaries on this same question in our 1993 survey.

Beneficiary use of Social Security offices as a source of information decreased between 1993 and 1994. In 1993, 45 percent of the beneficiaries said they would go to a Social Security Office for information. In 1994, only 35 percent said they would use a Social Security office.

Conversely, the number of beneficiaries who said they would contact their Medicare carrier for information increased between 1993 and 1994. About 32 percent said they would use a Medicare carrier in 1993, as compared to 42 percent in 1994.

Medicare Handbook Considered Helpful Source of Information: In both 1994 and 1993, slightly over 40 percent (44 percent and 42 percent, respectively) of the beneficiaries surveyed said they had used their Medicare Handbook in the past year.

In 1994 and 1993, 95 percent and 94 percent of the beneficiaries, respectively, who had used the handbook said it was either "very helpful" or "generally helpful." Most said the handbook is easy to understand, contains adequate information, and the print is easy to read.

BENEFICIARIES ARE SATISFIED WITH PROCESSING OF MEDICARE CLAIMS

Eighty-five percent of the beneficiaries said they are at least "generally" satisfied with the way Medicare carriers processed their claims. As Figure 2 illustrates, few beneficiaries said they were dissatisfied.

**FIGURE 2
SATISFACTION WITH CLAIM PROCESSING**

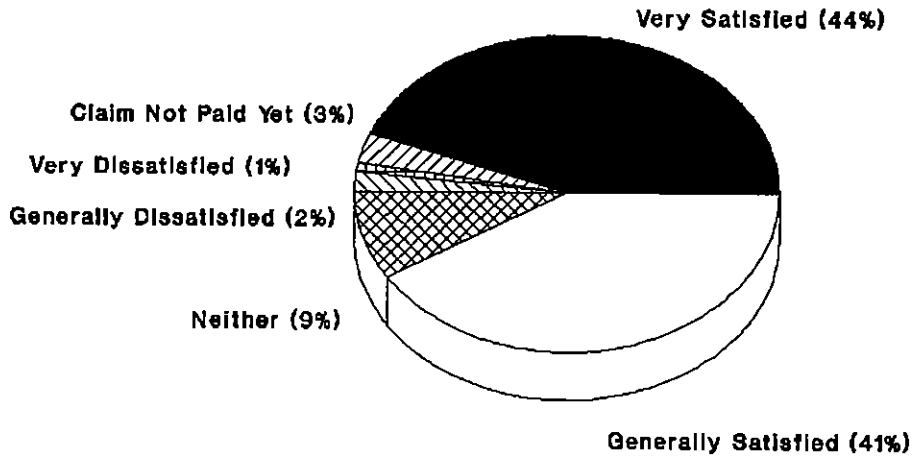
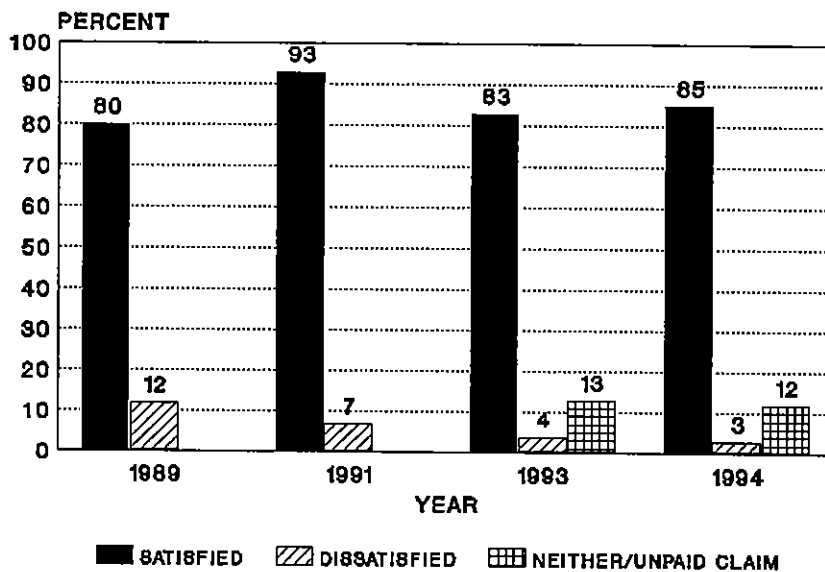


Figure 3 shows the number of beneficiaries expressing satisfaction in 1994 is about the same as that in 1993. The 1993 and 1994 surveys had a response option that was not offered in 1989 and 1991. Also, in 1989, we asked only those beneficiaries who submitted their own claims about their satisfaction. Therefore, we were unable to determine if differences from year to year were significant.

**FIGURE 3
TRENDS IN BENEFICIARY SATISFACTION WITH CLAIMS PROCESSING**



Seventy-three percent of the beneficiaries said Medicare carriers pay claims quickly enough. This is about the same percentage who, in 1993, said claims were paid quickly enough.

Claim Processing Problems

Although 85 percent of the beneficiaries said they were generally satisfied or better with the way Medicare processed their claims, some had encountered difficulties. When given a list of possible reasons beneficiaries might be dissatisfied, 30 percent of the beneficiaries surveyed identified one or more problems with their last Medicare claim. This is less than the 35 percent who cited one or more problems in 1993, and much less than the 67 percent who cited problems in 1991.

Figure 4 shows claim processing problems beneficiaries experienced prior to their claims being paid. Numbers in the figure represent the percent of all beneficiaries surveyed.

**FIGURE 4
BENEFICIARY PROBLEMS PRIOR TO PAYMENT OF CLAIMS**

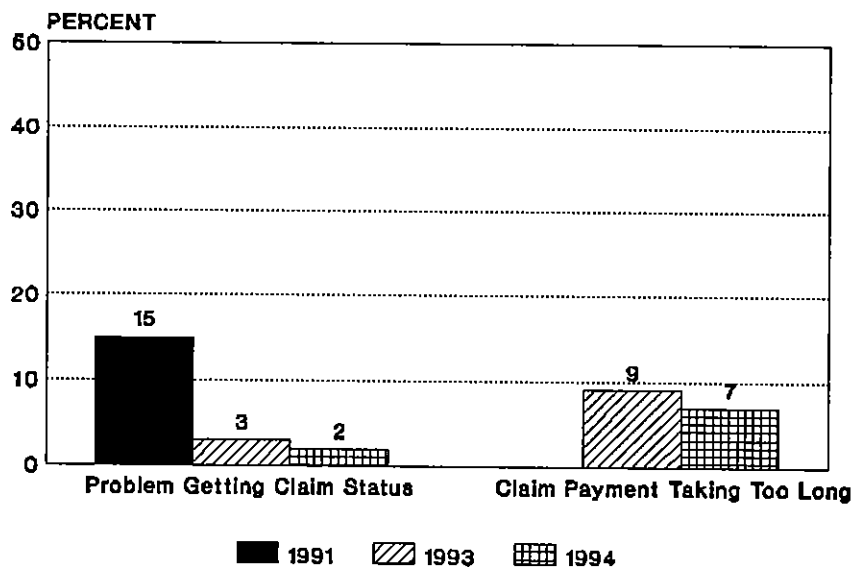
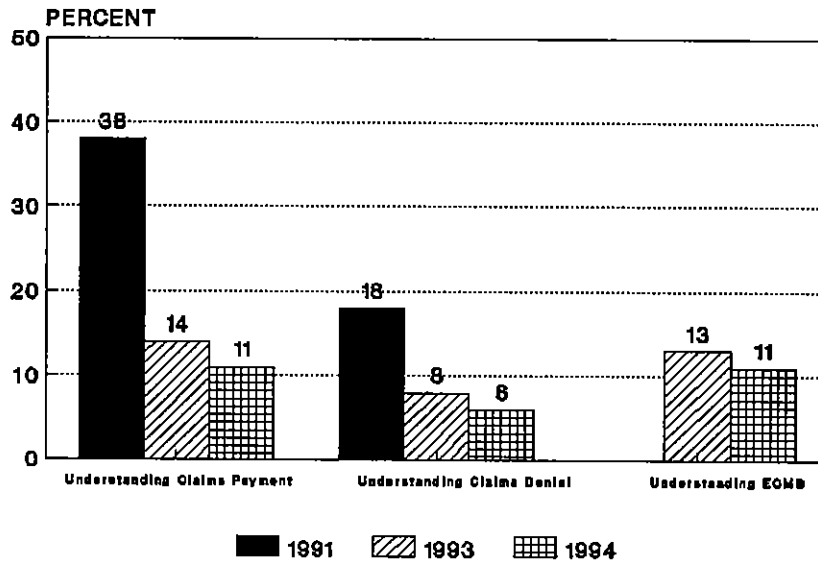


Figure 5 shows claims processing problems beneficiaries experienced after their claims had been paid. Although carriers send beneficiaries an Explanation of Medicare Benefits (EOMB) that explains what a carrier has paid on a Part B claim, beneficiaries continue to have problems understanding the payments. Numbers in Figure 5 represent the percent of all beneficiaries surveyed.

**FIGURE 5
BENEFICIARY PROBLEMS AFTER PAYMENT OF CLAIMS**



Beneficiary Awareness of Appeal Rights

Medicare beneficiaries have a right to appeal or request a review of any decision made on their Medicare claims.

Sixty-nine percent of the beneficiaries we surveyed knew they could appeal or request a review of decisions Medicare carriers made about their claims. Table 3 shows that the number of beneficiaries who knew they could appeal or request a review of their Medicare claims significantly declined in 1994.

**TABLE 3
AWARENESS OF APPEAL RIGHTS**

| YEAR OF SURVEY | BENEFICIARIES AWARE |
|----------------|---------------------|
| 1989 | 76% |
| 1991 | 78% |
| 1993 | 75% |
| 1994 | 69% |

In 1994, only five percent of the beneficiaries said they had ever appealed a Medicare decision on their claims. This response was about the same in 1993 and 1991 when six percent said they had appealed a decision.

In 1993 and 1994, we asked beneficiaries who had appealed about their understanding of final decisions, and their opinion about the fairness of the decision. Table 4 shows that more than three-fourths of the beneficiaries who had appealed understood the appeal decision. Sixty-two percent of them thought their appeals were handled fairly.

**TABLE 4
OPINIONS ABOUT APPEALS**

| | 1993 | 1994 |
|-------------------------------|------|------|
| Understood Final Decision | 67% | 76% |
| Thought Appeal Handled Fairly | 59% | 62% |

BENEFICIARIES ARE SATISFIED WITH CARRIER TELEPHONE SERVICE

Only 26 percent of the beneficiaries we surveyed said they had tried to call their carriers. Figure 6 shows that 82 percent of the beneficiaries who had called their carriers said they were generally or very satisfied with the service they received the last time they called.

**FIGURE 6
SATISFACTION WITH PHONE SERVICE**

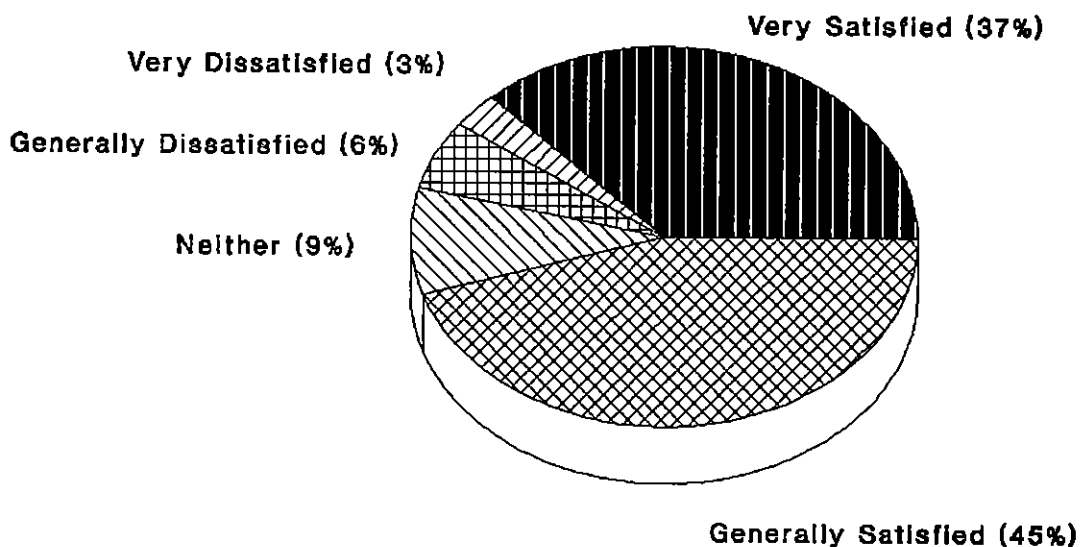
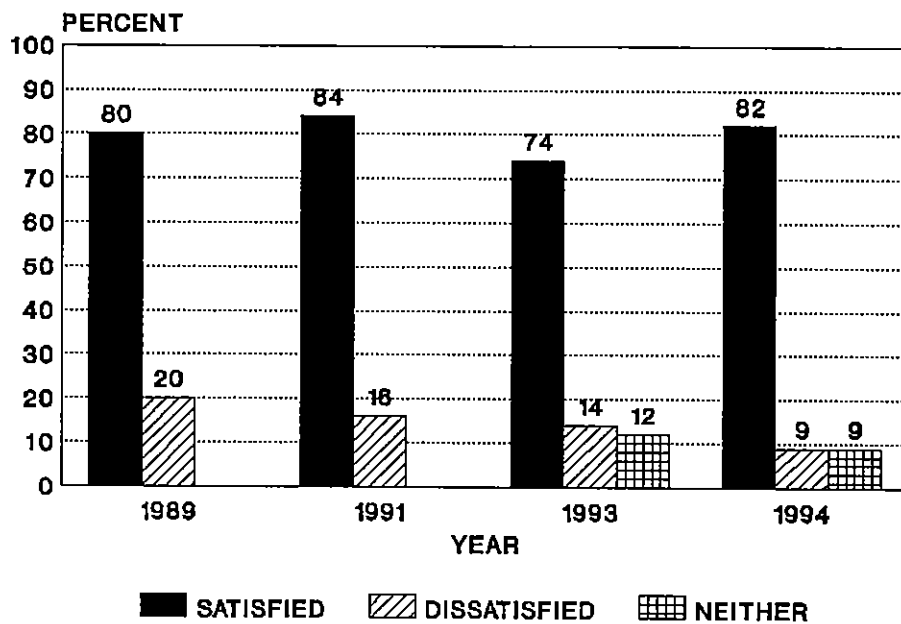


Figure 7 shows the percent of beneficiaries who were satisfied with carrier telephone service increased from 1993. The 1993 and 1994 surveys offered a "Neither Satisfied nor Dissatisfied" option that was not offered in the previous two surveys. Therefore, we were unable to determine if differences in survey results were statistically significant for each of the four survey years.

FIGURE 7
TRENDS IN BENEFICIARY SATISFACTION WHEN CALLING CARRIERS



Problems With Carrier Telephone Service

Less than half of the beneficiaries who called their carriers were able to get through on the first try. However, 70 percent said they were able to get through within two tries. Table 5 shows this is a significant improvement over 1993 when 60 percent said they were able to get through within two tries.

**TABLE 5
CALLING CARRIERS**

| NUMBER OF TRIES | 1993 | 1994 |
|---------------------|------|------|
| First Try | 35% | 46% |
| Second Try | 25% | 24% |
| Three or More Tries | 32% | 26% |
| Never Got Through | 8% | 4% |

The 26 percent of surveyed 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. Fifty-two percent cited one or more problems in 1994, which is a slight increase over 1993 when 50 percent cited problems.

Figure 8 illustrates that some beneficiaries still have problems getting through to the carriers to get questions answered. Numbers shown in the chart represent the percent of the 247 beneficiaries who had called their carriers.

**FIGURE 8
BENEFICIARY PROBLEMS GETTING THROUGH TO CARRIERS**

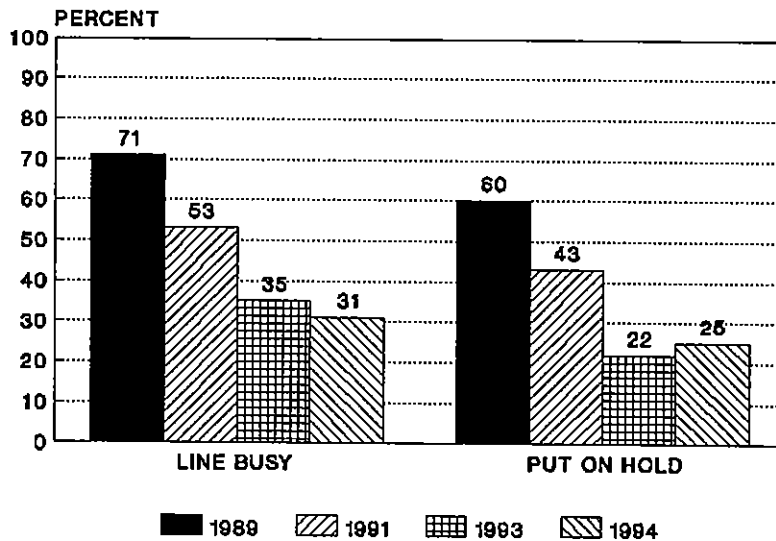
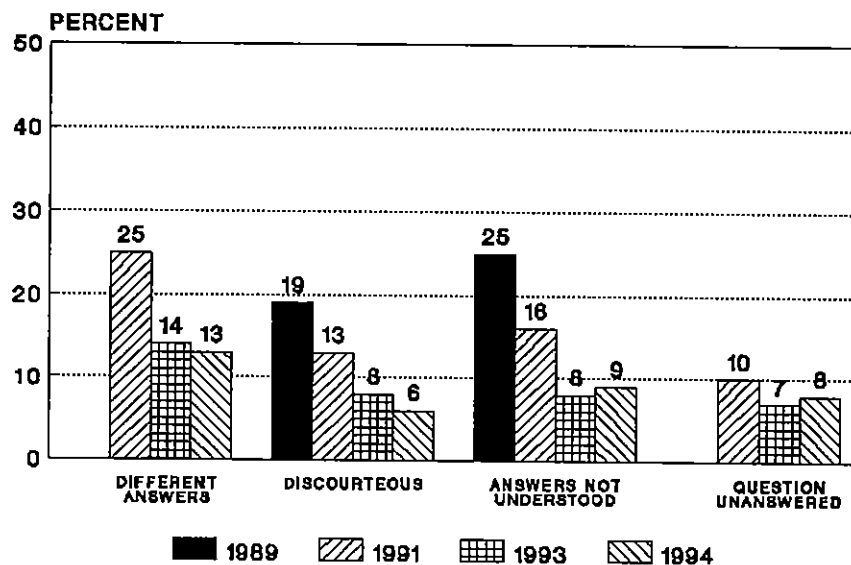


Figure 9 shows problems beneficiaries experienced after they got a telephone connection with their carriers.

**FIGURE 9
BENEFICIARY PROBLEMS AFTER GETTING THROUGH TO CARRIERS**



Problems with Automated Voice Systems

Some Medicare carriers use automated voice systems to handle telephone calls.

Seventy-nine of the 247 beneficiaries who had called their carriers had experienced automated systems. Table 6 shows that more beneficiaries encountered automated voice systems in 1994 than in 1993 and 1991.

**TABLE 6
AUTOMATED VOICE SYSTEM**

| CALL HANDLED BY: | 1991 | 1993 | 1994 |
|-------------------|------|------|------|
| AUTOMATED VOICE | 23% | 31% | 36% |
| MEDICARE EMPLOYEE | 77% | 69% | 64% |

Seventy-three percent (58 of 79) of the beneficiaries using automated voice systems in 1994 said they encountered problems using the systems. This is higher than in 1993 when only 60 percent experienced problems.

We asked those beneficiaries who had encountered automated voice systems to check possible problems they may have had. They could check one or more problems.

- Twenty-one of the 58 beneficiaries citing problems said they did not have a touch-tone telephone to respond to an automated voice system.
- Twenty-six of the 58 beneficiaries said they could not understand the directions given by automated systems.
- Seventeen of the 58 beneficiaries cited other problems, such as the system going too fast and difficulty getting to talk to a person when they needed.

MOST BENEFICIARIES WERE NOT AWARE MEDICARE PAYS FOR SECOND SURGICAL OPINIONS

In 1994, slightly more than a third (36 percent) of all beneficiaries surveyed were aware that Medicare pays for a second opinion on the need for surgery. Table 6 shows that the number of beneficiaries who were aware that Medicare paid for second opinions has decreased each of the four survey years.

**TABLE 6
SECOND SURGICAL OPINIONS**

| | 1989 | 1991 | 1993 | 1994 |
|---------------------------------|------|------|------|------|
| AWARE OF SECOND OPINIONS | 43% | 41% | 39% | 36% |

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 10 shows that the number of beneficiaries who were aware of participating physicians in 1994 is about the same as in 1993, but greater than the percent in 1989 and 1991.

FIGURE 10
BENEFICIARY AWARENESS OF PARTICIPATING PHYSICIANS

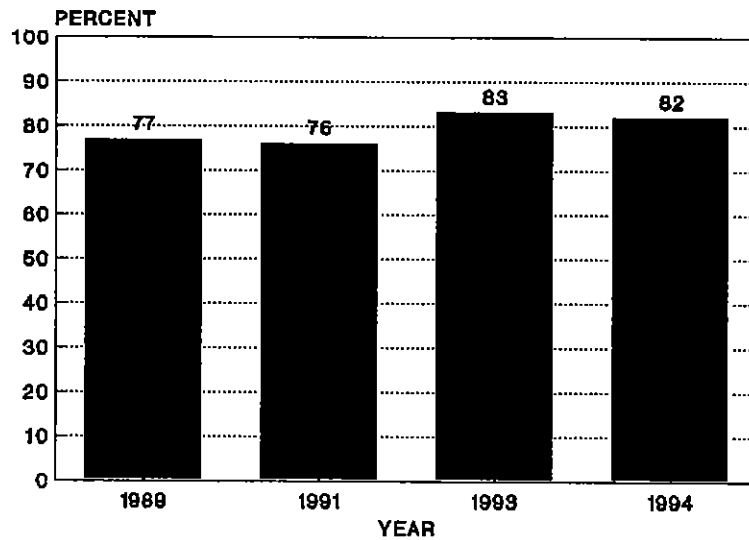
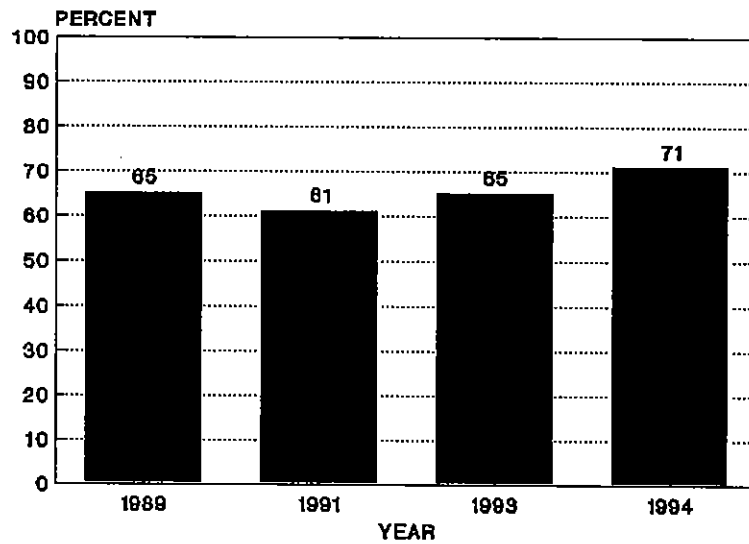


Figure 11 shows that beneficiaries' use of "participating physicians" in 1994 has increased slightly.

FIGURE 11
BENEFICIARY USE OF PARTICIPATING PHYSICIANS



Twenty-two percent of beneficiaries we surveyed said they did not know their carriers provided information on participating physicians.

RECOMMENDATION

The number of beneficiaries who say, overall, they understand the Medicare program has increased since 1993. More beneficiaries are able to get specific information about their coverage, and this is possibly due to their going to more appropriate sources for information. It seems that HCFA and SSA education efforts have been successful in getting beneficiaries to call their carriers with Medicare questions rather than their Social Security offices. However, some particular problems identified by beneficiaries need attention by HCFA.

Telephone Service

Most beneficiaries who had called their carriers for assistance were satisfied with the services they had received. However, the number of beneficiaries experiencing problems calling their carriers increased slightly from our 1993 survey. Further, 26 percent of the beneficiaries had to call three or more times to reach their carriers, and 4 percent were unable to reach their carriers at all. Most beneficiaries who encountered automated voice systems experienced problems with the systems.

Home Health and Hospital Charges

Of the beneficiaries who have had home health services, fewer understood what services Medicare paid for than did in our 1993 survey. Thirty-two percent of the beneficiaries who had received home health services did not understand what home health services Medicare had paid for. This is an increase from 1993 when only 13 percent said they did not understand what home health services Medicare paid for.

Twenty-three percent of beneficiaries who had been hospitalized did not understand what hospital charges Medicare paid for.

Physician Fees

One-fourth of the beneficiaries surveyed did not know Medicare limits physicians' fees for specific services.

Appeal Rights

Beneficiary understanding of appeal rights is decreasing. In 1994, only 69 percent knew about their appeal rights, compare to 75 percent in 1993.

Second Surgical Opinions

Almost two-thirds (64 percent) of the beneficiaries surveyed did not know that Medicare will pay for a second opinion on the need for surgery.

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

We recognize that this beneficiary survey alone does not validate that major problems exist. It does, however, target important areas that are worthy of more attention. As HCFA develops a plan of action to deal with the trouble spots, we will be glad to assist by sharing with HCFA results of recently completed and on-going studies. Among those are studies on EOMBs and home health services.

AGENCY COMMENTS

AGENCY COMMENTS

The HCFA Administrator commented on our report, and concurred with our recommendation. He reported that HCFA will soon be conducting a number of demonstrations designed to improve carrier telephone service. Further, HCFA has planned an initiative to increase beneficiary awareness of Medicare coverage for second surgical opinions and is revising the Explanation of Medicare Benefits.

Appendix C shows the full text of the comments provided by HCFA.

ENDNOTES

1. Health Care Financing Administration, United States Department of Health and Human Services, HCFA Statistics, July 1994.
2. Office of Inspector General, United States Department of Health and Human Services. A Survey of Medicare Beneficiary Satisfaction. OAI-04-89-89040.
3. Office of Inspector General, United States Department of Health and Human Services. Medicare Beneficiary Satisfaction: 1991. OEI-04-90-89030.
4. Office of Inspector General, United States Department of Health and Human Services. Medicare Beneficiary Satisfaction: 1993. OEI-04-92-00480.

APPENDIX A

RESPONSES TO 1994 SURVEY OF MEDICARE BENEFICIARY SATISFACTION

- Not every respondent answered every question. Percentages are based on actual responses. The number of respondents not answering an individual question is not included in the calculation of percentages.
- The sum of individual percentages may not equal 100 percent due to rounding.
- For Questions 5, 6, 14, 18, and 20, respondents could check more than one choice. The sum of the percentages will total more than 100.

| Question | Responses | Percentage |
|----------|-----------|------------|
|----------|-----------|------------|

PART 1: MEDICARE COVERAGE

1. In general, do you think...

a. The Medicare program is understandable?

| | | |
|----------------|-----|----|
| Yes | 745 | 79 |
| No | 198 | 21 |
| Not Answering: | 59 | |

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

| | | |
|----------------|-----|----|
| Yes | 713 | 75 |
| No | 51 | 5 |
| Don't Know | 194 | 20 |
| Not Answering: | 44 | |

c. Medicare pays your claims quickly enough?

| | | |
|----------------|-----|----|
| Yes | 698 | 73 |
| No | 130 | 14 |
| Don't Know | 129 | 13 |
| Not Answering: | 45 | |

| Question | Responses | Percentage |
|----------|-----------|------------|
|----------|-----------|------------|

2. Thinking about the most recent 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. | 323 | 34 |
| Yes, it was clear what Medicare paid for. | 383 | 41 |
| No, it was <u>not</u> clear what Medicare paid for. | 140 | 15 |
| I do not remember if it was clear what Medicare paid for. | 86 | 9 |
| Medicare has not yet paid the hospital. | 9 | 1 |
| Not Answering: 61 | | |

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

| | | |
|-------------------|-----|----|
| Yes | 716 | 74 |
| No | 250 | 26 |
| Not Answering: 36 | | |

| Question | Responses | Percentage |
|---|-----------|------------|
| 4. Thinking about the most recent time you received medical services <u>in your home</u> from a <u>home health agency</u> , was it clear to you what Medicare paid for? | | |

(Check one answer.)

| | | |
|---|-----|----|
| I have not received medical services from a home health agency since I have had Medicare. | 709 | 78 |
| Yes, it was clear what Medicare paid for. | 105 | 11 |
| No, it was <u>not</u> clear what Medicare paid for. | 35 | 4 |
| I do not remember if it was clear what Medicare paid for. | 24 | 3 |
| Medicare has not yet paid for the home health services. | 6 | 1 |
| I don't know what Medicare paid for. | 30 | 3 |
| Not Answering: | 93 | |

5. What types of medical insurance do you or your spouse have in addition to Medicare?

(Check all that apply)

(N = 918 - Number Responding to Question)

| | | |
|---|-----|----|
| Do not have additional insurance coverage | 192 | 21 |
| Medicaid | 83 | 9 |
| Health insurance through your or your spouse's <u>current</u> or <u>former</u> employer | 329 | 36 |
| Private Medicare supplement | 248 | 27 |
| Other | 135 | 15 |
| Not Answering: | 84 | |

| Question | Responses | Percentage |
|----------|-----------|------------|
|----------|-----------|------------|

PART 2: GETTING INFORMATION ABOUT MEDICARE

6. The following are some places people might go to get answers if they have questions about what Medicare pays for. Where would you go to get information about what Medicare pays for?

(Check all that apply.)

(N = 973 - Number Responding to Question)

| | | |
|---|-----|----|
| Your doctor's office | 486 | 50 |
| Friend or relative | 67 | 7 |
| AARP or other membership organization | 135 | 14 |
| Insurance company that processes your Medicare claims | 411 | 42 |
| Social Security office | 337 | 35 |
| Local senior citizens' group | 58 | 6 |
| Insurance salesperson | 24 | 2 |
| Medicare Handbook | 518 | 53 |
| Medicare Peer Review Organization (PRO) | 107 | 11 |
| Other | 26 | 3 |
| Not Answering: | 29 | |

7. When you have needed specific information about what Medicare pays for, how often were you able to get the information you needed?

(Check one answer.)

| | | |
|---------------------------------|-----|----|
| Most of the time | 403 | 42 |
| Some of the time | 141 | 15 |
| Seldom or never | 59 | 6 |
| I have never needed information | 360 | 37 |
| Not Answering: | 39 | |

| Question | Responses | Percentages |
|--|-----------|-------------|
| 8. Listed below are ways the Government could use to tell people about changes in the Medicare program. Which way is best for notifying you of Medicare changes? (Please check <u>ONLY ONE</u> .) | | |
| Announcements on television and radio | 54 | 5 |
| Pamphlets describing the changes | 376 | 39 |
| Notices included with my Social Security check | 164 | 17 |
| New <u>Medicare Handbook</u> | 366 | 37 |
| Announcements in the newspaper | 7 | 1 |
| Speeches or presentations by Medicare representatives | 5 | 1 |
| Other | 3 | 1 |
| Not Answering: 27 | | |
| ----- | | |
| 9. How many times in the past year have you used your <u>Medicare Handbook</u> ? (Check <u>one</u> answer.) | | |
| 1 to 3 times | 331 | 36 |
| More than 3 times | 77 | 8 |
| I have never used the <u>Medicare Handbook</u> (Skip to Q-12) | 297 | 32 |
| I do not know what the <u>Medicare Handbook</u> is (Skip to Q-12) | 27 | 3 |
| I do not recall receiving a <u>Medicare Handbook</u> (Skip to Q-12) | 191 | 21 |
| Not Answering: 79 | | |
| ----- | | |
| 10. Do you think the <u>Medicare Handbook</u> is: (Check <u>one</u> answer.) | | |
| (N = 408 - Number Who Had Used Handbook) | | |
| Very Helpful | 123 | 31 |
| Generally Helpful | 249 | 64 |
| Generally Not Helpful | 14 | 4 |
| Not Helpful | 5 | 1 |
| Not Answering: 17 | | |

| Question | Responses | Percentages |
|--|--|-------------|
| 11. Thinking about the <u>Medicare Handbook</u> you have received, would you say that... | | |
| | (N = 408 - Number Who Had Used Handbook) | |
| a. The wording is easy to understand? | | |
| Yes | 312 | 84 |
| No | 58 | 16 |
| Not Answering: | 38 | |
| b. The lettering is large enough to read? | | |
| Yes | 326 | 93 |
| No | 25 | 7 |
| Not Answering: | 57 | |
| c. It covers enough information? | | |
| Yes | 290 | 87 |
| No | 42 | 13 |
| Not Answering: | 76 | |

PART 3: MEDICARE CLAIMS

| | | |
|---|-----|----|
| 12. Did you know <u>before today</u> that your doctors are supposed to file your Medicare claims for you? | | |
| Yes | 891 | 91 |
| No | 83 | 9 |
| Not Answering: | 28 | |
| <hr/> | | |
| 13. Overall, how satisfied are you with the way Medicare has processed your claims? | | |
| Very Satisfied | 422 | 44 |
| Generally Satisfied | 390 | 41 |
| Neither Satisfied nor Dissatisfied | 83 | 9 |
| Generally Dissatisfied | 22 | 2 |
| Very Dissatisfied | 7 | 1 |
| Medicare has not yet paid claim | 33 | 3 |
| Not Answering: | 45 | |

| Question | Responses | Percentages |
|----------|---|-------------|
| 14. | Did you have any of the following problems the last time you had a Medicare claim for a doctor's visit? | |
| | (Check <u>as many as apply.</u>) | |
| | (N = 920 - Number Responding to Question) | |
| | I had difficulty getting information on the status of my claim. | 23 3 |
| | I did not understand what part of my claim Medicare paid and why. | 107 12 |
| | I did not understand why Medicare denied the claim. | 62 7 |
| | Medicare took too long to pay. | 69 8 |
| | I did not understand the notice Medicare sent (EOMB). | 111 12 |
| | I did not have a problem with my Medicare claim. | 670 73 |
| | Other | 41 4 |
| | Not Answering: 82 | |

PART 4: CALLING MEDICARE

| | | |
|-------|---|--------|
| 15. | Have you ever tried to call the insurance company that processes your Medicare claims? | |
| | Yes | 247 26 |
| | No (Skip to Q-21) | 692 74 |
| | Not Answering: 63 | |
| ----- | | |
| 16. | Thinking about the last time you tried to call, how many tries did it take you to reach them? | |
| | (Check <u>one</u> answer.) | |
| | (N = 247 - Number Who Had Called Carrier) | |
| | First Try | 108 46 |
| | Second Try | 57 24 |
| | Three or More Tries | 62 26 |
| | Never Got Through | 10 4 |
| | Not Answering: 10 | |

| Question | Responses | Percentage |
|----------|--|------------|
| 17. | How satisfied were you with the service you received the last time you called? | |

(Check one answer.)

(N = 247 - Number Who Had Called Carrier)

| | | |
|------------------------------------|-----|----|
| Very Satisfied | 90 | 37 |
| Generally Satisfied | 109 | 45 |
| Neither Satisfied nor Dissatisfied | 23 | 9 |
| Generally Dissatisfied | 14 | 6 |
| Very Dissatisfied | 8 | 3 |
| Not Answering: | 3 | |

18. Listed below are possible problems someone might have when calling the Medicare insurance company. Did you have any problems the last time you called? (Check as many as apply.)

(N = 246 - Number Responding to Question)

| | | |
|--|-----|----|
| Was not able to get question answered | 19 | 7 |
| Line was busy | 76 | 31 |
| Got different answers from different people | 33 | 13 |
| Put on "hold" too long | 61 | 25 |
| Could not understand the answer they gave me | 23 | 9 |
| Person answering the call was not very courteous | 11 | 4 |
| I did not have a problem with the service I received | 141 | 57 |
| Other | 15 | 6 |
| Not Answering: | 1 | |

19. Some Medicare insurance companies use an automated voice system to handle telephone calls. Thinking about the last time you called the Medicare insurance company that processes your claims, how was your call answered?

(N = 247 - Number Who Had Called Carrier)

| | | |
|--|-----|----|
| By an Automated Voice | 79 | 36 |
| By a Medicare Employee (Skip to Q-21) | 143 | 64 |
| Not Answering: | 25 | |

| Question | Responses | Percentages |
|--|-----------|-------------|
| 20. Listed below are possible reasons that someone would be dissatisfied with calling the Medicare insurance company and getting an automated voice. Did you have any of these problems the last time you called? (Check <u>as many as apply.</u>) (N = 58 - Number Responding to Question) | | |
| I did not have a touch-tone telephone | 21 | 36 |
| I could not understand the directions | 26 | 45 |
| Other | 17 | 29 |
| Not Answering: 21 | | |

PART 5: APPEALING CLAIMS

| | | |
|---|-----|----|
| 21. 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 <u>before today</u> that you could appeal or request a review? | | |
| Yes | 657 | 69 |
| No | 289 | 31 |
| Not Answering: 56 | | |

| | | |
|--|-----|----|
| 22. Have you ever appealed a decision made by Medicare on a claim you submitted? | | |
| Yes | 47 | 5 |
| No (Skip to Q-25) | 890 | 95 |
| Not Answering: 65 | | |

| | | |
|---|----|----|
| 23. Did you understand the final decision made on your claim? (N = 47 - Number Who Had Appealed) | | |
| Yes | 28 | 76 |
| No | 9 | 24 |
| Not Answering: 10 | | |

| | | |
|--|----|----|
| 24. Do you think your appeal was handled fairly? (N = 47 - Number Who Had Appealed) | | |
| Yes | 23 | 62 |
| No | 14 | 38 |
| Not Answering: 10 | | |

| Question | Responses | Percentage |
|----------|-----------|------------|
|----------|-----------|------------|

PART 6: GETTING SECOND OPINIONS

25. If your doctor recommends that you have surgery, Medicare will help you pay to get the opinion of another doctor to make sure the surgery is really necessary. Were you aware before today that Medicare would help to pay for you to get a second opinion before having surgery?

| | | |
|----------------|-----|----|
| Yes | 349 | 36 |
| No | 610 | 64 |
| Not Answering: | 43 | |

26. Thinking about the last time you had non-emergency surgery, did you get a second doctor's opinion before having the surgery?

| | | |
|--|-----|----|
| Yes | 138 | 15 |
| No | 412 | 44 |
| I have never had non-emergency surgery | 391 | 42 |
| Not Answering: | 61 | |

PART 7: "PARTICIPATING DOCTORS" PROGRAM

27. 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 the 20% coinsurance.

Before today, had you ever heard about Medicare "participating doctors?"

| | | |
|----------------|-----|----|
| Yes | 786 | 82 |
| No | 176 | 18 |
| Not Answering: | 40 | |

28. Are any of your doctors "participating doctors?"

| | | |
|----------------|-----|----|
| Yes | 680 | 71 |
| No | 70 | 7 |
| Don't Know | 215 | 22 |
| Not Answering: | 37 | |

| Question | Responses | Percentage |
|--|-----------|------------|
| 30. Have you ever contacted the insurance company that processes your Medicare claims to get the names of doctors who are "participating doctors?" | | |
| Yes | 61 | 6 |
| No | 701 | 73 |
| I did not know I could get this information from the insurance company that processes my claims | 197 | 21 |
| Not Answering: 43 | | |
| 31. Thinking about the future, how likely are you to select a "participating doctor" for health care services? | | |
| (Check <u>one</u> answer.) | | |
| Likely to select "participating doctor" | 643 | 69 |
| Not likely to select "participating doctor" | 74 | 8 |
| Will not matter if doctor is "participating" | 210 | 23 |
| Not Answering: 75 | | |

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 performed various analyses, including a comparison of age and gender for the 1002 respondents and the 277 non-respondents. The analyses revealed no significant difference, which suggests that our survey results were not biased.

ANALYSIS BY AGE

The average age for respondents was 74, compared to age 77 for non-respondents. A means test revealed that the difference in average ages for the two groups was statistically significant. Therefore, to analyze for potential bias related to age, we divided respondents into two groups, those younger than 73 1/2 and those older than that age. We then performed a t-test on each group's responses to three key questions on the questionnaire (Questions 1a, 1b, and 1c). Those three questions, posed to all respondents, relate to program understandability, availability of information, and claims processing quickness. That is, the frequency of positive and negative responses for the two age groups was not significantly different. Therefore, no statistical evidence of age bias was shown.

ANALYSIS BY GENDER

The analysis by gender showed that the distribution of male and female respondents was not comparable to the distribution of non-respondents.

| | SAMPLE | RESPONDENTS | NON-RESPONDENTS |
|--------|--------|-------------|-----------------|
| MALE | 43% | 41% | 47% |
| FEMALE | 57% | 59% | 53% |

Due to the significant percentage differences between male and female respondents versus non-respondents, additional analysis was necessary.

We performed a t-test on each gender's responses to three key questions on the questionnaire (Questions 1a, 1b, and 1c). The t-tests revealed no statistically significant differences between responses to those questions by males and responses to those questions by females.

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 test for possible late response bias in this survey, the first 748 responses (75 percent) were compared to the last 244 responses.

Again, three key questions were used for analysis. The early responses to the key questions were, cumulatively, 75.3 percent positive. The later responses were 75.7 percent positive. Although this difference is not statistically significant, we ran the t-test, and found no statistical difference in responses of the early and late responses.

APPENDIX C

HCFA COMMENTS



Memorandum

DATE APR 28 1995

FROM Bruce C. Vladeck *B. Vladeck*
Administrator

SUBJECT Office of Inspector General Draft Report: "Medicare Beneficiary Satisfaction: 1994," (OEI-04-93-00140)

TO June Gibbs Brown
Inspector General

We reviewed the subject draft report which examined Medicare beneficiaries' experience and satisfaction with Medicare services. Our comments are attached for your consideration.

Thank you for the opportunity to review and comment on this report. Please advise us if you would like to discuss our position on the recommendation.

Attachment

| | |
|-----------|-------------------------------------|
| IG | _____ |
| SAIG | _____ |
| PDIG | _____ |
| DIG-AS | _____ |
| DIG-EI | <input checked="" type="checkbox"/> |
| DIG-OI | _____ |
| AIG-CFAA | _____ |
| AIG-MP | _____ |
| OGC/IG | _____ |
| EXSEC | <input checked="" type="checkbox"/> |
| DATE SENT | <u>5/1</u> |

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 1995 MAY -1 P 3:18
 OFFICE OF INSPECTOR
 GENERAL

Comments of the Health Care Financing Administration (HCFA)
on Office of Inspector General (OIG) Report:
"Medicare Beneficiary Satisfaction: 1994"
OEI-04-93-00140

OIG Recommendation

HCFA should develop a plan for improving beneficiary satisfaction and understanding in the trouble areas mentioned in the report; i.e, telephone service, home health and hospital charges, physician fees, appeal rights, and second surgical opinions.

HCFA Response

We concur. Very soon we will be conducting a number of demonstrations designed to improve telephone service. Our consumer initiative will address second surgical opinions. The remaining recommendations will be addressed in the Explanation of Medicare Benefits revision.

If a 1995 survey is planned, we would like to suggest including questions pertaining to managed care or a separate survey devoted to managed care issues.